VINEET KHETAN & ASSOCIATES
CHARTERED ACCOUNTANTS
5th Floor, R. No. : 7, 3B, Lal Bazar Street, Kolkata - 1, Mobile : 9331040655, Phone : (033) 4066 1047
E-mail : khousehouse71@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BAHUBALI TIE-UP PRIVATE LIMITED

We have audited the accompanying standalone financial statements (herein referred to as financial statement in this report) of **BAHUBALI TIE-UP PRIVATE LIMITED**, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss, Cash Flow Statement and the Statement of Changes in Equity for the year then ended, for the year ended, and also a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

Vineet Khetan & Associates Kolkata Chartered Accountants

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its **profit,** its cash flows and its statements of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us, we set out a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

1. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) As explained to us Fixed Assets of the company are physically verified by the management according to a phased programme designed to cover all the items which considering the size and nature of operations of the company appears to be reasonable. Pursuant to such program, no material discrepancies between book records and physical inventory have been noticed on physical verification.

   c) The company does not have any immovable property under the fixed assets, hence the clause is not applicable.

2.) a) The inventory has been physically verified by the management at regular intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them.

   b) In our opinion and according to the information's and explanations given to us, the procedures of physical verification of inventories 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 examinations of records of the inventory, in our opinion, the company is maintaining proper records of inventory except in respect of work-in-progress. As in earlier years, work-in-progress has been determined by the management on the basis of physical verification. The discrepancies ascertained on physical verification between the physical stock and the book records of inventory were not material in relation to the operations of the Company.

3.) The company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Hence clause is not applicable.

4.) According to the records of the company examined by us and according to the information and explanations given to us, in our opinion the company has neither given any guarantees or security nor has made any investments nor given a loan covered under the provisions of section 185 and 186 of the Companies Act, 2013.

5.) The company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under are not applicable.

6.) The rules regarding maintenance of cost records which have been specified by the central government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company.

7.) a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues with the appropriate authorities and there is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the records of the company examined by us and according to information and explanations given to us, there are no dues in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute.

8.) According to the records of the Company examined by us and the information and explanations given to us, the Company has duly repaid loan taken from banks. Further it does not have any outstanding from any financial institutions or government nor has it any outstanding debenture.

9.) In our opinion, and according to the information's and explanations given to us, there was no money raised by way of initial public offer or further public offer (including debt instruments) and the term loan has been applied, on an overall basis, for the purpose for which they were obtained.

10.) According to the information and explanations given to us, we report that neither any fraud by the company nor on the company by its officers / employees has been noticed or reported during the year.

11.) As examined by us, the company has not paid remuneration to any managerial personnel during the period in accordance, hence clause is not applicable.

12.) The company is not a nidhi company. Hence clause is not applicable.

13.) According to the information and explanations given to us, we are of the opinion that all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.

14.) According to the information and explanations given to us, we report that the company has neither made any preferential allotment or private placement of shares nor fully or partly convertible debentures during the year under review. Hence clause is not applicable.

15.) According to the information and explanations given to us, we report that the company has not entered into any non-cash transactions with directors or persons connected with them. Hence clause is not applicable.

16.) According to the information and explanations given to us, we report that company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934.

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

1. 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.

2. 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.

3. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of charges in equity dealt with by this Report are in agreement with the books of account.

4. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

6. With respect to the adequacy of the internal financial controls over financials reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure A.

7. 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:

   (a) The company does not have any pending litigation.

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

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

For **VINEET KHETAN & ASSOCIATES**
Chartered Accountants
FRN: 324428E

Vineet Khetan
Proprietor
Membership No. 060270
Kolkata - 700 001.
Date: 29th Day of May, 2018

Vineet Khetan & Associates
Kolkata
Chartered Accountants

VINEET KHETAN & ASSOCIATES
CHARTERED ACCOUNTANTS
5th Floor, R. No. : 7, 3B, Lal Bazar Street, Kolkata - 1, Mobile : 9331040655, Phone : (033) 4066 1047
E-mail : khousehouse71@gmail.com

TO THE MEMBERS OF BAHUBALI TIE-UP PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of **BAHUBALI TIE-UP PRIVATE LIMITED** as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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.

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(I) Pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(II) 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.

(III) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **VINEET KHETAN & ASSOCIATES**
Chartered Accountants
FRN: 324428E

Vineet Khetan
Proprietor
Membership No. 060270
Kolkata - 700 001.
Date: 29th Day of May, 2018

Vineet Khetan & Associates Chartered Accountants Kolkata

Bahubali Tie-up Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105032

Balance Sheet as on 31.03.2018

Particulars	Note	As at 31.03.18	As at 31.03.17	As at 01.04.16
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	2	88,308	-	-
(b) Intangible	3	-	-	-
(c) Financial Assets				
(i) Other Financial Assets	4	1,81,256	1,81,256	1,81,256
Total Non - Current Assets		**2,69,564**	**1,81,256**	**1,81,256**
Current assets				
(a) Inventories	5	3,78,47,862	3,63,07,328	3,50,32,209
(b) Financial Assets				
(i) Trade receivables	6	1,012	13,170	1,593
(ii) Cash and cash equivalents	7	4,67,072	4,95,676	3,77,478
(iii) Other financial assets	8	34,47,212	17,77,773	10,24,735
(c) Current Tax Assets	9	3,04,104	3,05,610	2,60,260
(d) Other current assets	10	-	-	46,761
Total Current Assets		**4,20,67,262**	**3,88,99,557**	**3,67,43,036**
Total Assets		**4,23,36,826**	**3,90,80,813**	**3,69,24,292**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	11	1,00,000	1,00,000	1,00,000
(b) Other Equity	12	1,50,91,581	1,26,72,489	1,05,35,031
Total equity		**1,51,91,581**	**1,27,72,489**	**1,06,35,031**
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	62,75,775	89,85,938	1,09,64,574
(ii) Other financial liabilities	14	7,47,086	6,71,044	6,03,511
Total non-current liabilities		**70,22,861**	**96,56,982**	**1,15,68,085**
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	1,66,59,793	1,38,06,723	1,00,09,957
(ii) Trade and other payables	16	1,61,351	1,86,090	6,092
(iii) Other financial liabilities	17	26,70,240	21,27,529	43,55,127
(b) Other current liabilities	18	-	-	-
(c) Provisions	19	6,31,000	5,31,000	3,50,000
Total Current Liabilities		**2,01,22,384**	**1,66,51,342**	**1,47,21,176**
Total liabilities		**2,71,45,245**	**2,63,08,324**	**2,62,89,261**
Total Equity & Liabilities		**4,23,36,826**	**3,90,80,813**	**3,69,24,292**

This is the Balance Sheet referred to in our report of even date.

For VINEET KHETAN & ASSOCIATES
Chartered Accountants

Vineet Khetan
Proprietor
Membership No.060270
Place: 3B, Lal bazar Street,
Kolkata - 700 001.
The 28th day of May 2018

Vineet Khetan & Associates Kolkata Chartered Accountants

For and on behalf of the Board
BAHUBALI TIE UP PVT. LTD.
Director
Director

BAHUBALI TIE UP PVT. LTD.
Director
Director

Bahubali Tie-up Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105032

Statement of profit and loss for the year ended 31.03.2018

Particulars	Note	Year ended 31.03.18	Year ended 31.03.17
Revenue			
Revenue from operations	20	4,397,016	4,414,058
Other income	21	-	-
Total Revenue		**4,397,016**	**4,414,058**
Expenses			
Construction Activity Expenses	22	1,540,534	1,275,119
Changes in inventories of work-in-progress	23	(1,540,534)	(1,275,119)
Depreciation and amortisation expense	2	13,692	-
Finance costs	24	1,029,625	1,480,547
Other expenses	25	285,165	253,377
Total expenses		**1,328,482**	**1,733,924**
Profit before tax		**3,068,534**	**2,680,134**
Le Income tax expenses			
- Current tax		631,000	531,000
- Tax Adjustment For Earlier Year		18,442	11,676
Total tax expense		**649,442**	**542,676**
Profit after tax		**2,419,092**	**2,137,458**
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss			
(i) Equity Instruments through Other Comprehensive Income		-	-
(ii) Remeasurements of the defined benefit plans		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**2,419,092**	**2,137,458**
Earnings per equity share			
fit available for Equity Shareholders		2,419,092	2,137,458
Weighted average number of Equity Shares outstanding		10,000	10,000
Basic earnings per share		241.91	213.75
Diluted earnings per share		241.91	213.75

This is the Statement of Profit & Loss referred to in our report of even date.

For and on behalf of the Board
BAHUBALI TIE UP PVT. LTD.
Pradeep Hisaria
Director
Director

For VINEET KHETAN & ASSOCIATES
Chartered Accountants

Vineet Khetan
Proprietor
Membership No.060270
Place: 3B, Lal bazar Street,
Kolkata - 700 001.
The 28th day of May 2018

Vineet Khetan & Associates Chartered Accountants Kolkata

BAHUBALI TIE UP PVT. LTD.
Director
Director

Bahubali Tie-up Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105032

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 4 Financial Assets (Other Financial Assets)			
Unsecured, Considered Good			
Security Deposits	1,81,256	1,81,256	1,81,256
TOTAL	**1,81,256**	**1,81,256**	**1,81,256**
Note 5 Inventories			
(At lower of cost or Net Realisable value)			
Work in Progress	93,72,587	78,32,053	65,56,934
Finished Goods	2,84,75,275	2,84,75,275	2,84,75,275
Total Inventories	**3,78,47,862**	**3,63,07,328**	**3,50,32,209**
Note 6 Financial Assets (Trade receivables)			
Trade receivables	1,012	13,170	1,593
Receivables from related parties	-	-	-
Less: Allowance for doubtful debts	-	-	-
	1,012	**13,170**	**1,593**

All the trade receivables are Unsecured, considered good and does not require any provision or allowance for doubtful debts

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 7 Financial Assets (Cash and Cash Equivalents)			
(a) Balances with banks (Unrestricted in Current Account)	4,30,154	4,53,431	3,23,893
(b) Cash in hand	36,918	42,245	53,585
(c) Cheques, drafts on hand	-	-	-
(d) Others			
Cash and cash equivalents as per balance sheet	**4,67,072**	**4,95,676**	**3,77,478**
Note 8 Financial Assets (Other financial assets)			
Other Advances (Unsecured, considered good)	34,47,212	17,77,773	10,24,735
TOTAL	**34,47,212**	**17,77,773**	**10,24,735**
Note 9 Current tax assets and liabilities			
Current tax assets			
Advance Income Tax and TDS	3,04,104	3,05,610	2,60,260
TOTAL	**3,04,104**	**3,05,610**	**2,60,260**
Note 10 Other current assets			
Other Advances	-	-	46,761
TOTAL	-	-	**46,761**

Khetan & Associates Chartered Accountants Kolkata

Bahubali Tie-up Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105032

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 11 Equity Share Capital			
(Equity Shares of Rs.10/- each)			
a) Authorised Share Capital			
Number of Shares	20,000	20,000	20,000
Total Amount	2,00,000	2,00,000	2,00,000
b) Issued, subscribed and fully paid Share Capital			
Number of Shares	10,000	10,000	10,000
Total Amount	1,00,000	1,00,000	1,00,000
c) Reconciliation of Number of Equity Shares Outstanding			
As at the beginning & end of the year	10,000	10,000	10,000
No shares have either been issued, nor bought back, forfeited			
d) Details of Shareholders holding more than 5% shares with voting right			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	9,800	9,800	9,800
Percentage of total shares held	98.00%	98.00%	98.00%

e) The rights, preferences & restrictions attaching to shares and restrictions on distribution of dividend and repayment of capital

The Company has only one class of equity shares having par value value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

g) Shares held by holding, ultimate holding, or subidiaries or associates of holding			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	9,800	9,800	9,800
Percentage of total shares held	98.00%	98.00%	98.00%
Ravi Prakash Pincha *			
Number of Shares	100	100	100
Percentage of total shares held	1.00%	1.00%	1.00%
Pradeep Kumar Pugalia *			
Number of Shares	100	100	100
Percentage of total shares held	1.00%	1.00%	1.00%

** Both the shareholders holding 100 Shares each are held in capacity of nominee holder of RDB Realty & Infrastructure Ltd*

g) Shares are reserved for issue under options or contracts.			
Number of Shares	-	-	-
Total Amount	-	-	-

h) Shares issued for consideration other than cash or bonus to shareholders or bought back from shareholders within the period of 5 years

No such shares have been issued nor there has been any buy-back

Khetan & Associates Kolkata

Bahubali Tie-up Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105032

Notes to the financial statements as on	**As at 31.03.18**	**As at 31.03.17**	**As at 01.04.16**
Note 12 Other equity			
Reserve & Surplus			
Surplus from Statement of Profit & Loss			
As at the beginning of the year	1,26,72,489	1,05,35,031	89,84,044
Add: Profit for the year	24,19,092	21,37,458	-
Add: Ind AS Adjustments	-	-	15,50,987
As at the end of the year	1,50,91,581	1,26,72,489	1,05,35,031
Other Comprehensive Income			
Equity Instruments through other comprehensive income	-	-	-
Other items of Other Comprehensive Income	-	-	-
Total	**1,50,91,581**	**1,26,72,489**	**1,05,35,031**

Note 14 Financial Liabilities - Borrowings (Non Current)			
Secured - at amortised cost			
Term Loan from Bank	62,75,775	89,85,938	1,09,64,574
The loan is secured against first charge over property classified under inventories and lease rental receivable from the property. Loan is repayable in 96 equal monthly installment of Rs. 2,65,349/- (incl. interest) starting from 05.11.13 and last installment falling due on 05.10.21. The rate of interest is Base Rate Plus 2.60 %			
Total non-current borrowings	**62,75,775**	**89,85,938**	**1,09,64,574**

Note 13 Financial Liability (Other Financial Liability)			
Security Deposits	7,47,086	6,71,044	6,03,511
Total	**7,47,086**	**6,71,044**	**6,03,511**

Note 14 financial liabilities - Borrowings			
(Unsecured, repayable on Demand, including interest accrued)			
From Related Parties	-	-	-
From other than Related Parties	1,66,59,793	1,38,06,723	1,00,09,957
Total	**1,66,59,793**	**1,38,06,723**	**1,00,09,957**

Note 15 financial liabilities - Trade and other payables			
outstanding dues of micro & small entreprises	-	-	-
Other than above	1,61,351	1,86,090	6,092
Total	**1,61,351**	**1,86,090**	**6,092**

Kolkata

Bahubali Tie-up Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105032

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 16 financial liabilities - Other Financial Liabilities			
Current maturity of long term debt	24,15,270	19,03,698	16,82,689
Interest accrued but not due on borrowings	64,932	98,788	1,13,579
Advances from other	-	7,080	15,73,355
Other payable	1,90,038	1,17,963	94,607
Book Debt From Bank	-	-	8,90,897
Total	**26,70,240**	**21,27,529**	**43,55,127**

Note 17 Other Current Liabilities			
Advances from Customer and Others	-	-	-
Total	-	-	-

Note 18 Provisions			
Provision for Income Tax	6,31,000	5,31,000	3,50,000
Total	**6,31,000**	**5,31,000**	**3,50,000**

Kolkata

Bahubali Tie-up Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105032

Notes to the financial statements		Year ended 31.03.18	Year ended 31.03.17
Note 20 Revenue from Operations			
Rental Income		43,97,016	44,14,058
TOTAL		**43,97,016**	**44,14,058**
Note 21 Other Income			
Interest Income		-	-
Total		-	-
Note 22 Construction Activity Expenses			
Other Construction Expenses		2,16,338	12,75,119
Interest Paid		13,24,196	-
Consumption		**15,40,534**	**12,75,119**
Note 23 Changes in inventories of work-in-progress & Finished Goods			
Opening Inventory of Work in Progress		78,32,053	65,56,934
Opening Inventory of Finished Goods		2,84,75,275	2,84,75,275
	Sub Total (A)	3,63,07,328	3,50,32,209
Less : Closing Inventory of Work in Progress		93,72,587	78,32,053
Less : Closing Inventory of Finished Goods		2,84,75,275	2,84,75,275
	Sub Total (B)	3,78,47,862	3,63,07,328
(Increase)/decrease in inventories (A-B)		**(15,40,534)**	**(12,75,119)**
Note 24 Finance Cost			
Interest on Borrowed fund		9,51,741	14,11,784
Other Borrowing Cost			
Notional Interest on Security Deposits		76,042	67,533
Finance Charges		1,842	1,230
Total		**10,29,625**	**14,80,547**
Note 25 Others Expenses			
Rates & Taxes		4,710	5,093
Filing Fees		2,572	3,176
Repairs & Maintenance		2,41,893	2,37,766
Conveyance Expenses			1,896
Printing & Stationary		24,160	
Miscellaneous Expenses		5,860	
Professional Charges		600	-
Interest Penalty charges		370	446
Auditor's Remuneration			
Statutory Audit Fees		5,000	5,000
Total		**2,85,165**	**2,53,377**

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Bahubali Tie-up Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105032

Notes to the financial statements

A. Share Capital

Particulars	Amount (Rs.)
Equity Share Capital as on 01.04.2016	1,00,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2017	1,00,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2018	1,00,000

B. Other Equity

Other Equity

Reserves and surplus attributable to Equity Share holders of the Company	**Amount (Rs.)**
Balance at 1 April 2016	**1,05,35,031**
Transfers	-
Profit for the year	21,37,458
Add:IND AS adjustmnents	-
Other comprehensive income	-
Total comprehensive income for the year	**1,26,72,489**
Balance at 31 March 2017	**1,26,72,489**
Transfers	-
Profit for the Year	24,19,092
Add:IND AS adjustmnents	-
Other comprehensive income	-
Total comprehensive income for the year	**1,50,91,581**
Balance at 31 March 2018	**1,50,91,581**

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Bahubali Tie-up Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
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Notes to the financial statements as on

Note 2 & 3 - Property, Plant and Equipment

Particulars	(2) Tangible Office Equipment		(3) Intangible
Gross carrying amount			
Deemed cost as at 01.04.16	-		-
Additions	-		-
Disposals	-		-
Closing gross carrying amount as on 31.03.17	-		-
Additions	1,02,000		-
Disposals	-		-
Closing gross carrying amount as on 31.03.18	1,02,000		-
Accumulated depreciation as at 01.04.16	-		-
Depreciation charge during the year	-		-
Disposals	-		-
Closing accumulated depreciation as on 31.03.17	-		-
Depreciation charge during the year	13,692		-
Disposals	-		-
Closing accumulated depreciation as on 31.03.18	13,692		-
Net carrying amount as at 01.04.16 as per IND AS	-		-
Net carrying amount as at 31.03.17	-		-
Net carrying amount as at 31.03.18	88,308		-

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Bahubali Tie-Up Private Limited

Cash Flow Statement for the year ended 31st March, 2018

Cash Flow Statement	For the year ended 31st March,2018 (Amount in ₹)		For the year ended 31st March,2017 (Amount in ₹)	
A. Cash flow from operating activities :				
Net profit before tax as per Statement of Profit and Loss		30,68,534		26,80,134
Adjustments for				
Depreciation & Amortisation	13,692		-	
Notional Interest on Security Deposits	76,042		67,533	
Interest Paid	9,51,741	10,41,475	14,11,784	14,79,317
Operating Profit Before Working Capital Changes		**41,10,009**		**41,59,451**
(Increase) / Decrease in inventories	(2,16,338)		(12,75,119)	
(Increase) / Decrease in Trade receivables	12,158		(11,577)	
(Increase) / Decrease of Advances	(16,69,439)		(7,53,038)	
(Increase) / Decrease of Other Current Assets	-		46,761	
Increase / (Decrease) in Trade Payables	(24,739)		1,79,998	
Increase / (Decrease) of Other financial liabilities	64,995		(24,33,816)	
Increase / (Decrease) of Other Current Liabilities	-	(18,33,363)	-	(42,46,791)
Cash generated from operations		**22,76,646**		**(87,340)**
Less: Direct taxes paid/ (Refunds) including Interest (Net)		5,47,936		4,07,026
Cash Flow before Exceptional Items		17,28,710		(4,94,366)
Net cash Generated/(used) from operating activities		**17,28,710**		**(4,94,366)**
B. Cash Flow from Investing Activities :				
Purchase of Fixed Assets		(1,02,000)		
Net cash from investing activities		**(1,02,000)**		-
C. Cash flow from financing activities :				
Proceeds / (Repayment) of Short Term Borrowings	28,53,070		37,96,766	
Proceeds / (Repayment) of Long Term Borrowings	(21,98,591)		(17,57,627)	
Interest Paid	(23,09,793)	(16,55,314)	(14,26,575)	6,12,564
Net cash generated/(used) in financing activities		**(16,55,314)**		**6,12,564**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(28,604)**		**1,18,198**
Cash and cash equivalents -Opening balance		4,95,676		3,77,478
		4,67,073		**4,95,676**
Cash and cash equivalents -Closing balance				
CASH AND CASH EQUIVALENTS :				
Balances with Banks		4,30,154		4,53,431
Cash on hand (As certified by the management)		36,918		42,245
		4,67,072		**4,95,676**

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board

For VINEET KHETAN & ASSOCIATES
Chartered Accountants

BAHUBALI TIE UP PVT. LTD.

BAHUBALI TIE UP PVT. LTD.

Pradeep Tiwari

Director

Director

Vineet Khetan
Proprietor
Member no.060270
3B, Lal bazar street
Kolkata - 700 001.
The 28th day of May 2018

Director

Director

Vineet Khetan & Associates Chartered Accountants Kolkata

26. NOTES TO THE FINANCIAL STATEMENTS

A. Corporate Information

Bahubali Tie-up Private Limited (The Company) is a deemed Public limited company, private company being a subsidiary of Listed Public Company domiciled and incorporated in India. It is a part of a group leading in real estate activities in Eastern India. The registered office of the Company is situated at 8/1, Lalbazar Street, Bikaner Building, 1 Floor, Room No.10, Kolkata-700001. The principle business activity of the company is Real Estate Development.

B. Summary of Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements (Separate financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards(Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013. For all periods up to and including the year ended 31 March 2017, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules,2014 (previous GAAP).

These financial statements for the year ended 31 March 2018 are the first the company has prepared in accordance with Ind AS. Refer to note 33 for an explanation of how the transition from previous GAAP to Ind AS has effected presentation of company's financial position, financial performance and cash flows.

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

All the assets and liabilities have been classified as current and non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013.The normal operating cycle of the company has been considered as 12 months.

b) Use of estimates and management judgments :

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

i) Key estimates and assumptions :

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

Vineet Khetan & Associates
Kolkata
Chartered Accountants

ii) **Revenue recognition, contract costs and valuation of unbilled revenue**

The Company uses the percentage of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

For revenue recognition for projects executed through joint development arrangements, refer clause (ii) below as regards estimates and assumptions involved.

iii) **Estimation of net realisable value for inventory property (including land advance)**

Inventory property is stated at the lower of cost and net realisable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

c) **Property, Plant and Equipment**

The cost of an item of property, plant and equipment comprises of its purchase price, any costs directly attributable to its acquisition and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs when the item is acquired. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

An item of property, plant and equipment and any significant part initially recognized is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is derecognised.

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

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d) **Revenue Recognition-**

Revenue is recognized as follows:

i. Revenue from own construction projects are recognised on Percentage Completion Method. Revenue recognition starts when 25 % of estimated project cost excluding land and marketing cost is incurred, atleast 25% of the saleable project area is secured by contracts or agreements with buyers and Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

ii. Revenue from Construction Contracts are recognised on "Percentage of Completion Method" measured by reference to the survey of works done up to the reporting date and certified by the client before finalisation of projects accounts.

iii. Real Estate: Sales is exclusive of service tax, if any, net of sales return.

iv. Revenue from services are recognised on rendering of services to customers except otherwise stated

v. Rental income from assets is recognised for an accrual basis except in case where ultimate collection is considered doubtful. Rental income is exclusive of service tax

vi. Income from interest is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

e) **Borrowing Costs**

Borrowing costs attributable to the acquisition or construction of a qualifying asset are carried as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the year they are incurred.

f) **Depreciation and amortization**

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

The useful lives estimated for the major classes of property, plant and equipment are as follows:

Depreciation on tangible assets is provided on written down value method over the useful lives of assets estimated by the management and as given in schedule II of The Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged.

Softwares are amortized over the estimated useful life of 5 years.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

g) **Impairment of Non-Financial Assets**

The management periodically assesses using external and internal sources, whether there is an indication that both tangible and intangible asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

h) **Inventories**

Constructed properties, shown as work in progress, includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development costs, construction costs, overheads, borrowing costs, construction materials including material lying at respective sites, finance and administrative expenses which contribute to bring the inventory to their present location and condition and is valued at lower of cost/ estimated cost and net realizable value.

On completion of projects, unsold stocks are transferred to project finished stock under the head "Inventory" and the same is carried at cost or net realizable value, whichever is less.

Finished Goods – Flats: Valued at cost and net realizable value.

Land Inventory: Valued at lower of cost and net realizable value.

Provision for obsolescence in inventories is made, wherever required.

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i) **Retirement Benefits**

No such benefits are payable to any employee.

j) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if the company has a present obligation as a result of past event and the amount of obligation can be reliably estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Possible future or present obligations that may but will probably not require outflow of resources or where the same can not be reliably estimated is disclosed as contingent liability in the financial statement.

k) **Taxes on Income**

i. Tax expense comprises both current and deferred tax. Current tax is determined in respect of taxable income for the year based on applicable tax rates and laws.

ii. Deferred tax Asset/liability is recognized, subject to consideration of prudence, on timing differences being the differences between taxable incomes and accounting income that originates in one year and is capable of reversal in one or more subsequent year and measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each Balance Sheet date to reassess their reliability.

iii. Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

l) **Segment Reporting**

The company has identified that its operating activity is a single primary business segment viz. Real Estate Development and Services carried out in India. Accordingly, whole of India has been considered as one geographical segment

m) **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

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n) **Cash & Cash Equivalents**

Cash and cash equivalents comprise cash & cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management and that are readily convertible to known amounts of cash to be cash equivalents.

o) **Financial Instruments**

➢ **Financial Instruments - Initial recognition and measurement**

Financial assets and financial liabilities are recognized in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➢ **Financial assets –Subsequent measurement**

The Subsequent measurement of financial assets depends on their classification which is as follows:

- <u>Financial assets at fair value through profit or loss</u>
  Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.
- <u>Financial assets measured at amortized cost</u>
  Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.
  Debt instruments at amortised cost:
  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
  i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
  This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

  Debt instrument at FVTOCI
  A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
  i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
  ii. The asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

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Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

- Financial assets at fair value through OCI

  All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument by instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable. If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

- **Financial assets –Derecognition**

  The company derecognizes a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. Upon derecognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

- **Financial liabilities –**

  Initial recognition and measurement

  Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.

  The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

  Subsequent measurement

  The Subsequent measurement of financial liabilities depends on their classification which is as follows:

  - Financial liabilities at fair value through profit or loss

    Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any, and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

    Gains or losses on liabilities held for trading are recognised in the profit or loss.

  - Financial liabilities measured at amortized cost

    Interest bearing loans and borrowings including debentures issued by the company are subsequently measured at amortized cost using the effective interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortized is included in finance costs in the statement of profit and loss.

  - **Financial liabilities –Derecognition**

    A financial liability is derecognized when the obligation under the liability is discharged or expires.

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p) **Fair Value measurement**

The company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or

▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

q) **Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

Khetan & Associates Kolkata Chartered Accountants

27	**Reconciliation of Effective Tax Rate**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit before tax	3068534	2680134
Income tax expense calculated @ 25.75% (2017: 29.87%)	790148	800556
Effect of tax relating to items not allowable		
Effect of different tax rate on certain items	---	---
Difference in tax rates of subsidiary companies	---	---
Effect of income not taxable	---	---
Other differences	(159148)	(269556)
Benefit of previously unrecognised tax loss to reduce current tax expense	---	---
Benefit of previously unrecognised tax loss to reduce deferred tax expense	---	---
Total	631000	531000
Adjustments recognised in the current year in relation to the current tax of prior years	---	---
Income tax recognised in profit or loss	631000	531000

The tax rate used for the year 2016-17 and 2017-18 reconciliations above is the corporate tax payable on taxable profits under the Income Tax Act, 1961.

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28	**Related Party Disclosure**	
	Related Party Relationship Enterprises where control exists - RDB Realty & Infrastructure Ltd – Holding Transactions & Balanaces : No related party transactions nor any balances have been reported by the management.	
29	In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realised in ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary. There is no contingent liability except stated and informed by the Management.	
30	**Contingent Liabilities:-** Nil (P. Y. Nil)	
31	**First Time Adoption of Ind AS**	
	The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance withInd AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as per Ind AS as of 1stApril, 2016 (the transition date) by: (a) recognising all assets and liabilities whose recognition is required by Ind AS, (b) not recognising items of assets or liabilities which are not permitted by Ind AS, (c) reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and (d) applyingInd AS in measurement of recognised assets and liabilities.	
31.1	**Ind AS optional exemptions**	
	Deemed Cost of Property, Plant and Equipment The company did not had any Property, Plant and Equipment as at the date of transition **Deemed Cost of Investment in Subsidiaries, Associates and Joint Ventures** The company did not had any Investment in Subsidiaries, Associates and Joint Ventures as at the date of transition	
31.2	**Ind AS mandatory exemptions**	
	(a)	**Estimates**
		An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP. Ind AS estimates at 1st April, 2016 are consistent with the estimates as at the same date made with conformity with previous GAAP.
	(b)	**De-recognition of Financial Assets and Liabilities**
		Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition retrospectively from a date of entity's choosing. The entity has elected to apply the de-recognition provisions prospectively from the date of transition.
	(c)	**Classification and Measurement of Financial Assets**
		Ind AS 101 requires an entity to assess classification and measurement of assets on the basis of facts and circumstances that exist at the date of transition to Ind AS. The entity has applied this exception.
	(d)	**Fair Valuation of Investments**
		Under the previous GAAP, investments were classified as long term investments or current investments based on the intended holding period and realisability. Under Ind

Kolkata

AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition.

31.3 Transition to Ind AS – Reconciliations

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS:

Reconciliation of Other Equity

Particulars	As on 31.03.2017	As on 01.04.2016
Reserves and Surplus as per IGAAP	**1,11,21,502**	**89,84,044**
Add: Fair valuation of Security Deposits Received	14,74,945	15,50,987
Other Equity as per Ind AS	**1,25,96,447**	**1,05,35,031**

Notes:

(i) Under Indian GAAP, there are certain security deposits received which are carried at nominal value. Ind AS requires the measurement of these assets at fair value at inception and subsequently these assets are measured at amortized cost. At inception date, Company recognises difference between deposit fair value and nominal value as income/expensesand the Company recognises notional interest income/expenses on these deposits over the lease term.

(ii) Indian GAAP required deferred tax accounting using the income statement approach, which focusses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. In addition, the various transitional adjustments lead to different temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(iii) The Company has undertaken a detailed exercise to determine the manner of allocation of expenses to inventory in context of Ind AS and accordingly realignedallocation of expenses and income to comply with Ind AS requirements.

Impact of Ind AS adoption on the Cash Flow Statement for the year ended 31st March, 2017

There are no significant differences between the Cash Flow Statement presented under Ind AS and the Previous GAAP.

32. Financial Instruments and Related Disclosures As on 31.03.2018

Particulars	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Trade receivables	1,012	1,012	1,012
(ii) Cash and cash equivalents	4,67,072	4,67,072	4,67,072
(iii)Other financial assets	36,28,468	36,28,468	36,28,468

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Total Financial Assets	**40,96,552**	**40,96,552**	**40,96,552**
(a) Financial Liabilities			
(i) Borrowings	2,29,35,568	2,29,35,568	2,29,35,568
(ii)Trade and other payables	1,61,351	1,61,351	1,61,351
(iii) Other financial liabilities	34,17,326	34,17,326	34,17,326
Total Financial Liabilities	**2,65,14,245**	**2,65,14,245**	**2,65,14,245**

As on 31.03.2017

Particulars	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Trade receivables	13,170	13,170	-
(ii) Cash and cash equivalents	4,95,676	4,95,676	-
(iii)Other financial assets	19,59,029	19,59,029	-
Total Financial Assets	**24,67,875**	**24,67,875**	**-**
(a) Financial Liabilities			
(i) Borrowings	2,27,92,661	2,27,92,661	-
(ii)Trade and other payables	1,86,090	1,86,090	-
(iii) Other financial liabilities	27,98,573	27,98,573	-
Total Financial Liabilities	**2,57,77,324**	**2,57,77,324**	**-**

As on 01.04.2016

Particulars	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Trade receivables	1,593	1,593	1,593
(ii) Cash and cash equivalents	3,77,478	3,77,478	3,77,478
(iii)Other financial assets	12,05,991	12,05,991	12,05,991
Total Financial Assets	**15,85,062**	**15,85,062**	**15,85,062**
(a) Financial Liabilities			
(i) Borrowings	2,09,74,531	2,09,74,531	2,09,74,531
(ii)Trade and other payables	6,092	6,092	6,092
(iii) Other financial liabilities	49,58,638	49,58,638	49,58,638
Total Financial Liabilities	**2,59,39,261**	**2,59,39,261**	**2,59,39,261**

A. Capital Requirements

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents

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	31-Mar-18 (inRs.)	31-Mar-17 (in Rs.)	01-Apr-16 (in Rs.)
Borrowings (long-term and short-term, including current maturities of long term borrowings)	2,53,50,838	2,46,96,359	2,26,57,220
Trade payables	1,61,351	1,86,090	6,092
Other payables (current and non-current, excluding current maturities of long term borrowings)	10,02,056	8,94,875	32,75,949
Less: Cash and cash equivalents	-4,67,072	-4,95,676	-3,77,478
Net debt	2,60,47,173	2,52,81,648	2,55,61,783
Equity share capital	1,00,000	1,00,000	1,00,000
Other equity	1,50,91,581	1,26,72,489	1,05,35,031
Total Capital	1,51,91,581	1,27,72,489	1,06,35,031
Gearing ratio	**0.58**	**0.51**	**0.42**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

33 Disclosure of Financial Instruments

Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and loans and advances and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

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(a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuatebecause of changes in market prices. Market risk comprises two types of risk: interest rate riskand other price risk, such as equity price risk and commodity/ real estate risk. The Company has not entered into any foreign exchange or commodity derivative contracts. Accordingly, there is no significant exposure to the market risk other than interest risk.

(i) 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 the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Most of the borrowings of the Company are unsecured and at fixed rates. The Company has only one cash credit account which is linked to the Prime Bank Lending Rate. The Company does not enter into any interest rate swaps.

(ii) Price risk

The Company has not made any investments for trading purposes. The surpluses have been deployed in bank deposits as explained above.

(b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

- Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.
- Receivables resulting from other than sale of properties: Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company's credit period generally ranges from 30-60 days.

  The ageing of trade receivables are as follows:

Particulars	**As on 31.03.2018**	**As on 31.03.2017**	**As on 01.04.2016**
More than 6 months	---	---	---
Others	1012	13170	1593

Deposits with banks and financial institutions

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

		Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Board. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2017 and 2016 is the carrying amounts.
	(c)	Liquidity Risk The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. In case of short term requirements, it obtains short-term loans from its Bankers.

Vineet Khetan & Associates * Chartered Accountants * Kolkata

VINEET KHETAN & ASSOCIATES
CHARTERED ACCOUNTANTS
5th Floor, R. No. : 7, 3B, Lal Bazar Street, Kolkata - 1, Mobile : 9331040655, Phone : (033) 4066 1047
E-mail : khousehouse71@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BARON SUPPLIERS PRIVATE LIMITED

We have audited the accompanying standalone financial statements (herein referred to as financial statement in this report) of **BARON SUPPLIERS PRIVATE LIMITED,** which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss, Cash Flow Statement and the Statement of Changes in Equity for the year then ended, for the year ended, and also a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its **profit,** its cash flows and its statements of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us, we set out a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

1. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) As explained to us Fixed Assets of the company are physically verified by the management according to a phased programme designed to cover all the items which considering the size and nature of operations of the company appears to be reasonable. Pursuant to such program, no material discrepancies between book records and physical inventory have been noticed on physical verification.

   c) The company does not have any immovable property under the fixed assets, hence the clause is not applicable.

2.) a) The inventory has been physically verified by the management at regular intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them.

   b) In our opinion and according to the information's and explanations given to us, the procedures of physical verification of inventories 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 examinations of records of the inventory, in our opinion, the company is maintaining proper records of inventory except in respect of work-in-progress. As in earlier years, work-in-progress has been determined by the management on the basis of physical verification. The discrepancies ascertained on physical verification between the physical stock and the book records of inventory were not material in relation to the operations of the Company.

3.) The company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Hence clause is not applicable.

4.) According to the records of the company examined by us and according to the information and explanations given to us, in our opinion the company has neither given any guarantees or security nor has made any investments nor given a loan covered under the provisions of section 185 and 186 of the Companies Act, 2013.

Vineet Khetan & Associates
Kolkata
Chartered Accountants

5.) The company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under are not applicable.

6.) The rules regarding maintenance of cost records which have been specified by the central government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company.

7.) a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues with the appropriate authorities and there is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the records of the company examined by us and according to information and explanations given to us, there are no dues in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute.

8.) According to the records of the Company examined by us and the information and explanations given to us, the Company has duly repaid loan taken from banks. Further it does not have any outstanding from any financial institutions or government nor has it any outstanding debenture.

9.) In our opinion, and according to the information's and explanations given to us, there was no money raised by way of initial public offer or further public offer (including debt instruments) and the term loan has been applied, on an overall basis, for the purpose for which they were obtained.

10.) According to the information and explanations given to us, we report that neither any fraud by the company nor on the company by its officers / employees has been noticed or reported during the year.

11.) As examined by us, the company has not paid remuneration to any managerial personnel during the period in accordance, hence clause is not applicable.

12.) The company is not a nidhi company. Hence clause is not applicable.

13.) According to the information and explanations given to us, we are of the opinion that all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.

14.) According to the information and explanations given to us, we report that the company has neither made any preferential allotment or private placement of shares nor fully or partly convertible debentures during the year under review. Hence clause is not applicable.

15.) According to the information and explanations given to us, we report that the company has not entered into any non-cash transactions with directors or persons connected with them. Hence clause is not applicable.

16.) According to the information and explanations given to us, we report that company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934.

Vineet Khetan & Asso. Kolkata

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

1. 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.

2. 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.

3. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of charges in equity dealt with by this Report are in agreement with the books of account.

4. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

6. With respect to the adequacy of the internal financial controls over financials reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure A.

7. 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:

   (a) The company does not have any pending litigation.

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

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

For **VINEET KHETAN & ASSOCIATES**
Chartered Accountants
FRN: 324428E

Vineet Khetan
Proprietor
Membership No. 060270
Kolkata - 700 001.
Date, The 29th day of May'2018.

Vineet Khetan & Associates * Chartered Accountants
Kolkata

VINEET KHETAN & ASSOCIATES
CHARTERED ACCOUNTANTS
5th Floor, R. No. : 7, 3B, Lal Bazar Street, Kolkata - 1, Mobile : 9331040655, Phone : (033) 4066 1047
E-mail : khousehouse71@gmail.com

TO THE MEMBERS OF BARON SUPPLIERS PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of **BARON SUPPLIERS PRIVATE LIMITED** as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

(I) Pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(II) 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.

(III) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **VINEET KHETAN & ASSOCIATES**
Chartered Accountants
FRN: 324428E

Vineet Khetan
Proprietor
Membership No. 060270
Kolkata - 700 001.
Date, The 29th day of May'2018.

Vineet Khetan & Associates Chartered Accountants Kolkata

Baron Suppliers Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105030

Balance Sheet as on 31.03.2018

Particulars	Note	As at 31.03.18	As at 31.03.17	As at 01.04.16
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	2	88,308	-	-
(b) Intangible	3	-	-	-
(c) Financial Assets				
(i) Other Financial Assets	4	1,80,125	1,80,125	1,80,125
Total Non - Current Assets		**2,68,433**	**1,80,125**	**1,80,125**
Current assets				
(a) Inventories	5	3,97,53,443	3,83,17,902	3,70,42,034
(b) Financial Assets				
(i) Trade receivables	6	21,779	37,504	1,595
(ii) Cash and cash equivalents	7	5,17,494	4,90,332	3,83,931
(iii) Other financial assets	8	-	-	-
(c) Current Tax Assets	9	3,04,104	3,05,610	2,60,260
(d) Other current assets	10	27,671	27,671	42,600
Total Current Assets		**4,06,24,491**	**3,91,79,019**	**3,77,30,420**
Total Assets		**4,08,92,924**	**3,93,59,144**	**3,79,10,545**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	11	1,00,000	1,00,000	1,00,000
(b) Other Equity	12	1,39,42,504	1,16,17,381	96,84,155
Total equity		**1,40,42,504**	**1,17,17,381**	**97,84,155**
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	62,75,775	89,85,938	1,09,64,574
(ii) Other financial liabilities	14	18,50,393	16,43,333	14,59,443
Total non-current liabilities		**81,26,168**	**1,06,29,271**	**1,24,24,017**
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	1,45,38,186	1,36,77,375	95,34,972
(ii) Trade and other payables	16	67,145	67,169	6,091
(iii) Other financial liabilities	17	34,79,921	27,24,848	58,11,310
(b) Other current liabilities	18	-	-	-
(c) Provisions	19	6,39,000	5,43,100	3,50,000
Total Current Liabilities		**1,87,24,252**	**1,70,12,492**	**1,57,02,373**
Total liabilities		**2,68,50,420**	**2,76,41,763**	**2,81,26,390**
Total Equity & Liabilities		**4,08,92,923**	**3,93,59,144**	**3,79,10,545**

This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board
BARON SUPPLIERS PVT. LTD.
Pradeep Mirani
Director
Director

For Vineet Khetan & Associates
Chartered Accountants
Registration No. 324428E

Vineet Khetan
Proprietor
Membership No. 060270
3B, Lal Bazar Street,
Kolkata - 700 001.
The 29th day of May 2018

BARON SUPPLIERS PVT. LTD.
Director
Director

Vineet Khetan & Associates Chartered Accountants Kolkata

Baron Suppliers Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105030

Statement of profit and loss for the year ended 31.03.2018

Particulars	Note	Year ended 31.03.18	Year ended 31.03.17
Revenue			
Revenue from operations	20	43,97,016	44,14,058
Other income	21	-	-
Total Revenue		**43,97,016**	**44,14,058**
Expenses			
Construction Activity Expenses	22	14,35,541	12,75,868
Changes in inventories of work-in-progress	23	(14,35,541)	(12,75,868)
Depreciation and amortisation expense	2	13,692	-
Finance costs	24	11,59,984	15,96,890
Other expenses	25	2,51,720	2,47,936
Total expenses		**14,25,396**	**18,44,826**
Profit before tax		**29,71,620**	**25,69,232**
Less: Income tax expenses			
Current tax		6,39,000	5,43,100
- Tax Adjustment For Earlier Year		7,497	92,906
Total tax expense		**6,46,497**	**6,36,006**
Profit after tax		**23,25,123**	**19,33,226**
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss			
(i) Equity Instruments through Other Comprehensive Income		-	-
(ii) Remeasurements of the defined benefit plans		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**23,25,123**	**19,33,226**
Earnings per equity share			
Profit available for Equity Shareholders		23,25,123	19,33,226
Weighted average number of Equity Shares outstanding		10,000	10,000
Basic earnings per share		232.51	193.32
Diluted earnings per share		232.51	193.32

This is the Statement of Profit & Loss referred to in our report of even date.

For and on behalf of the Board

BARON SUPPLIERS PVT. LTD.

Pradeep ...

Director

For Vineet Khetan & Associates
Chartered Accountants
Registration No. 324428E

Vineet Khetan
Proprietor
Membership No. 060270
3B, Lal Bazar Street,
Kolkata - 700 001.
The 29th day of May 2018

Vineet Khetan & Associates Kolkata Chartered Accountants

BARON SUPPLIERS PVT. LTD.

Director

Baron Suppliers Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105030

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16

Note 4 Financial Assets (Other Financial Assets)			
Unsecured, Considered Good			
Security Deposits	1,80,125	1,80,125	1,80,125
TOTAL	**1,80,125**	**1,80,125**	**1,80,125**

Note 5 Inventories			
(At lower of cost or Net Realisable value)			
Work in Progress	1,24,04,928	1,09,69,387	96,93,519
Finished Goods	2,73,48,515	2,73,48,515	2,73,48,515
Total Inventories	**3,97,53,443**	**3,83,17,902**	**3,70,42,034**

Note 6 Financial Assets (Trade receivables)			
Trade receivables	21,779	37,504	1,595
Receivables from related parties	-	-	-
Less: Allowance for doubtful debts	-	-	-
	21,779	**37,504**	**1,595**

All the trade receivables are Unsecured, considered good and does not require any provision or allowance for doubtful debts

Note 7 Financial Assets (Cash and Cash Equivalents)			
(a) Balances with banks (Unrestricted in Current Account)	4,57,811	4,30,470	3,23,893
(b) Cash in hand	59,683	59,862	60,038
(c) Cheques, drafts on hand	-	-	-
(d) Others			
Cash and cash equivalents as per balance sheet	**5,17,494**	**4,90,332**	**3,83,931**

Note 8 Financial Assets (Other financial assets)			
Other Advances (Unsecured, considered good)	-	-	-
TOTAL	**-**	**-**	**-**

Note 9 Current tax assets and liabilities			
Current tax assets			
Advance Income Tax and TDS	3,04,104	3,05,610	2,60,260
TOTAL	**3,04,104**	**3,05,610**	**2,60,260**

Note 10 Other current assets			
Other Advances	27,671	27,671	42,600
TOTAL	**27,671**	**27,671**	**42,600**

Vineet Khetan & Associates, Chartered Accountants, Kolkata

Baron Suppliers Private Limited
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CIN: U51109WB2005PTC105030

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 11 Equity Share Capital			
(Equity Shares of Rs.10/- each)			
a) Authorised Share Capital			
Number of Shares	20,000	20,000	20,000
Total Amount	2,00,000	2,00,000	2,00,000
b) Issued, subscribed and fully paid Share Capital			
Number of Shares	10,000	10,000	10,000
Total Amount	1,00,000	1,00,000	1,00,000
c) Reconciliation of Number of Equity Shares Outstanding			
As at the beginning & end of the year	10,000	10,000	10,000
No shares have either been issued, nor bought back, forfeited			
d) Details of Shareholders holding more than 5% shares with voting right			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	9,800	9,800	9,800
Percentage of total shares held	98.00%	98.00%	98.00%

e) The rights, preferences & restrictions attaching to shares and restrictions on distribution of dividend and repayment of capital

The Company has only one class of equity shares having par value value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

	As at 31.03.18	As at 31.03.17	As at 01.04.16
g) Shares held by holding, ultimate holding, or subidiaries or associates of holding			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	9,800	9,800	9,800
Percentage of total shares held	98.00%	98.00%	98.00%
Ravi Prakash Pincha *			
Number of Shares	100	100	100
Percentage of total shares held	1.00%	1.00%	1.00%
Pradeep Kumar Pugalia *			
Number of Shares	100	100	100
Percentage of total shares held	1.00%	1.00%	1.00%

** Both the shareholders holding 100 Shares each are held in capacity of nominee holder of RDB Realty & Infrastructure Ltd*

	As at 31.03.18	As at 31.03.17	As at 01.04.16
g) Shares are reserved for issue under options or contracts.			
Number of Shares	-	-	-
Total Amount	-	-	-

h) Shares issued for consideration other than cash or bonus to shareholders or bought back from shareholders within the period of 5 years

No such shares have been issued nor there has been any buy-back

Baron Suppliers Private Limited
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Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 12 Other equity			
Reserve & Surplus			
Surplus from Statement of Profit & Loss			
As at the beginning of the year	1,16,17,381	96,84,155	89,89,100
Add: Profit for the year	23,25,123	19,33,226	-
Add: Ind AS Adjustments	-	-	6,95,055
As at the end of the year	1,39,42,504	1,16,17,381	96,84,155
Other Comprehensive Income			
Equity Instruments through other comprehensive income	-	-	-
Other items of Other Comprehensive Income	-	-	-
Total	**1,39,42,504**	**1,16,17,381**	**96,84,155**

Note 14 Financial Liabilities - Borrowings (Non Current)			
Secured - at amortised cost			
Term Loan from Bank	62,75,775	89,85,938	1,09,64,574
The loan is secured against first charge over property classified under inventories and lease rental receivable from the property. Loan is repayable in 96 equal monthly installment of Rs. 2,65,349/- (incl. interest) starting from 05.11.13 and last installment falling due on 05.10.21. The rate of interest is Base Rate Plus 2.60 %			
Total non-current borrowings	**62,75,775**	**89,85,938**	**1,09,64,574**

Note 13 Financial Liability (Other Financial Liability)			
Security Deposits	18,50,393	16,43,333	14,59,443
Total	**18,50,393**	**16,43,333**	**14,59,443**

Note 14 financial liabilities - Borrowings			
(Unsecured, repayable on Demand, including interest accrued)			
From Related Parties	-	-	-
From other than Related Parties	1,45,38,186	1,36,77,375	95,34,972
Total	**1,45,38,186**	**1,36,77,375**	**95,34,972**

Note 15 financial liabilities - Trade and other payables			
outstanding dues of micro & small entreprises	-	-	-
Other than above	67,145	67,169	6,091
Total	**67,145**	**67,169**	**6,091**

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Baron Suppliers Private Limited
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Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 16 financial liabilities - Other Financial Liabilities			
Current maturity of long term debt	24,15,270	19,03,698	16,82,689
Interest accrued but not due on borrowings	64,932	98,788	1,13,579
Advances from other	8,21,354	6,05,016	30,04,769
Other payable	1,78,364	1,17,346	92,813
Book Debt From Bank	-	-	9,17,460
Total	**34,79,921**	**27,24,848**	**58,11,310**

Note 17 Other Current Liabilities			
Advances from Customer and Others	-	-	-
Total	-	-	-

Note 18 Provisions			
Provision for Income Tax	6,39,000	5,43,100	3,50,000
Total	**6,39,000**	**5,43,100**	**3,50,000**

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Baron Suppliers Private Limited
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Notes to the financial statements		Year ended 31.03.18	Year ended 31.03.17
Note 20 Revenue from Operations			
Rental Income		43,97,016	44,14,058
TOTAL		**43,97,016**	**44,14,058**
Note 21 Other Income			
Interest Income		-	-
Total		-	-
Note 22 Construction Activity Expenses			
Other Construction Expenses		2,16,338	12,75,868
Interest Paid		12,19,203	-
Consumption		**14,35,541**	**12,75,868**
Note 23 Changes in inventories of work-in-progress & Finished Goods			
Opening Inventory of Work in Progress		1,09,69,387	96,93,519
Opening Inventory of Finished Goods		2,73,48,515	2,73,48,515
	Sub Total (A)	3,83,17,902	3,70,42,034
Less : Closing Inventory of Work in Progress		1,24,04,928	1,09,69,387
Less : Closing Inventory of Finished Goods		2,73,48,515	2,73,48,515
	Sub Total (B)	3,97,53,443	3,83,17,902
(Increase)/decrease in inventories (A-B)		**(14,35,541)**	**(12,75,868)**
Note 24 Finance Cost			
Interest on Borrowed fund		9,51,741	14,11,770
Other Borrowing Cost			
Notional Interest on Security Deposits		2,07,060	1,83,890
Finance Charges		1,183	1,230
Total		**11,59,984**	**15,96,890**
Note 25 Others Expenses			
Rates & Taxes		4,710	4,400
Filing Fees		2,579	2,576
Repairs & Maintenance		2,37,768	2,33,605
Professional Charges		600	2,200
Interest Penalty charges		1,063	155
Auditor's Remuneration			
Statutory Audit Fees		5,000	5,000
Total		**2,51,720**	**2,47,936**

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Baron Suppliers Private Limited
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Notes to the financial statements as on

Note 2 & 3 - Property, Plant and Equipment

Particulars	(2) Tangible Office Equipment		(3) Intangible
Gross carrying amount			
Deemed cost as at 01.04.16	-		-
Additions	-		-
Disposals	-		-
Closing gross carrying amount as on 31.03.17	-		-
Additions	1,02,000		-
Disposals	-		-
Closing gross carrying amount as on 31.03.18	1,02,000		-
Accumulated depreciation as at 01.04.16	-		-
Depreciation charge during the year	-		-
Disposals	-		-
Closing accumulated depreciation as on 31.03.17	-		-
Depreciation charge during the year	13,692		-
Disposals	-		-
Closing accumulated depreciation as on 31.03.18	13,692		-
Net carrying amount as at 01.04.16 as per IND AS	-		-
Net carrying amount as at 31.03.17	-		-
Net carrying amount as at 31.03.18	88,308		-

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Baron Suppliers Private Limited
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CIN: U51109WB2005PTC105030

Notes to the financial statements

A. Share Capital

Particulars	Amount (Rs.)
Equity Share Capital as on 01.04.2016	1,00,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2017	1,00,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2018	1,00,000

B. Other Equity

Other Equity

Reserves and surplus attributable to Equity Share holders of the Company	**Amount (Rs.)**
Balance at 1 April 2016	**96,84,155**
Transfers	-
Profit for the year	19,33,226
Add:IND AS adjustments	-
Other comprehensive income	-
Total comprehensive income for the year	**1,16,17,381**
Balance at 31 March 2017	**1,16,17,381**
Transfers	-
Profit for the Year	23,25,123
Add:IND AS adjustments	-
Other comprehensive income	-
Total comprehensive income for the year	**1,39,42,504**

Baron Suppliers Private Limited

Cash Flow Statement for the year ended 31st March, 2018

Cash Flow Statement	For the year ended 31st March,2018		For the year ended 31st March,2017	
A. Cash flow from operating activities :				
Net profit before tax as per Statement of Profit and Loss		29,71,620		25,69,232
Adjustments for				
Depreciation & Amortisation	13,692		-	
Notional Interest on Security Deposits	2,07,060		1,83,890	
Interest Paid	9,51,741	11,72,493	14,11,770	15,95,660
Operating Profit Before Working Capital Changes		**41,44,113**		**41,64,892**
(Increase) / Decrease in Inventories	(2,16,338)		(12,75,868)	
(Increase) / Decrease in Trade receivables	15,725		(35,909)	
(Increase) / Decrease of Advances	-		-	
(Increase) / Decrease of Other Current Assets	-		14,929	
Increase / (Decrease) in Trade Payables	(24)		61,078	
Increase / (Decrease) of Other financial liabilities	2,77,357		(32,92,680)	
Increase / (Decrease) of Other Current Liabilities	-	76,720	-	(45,28,450)
Cash generated from operations		**42,20,832**		**(3,63,558)**
Less: Direct taxes paid/ (Refunds) including Interest (Net)		5,49,091		4,88,256
Cash Flow before Exceptional Items		36,71,741		(8,51,814)
Net cash Generated/(used) from operating activities		**36,71,741**		**(8,51,814)**
B. Cash Flow from Investing Activities :				
Purchase of Fixed Assets		(1,02,000)		
Net cash from investing activities		**(1,02,000)**		-
C. Cash flow from financing activities :				
Proceeds / (Repayment) of Short Term Borrowings	8,60,811		41,42,403	
Proceeds / (Repayment) of Long Term Borrowings	(21,98,591)		(17,57,627)	
Interest Paid	(22,04,800)	(35,42,580)	(14,26,561)	9,58,215
Net cash generated/(used) in financing activities		**(35,42,580)**		**9,58,215**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**27,161**		**1,06,401**
Cash and cash equivalents -Opening balance		4,90,332		3,83,931
		5,17,493		**4,90,332**
Cash and cash equivalents -Closing balance				
CASH AND CASH EQUIVALENTS :				
Balances with Banks		4,57,811		4,30,470
Cash on hand (As certified by the management)		59,683		59,862
		5,17,494		**4,90,332**

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board

For Vineet Khetan & Associates
Chartered Accountants
Registration No. 324428E

BARON SUPPLIERS PVT. LTD.

BARON SUPPLIERS PVT. LTD.

Pradeep Tiwari

Vineet Khetan
Proprietor
Membership No. 060270
3B, Lal Bazar Street,
Kolkata - 700 001.
The 29th day of May 2018

Director

Director

Director

Director

Vineet Khetan & Associates
Kolkata
Chartered Accountants

26. NOTES TO THE FINANCIAL STATEMENTS

A. Corporate Information

Baron Suppliers Private Limited (The Company) is a deemed Public limited company, private company being a subsidiary of Listed Public Company domiciled and incorporated in India. It is a part of a group leading in real estate activities in Eastern India. The registered office of the Company is situated at 8/1, Lalbazar Street, Bikaner Building, 1 Floor, Room No.10, Kolkata-700001. The principle business activity of the company is Real Estate Development.

B. Summary of Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements (Separate financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards(Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013. For all periods up to and including the year ended 31 March 2017, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules,2014 (previous GAAP).

These financial statements for the year ended 31 March 2018 are the first the company has prepared in accordance with Ind AS. Refer to note29 for an explanation of how the transition from previous GAAP to Ind AS has effected presentation of company's financial position, financial performance and cash flows.

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

All the assets and liabilities have been classified as current and non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013.The normal operating cycle of the company has been considered as 12 months.

b) Use of estimates and management judgments :

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

i) Key estimates and assumptions :

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

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ii) **Revenue recognition, contract costs and valuation of unbilled revenue**

The Company uses the percentage of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

For revenue recognition for projects executed through joint development arrangements, refer clause (ii) below as regards estimates and assumptions involved.

iii) **Estimation of net realisable value for inventory property (including land advance)**

Inventory property is stated at the lower of cost and net realisable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

c) **Property, Plant and Equipment**

The cost of an item of property, plant and equipment comprises of its purchase price, any costs directly attributable to its acquisition and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs when the item is acquired. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

An item of property, plant and equipment and any significant part initially recognized is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is derecognised.

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

d) **Revenue Recognition-**

Revenue is recognized as follows:

i. Revenue from own construction projects are recognised on Percentage Completion Method. Revenue recognition starts when 25 % of estimated project cost excluding land and marketing cost is incurred, atleast 25% of the saleable project area is secured by contracts or agreements with buyers and Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

ii. Revenue from Construction Contracts are recognised on "Percentage of Completion Method" measured by reference to the survey of works done up to the reporting date and certified by the client before finalisation of projects accounts.

iii. Real Estate: Sales is exclusive of service tax, if any, net of sales return.

iv. Revenue from services are recognised on rendering of services to customers except otherwise stated

v. Rental income from assets is recognised for an accrual basis except in case where ultimate collection is considered doubtful. Rental income is exclusive of service tax

vi. Income from interest is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

e) **Borrowing Costs**

Borrowing costs attributable to the acquisition or construction of a qualifying asset are carried as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the year they are incurred.

f) **Depreciation and amortization**

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

The useful lives estimated for the major classes of property, plant and equipment are as follows:

Depreciation on tangible assets is provided on written down value method over the useful lives of assets estimated by the management and as given in schedule II of The Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged.

Softwares are amortized over the estimated useful life of 5 years.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

g) **Impairment of Non-Financial Assets**

The management periodically assesses using external and internal sources, whether there is an indication that both tangible and intangible asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

h) **Inventories**

Constructed properties, shown as work in progress, includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development costs, construction costs, overheads, borrowing costs, construction materials including material lying at respective sites, finance and administrative expenses which contribute to bring the inventory to their present location and condition and is valued at lower of cost/ estimated cost and net realizable value.

On completion of projects, unsold stocks are transferred to project finished stock under the head "Inventory" and the same is carried at cost or net realizable value, whichever is less.

Finished Goods – Flats: Valued at cost and net realizable value.

Land Inventory: Valued at lower of cost and net realizable value.

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Kolkata
Chartered Accountants

Provision for obsolescence in inventories is made, wherever required.

i) **Retirement Benefits**

No such benefits are payable to any employee.

j) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if the company has a present obligation as a result of past event and the amount of obligation can be reliably estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Possible future or present obligations that may but will probably not require outflow of resources or where the same can not be reliably estimated is disclosed as contingent liability in the financial statement.

k) **Taxes on Income**

i. Tax expense comprises both current and deferred tax. Current tax is determined in respect of taxable income for the year based on applicable tax rates and laws.

ii. Deferred tax Asset/liability is recognized, subject to consideration of prudence, on timing differences being the differences between taxable incomes and accounting income that originates in one year and is capable of reversal in one or more subsequent year and measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each Balance Sheet date to reassess their reliability.

iii. Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

l) **Segment Reporting**

The company has identified that its operating activity is a single primary business segment viz. Real Estate Development and Services carried out in India. Accordingly, whole of India has been considered as one geographical segment

m) **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

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n) **Cash & Cash Equivalents**

Cash and cash equivalents comprise cash & cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management and that are readily convertible to known amounts of cash to be cash equivalents.

o) **Financial Instruments**

➢ **Financial Instruments - Initial recognition and measurement**

Financial assets and financial liabilities are recognized in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➢ **Financial assets –Subsequent measurement**

The Subsequent measurement of financial assets depends on their classification which is as follows:

- <u>Financial assets at fair value through profit or loss</u>
  Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.
- <u>Financial assets measured at amortized cost</u>
  Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

  Debt instruments at amortised cost:

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

  i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
     This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

  Debt instrument at FVTOCI

  A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

  i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
  ii. The asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

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Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

- Financial assets at fair value through OCI

  All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument by instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable. If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

- **Financial assets –Derecognition**

  The company derecognizes a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. Upon derecognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

- **Financial liabilities –**

  Initial recognition and measurement

  Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.

  The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

  Subsequent measurement

  The Subsequent measurement of financial liabilities depends on their classification which is as follows:

  - Financial liabilities at fair value through profit or loss

    Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any, and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

    Gains or losses on liabilities held for trading are recognised in the profit or loss.

  - Financial liabilities measured at amortized cost

    Interest bearing loans and borrowings including debentures issued by the company are subsequently measured at amortized cost using the effective interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortized is included in finance costs in the statement of profit and loss.

  - **Financial liabilities –Derecognition**

    A financial liability is derecognized when the obligation under the liability is discharged or expires.

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p) **Fair Value measurement**

The company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

q) **Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

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27 **Reconciliation of Effective Tax Rate**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31.03.18	Year ended 31.03.17
Profit before tax	29,71,620	25,69,232
Income tax expense calculated @ 25.75% (2017: 29.87%)	7,65,192	7,67,430
Other differences	(1,26,192)	(2,24,330)
Total	6,39,000	5,43,100
Adjustments recognised in the current year in relation to the current tax of prior years	7,497	92,906
Income tax recognised in profit or loss	6,46,497	6,36,006

The tax rate used for the year 2016-17 and 2017-18 reconciliations above is the corporate tax payable on taxable profits under the Income Tax Act, 1961.

28 **Related Party Disclosure**

Related Party Relationship

Enterprises where control exists - RDB Realty & Infrastructure Ltd – Holding

Transactions & Balanaces :

No related party transactions nor any balances have been reported by the management.

29 In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realised in ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary. There is no contingent liability except stated and informed by the Management.

30 **Contingent Liabilities:**- Nil (P. Y. Nil)

31 **First Time Adoption of Ind AS**

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance withInd AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2016 (the transition date) by:

(a) recognising all assets and liabilities whose recognition is required by Ind AS,

(b) not recognising items of assets or liabilities which are not permitted by Ind AS,

(c) reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and

(d) applyingInd AS in measurement of recognised assets and liabilities.

29.1 **Ind AS optional exemptions**

Deemed Cost of Property, Plant and Equipment

The company did not had any Property, Plant and Equipment as at the date of transition.

Deemed Cost of Investment in Subsidiaries, Associates and Joint Ventures

The company did not had any Investment in Subsidiaries, Associates and Joint Ventures as at the date of transition

29.2 **Ind AS mandatory exemptions**

Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP. Ind AS estimates at 1st April, 2016 are consistent with the estimates as at the same date made with conformity with previous GAAP.

De-recognition of Financial Assets and Liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition retrospectively from a date of entity's choosing.

The entity has elected to apply the de-recognition provisions prospectively from the date of transition.

Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification and measurement of assets on the basis of facts and circumstances that exist at the date of transition to Ind AS. The entity has applied this exception.

Fair Valuation of Investments

Under the previous GAAP, investments were classified as long term investments or current investments based on the intended holding period and realisability. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition.

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29.3 Transition to Ind AS – Reconciliations

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS:

Reconciliation of Other Equity

Particulars	As on 31.03.2018	As on 31.03.2017	As on 01.04.2016
Reserves and Surplus as per IGAAP	1,36,38,399	**1,11,06,216**	**89,89,100**
Add: Fair valuation of Security Deposits Received	3,04,105	5,11,165	6,95,055
Other Equity as per Ind AS	**1,39,42,504**	**1,16,17,381**	**96,84,155**

Notes:

(i) Under Indian GAAP, there are certain security deposits received which are carried at nominal value. Ind AS requires the measurement of these assets at fair value at inception and subsequently these assets are measured at amortized cost. At inception date, Company recognises difference between deposit fair value and nominal value as income/expensesand the Company recognises notional interest income/expenses on these deposits over the lease term.

(ii) Indian GAAP required deferred tax accounting using the income statement approach, which focusses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. In addition, the various transitional adjustments lead to different temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(iii) The Company has undertaken a detailed exercise to determine the manner of allocation of expenses to inventory in context of Ind AS and accordingly realignedallocation of expenses and income to comply with Ind AS requirements.

Impact of Ind AS adoption on the Cash Flow Statement for the year ended 31st March, 2017

There are no differences between the Cash Flow Statement presented under Ind AS and the Previous GAAP.

30 Financial Instruments and Related Disclosures As on 31.03.2018

Particulars at	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Trade receivables	21,779	21,779	21,779
(ii) Cash and cash equivalents	5,17,494	5,17,494	5,17,494
(iii) Other financial assets	1,80,125	1,80,125	1,80,125
Total Financial Assets	7,19,398	7,19,398	7,19,398
(a) Financial Liabilities			
(i) Borrowings	2,08,13,961	2,08,13,961	2,08,13,961
(ii) Trade and other payables	67,145	67,145	67,145
(iii) Other financial liabilities	53,30,314	53,30,314	53,30,314
Total Financial Liabilities	2,62,11,420	2,62,11,420	2,62,11,420

As on 31.03.2017

Particulars	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Trade receivables.	37,504	37,504	37,504
(ii) Cash and cash equivalents	4,90,332	4,90,332	4,90,332
(iii) Other financial assets	1,80,125	1,80,125	1,80,125
Total Financial Assets	7,07,961	7,07,961	7,07,961
(a) Financial Liabilities			
(i) Borrowings	2,26,63,313	2,26,63,313	2,26,63,313
(ii) Trade and other payables	67,169	67,169	67,169
(iii) Other financial liabilities	43,68,181	43,68,181	43,68,181
Total Financial Liabilities	2,70,98,663	2,70,98,663	2,70,98,663

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As on 01.04.2016

Particulars	**Carrying Value**	**Amortised Cost**	**Fair Value**
(a) Financial Assets			
(i) Trade receivables	1,595	1,595	1,595
(ii) Cash and cash equivalents	3,83,931	3,83,931	3,83,931
(iii) Other financial assets	1,80,125	1,80,125	1,80,125
Total Financial Assets	5,65,651	5,65,651	5,65,651
(a) Financial Liabilities			
(i) Borrowings	2,04,99,546	2,04,99,546	2,04,99,546
(ii) Trade and other payables	6,091	6,091	6,091
(iii) Other financial liabilities	72,70,753	72,70,753	72,70,753
Total Financial Liabilities	2,77,76,390	2,77,76,390	2,77,76,390

A. Capital Requirements

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents

Particulars	31-Mar-18 (in Rs.)	31-Mar-17 (in Rs.)	1-Apr-16 (in Rs.)
Borrowings (long-term and short-term, including current maturities of long term borrowings)	2,32,29,231	2,45,67,011	2,21,82,235
Trade payables	6,091	6,091	6,091
Other payables (current and non-current, excluding current maturities of long term borrowings)	29,15,044	24,64,483	55,88,064
Less: Cash and cash equivalents	(5,17,494)	(4,90,332)	(3,83,931)
Net debt	2,56,32,872	2,65,47,253	2,73,92,459
Equity share capital	1,00,000	1,00,000	1,00,000
Other equity	1,39,42,504	1,16,17,381	96,84,155
Total Capital	1,40,42,504	1,17,17,381	97,84,155
Gearing ratio	**0.55**	**0.44**	**0.36**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

31 Disclosure of Financial Instruments

Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and loans and advances and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

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Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuatebecause of changes in market prices. Market risk comprises two types of risk: interest rate riskand other price risk, such as equity price risk and commodity/ real estate risk. The Company has not entered into any foreign exchange or commodity derivative contracts. Accordingly, there is no significant exposure to the market risk other than interest risk.

(i) 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 the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Most of the borrowings of the Company are unsecured and at fixed rates. The Company has only one cash credit account which is linked to the Prime Bank Lending Rate. The Company does not enter into any interest rate swaps.

(ii) Price risk

The Company has not made any investments for trading purposes. The surpluses have been deployed in bank deposits as explained above.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

Receivables resulting from other than sale of properties: Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company's credit period generally ranges from 30-60 days.

The ageing of trade receivables are as follows:

Particulars	**As on 31.03.2018**	**As on 31.03.2017**	**As on 01.04.2016**
More than 6 months	---	---	---
Others	21,779	37,504	1,595

Deposits with banks and financial institutions

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Board. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2017 and 2016 is the carrying amounts.

Liquidity Risk

The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. In case of short term requirements, it obtains short-term loans from its Bankers.

VINEET KHETAN & ASSOCIATES
CHARTERED ACCOUNTANTS
5th Floor, R. No. : 7, 3B, Lal Bazar Street, Kolkata - 1, Mobile : 9331040655, Phone : (033) 4066 1047
E-mail : khousehouse71@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HEADMAN MERCANTILE PRIVATE LIMITED

We have audited the accompanying standalone financial statements (herein referred to as financial statement in this report) of **HEADMAN MERCANTILE PRIVATE LIMITED**, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss, Cash Flow Statement and the Statement of Changes in Equity for the year then ended, for the year ended, and also a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its **profit,** its cash flows and its statements of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us, we set out a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

1.) The company does not have any fixed assets hence the clause is not applicable.

2.) a) The inventory has been physically verified by the management at regular intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them.

b) In our opinion and according to the information's and explanations given to us, the procedures of physical verification of inventories 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 examinations of records of the inventory, in our opinion, the company is maintaining proper records of inventory except in respect of work-in-progress. As in earlier years, work-in-progress has been determined by the management on the basis of physical verification. The discrepancies ascertained on physical verification between the physical stock and the book records of inventory were not material in relation to the operations of the Company.

3.) The company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Hence clause is not applicable.

4.) According to the records of the company examined by us and according to the information and explanations given to us, in our opinion the company has neither given any guarantees or security nor has made any investments nor given a loan covered under the provisions of section 185 and 186 of the Companies Act, 2013.

5.) The company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under are not applicable.

6.) The rules regarding maintenance of cost records which have been specified by the central government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company.

7.) a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues with the appropriate authorities and there is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

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Chartered Accountants

b) According to the records of the company examined by us and according to information and explanations given to us, there are no dues in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute.

8.) According to the records of the Company examined by us and the information and explanations given to us, the Company has duly repaid loan taken from banks. Further it does not have any outstanding from any financial institutions or government nor has it any outstanding debenture.

9.) In our opinion, and according to the information's and explanations given to us, there was no money raised by way of initial public offer or further public offer (including debt instruments) and the term loan has been applied, on an overall basis, for the purpose for which they were obtained.

10.) According to the information and explanations given to us, we report that neither any fraud by the company nor on the company by its officers / employees has been noticed or reported during the year.

11.) As examined by us, the company has not paid remuneration to any managerial personnel during the period in accordance, hence clause is not applicable.

12.) The company is not a nidhi company. Hence clause is not applicable.

13.) According to the information and explanations given to us, we are of the opinion that all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.

14.) According to the information and explanations given to us, we report that the company has neither made any preferential allotment or private placement of shares nor fully or partly convertible debentures during the year under review. Hence clause is not applicable.

15.) According to the information and explanations given to us, we report that the company has not entered into any non-cash transactions with directors or persons connected with them. Hence clause is not applicable.

16.) According to the information and explanations given to us, we report that company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

1. 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.

2. 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.

3. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of charges in equity dealt with by this Report are in agreement with the books of account.

4. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Vineet Khetan & Associates * Chartered Accountants * Kolkata

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

6. With respect to the adequacy of the internal financial controls over financials reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure A.

7. 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:

   (a) The company does not have any pending litigation.

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

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

For **VINEET KHETAN & ASSOCIATES**
Chartered Accountants
FRN: 324428E

Vineet Khetan
Proprietor
Membership No. 060270
Kolkata - 700 001.
Date: 29th Day of May, 2018

Vineet Khetan & Associates
Kolkata
Chartered Accountants

VINEET KHETAN & ASSOCIATES
CHARTERED ACCOUNTANTS
5th Floor, R. No. : 7, 3B, Lal Bazar Street, Kolkata - 1, Mobile : 9331040655, Phone : (033) 4066 1047
E-mail : khousehouse71@gmail.com

TO THE MEMBERS OF HEADMAN MERCANTILE PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of **HEADMAN MERCANTILE PRIVATE LIMITED** as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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.

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(I) Pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(II) 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.

(III) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **VINEET KHETAN & ASSOCIATES**
Chartered Accountants
FRN: 324428E

Vineet Khetan
Proprietors
Membership No. 060270
Kolkata - 700 001.
Date: 29th Day of May, 2018

Vineet Khetan & Associates * Kolkata * Chartered Accountants

Headman Mercantile Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC104940

Balance Sheet as on 31.03.2018

Particulars	Note	As at 31.03.18	As at 31.03.17	As at 01.04.16
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	2	-	-	-
(b) Intangible	3	-	-	-
(c) Financial Assets				
(i) Other Financial Assets	4	1,72,796	1,72,796	1,66,700
Total Non - Current Assets		**1,72,796**	**1,72,796**	**1,66,700**
Current assets				
(a) Inventories	5	3,52,05,568	3,40,52,025	3,29,63,645
(b) Financial Assets				
(i) Trade receivables	6	676	10,654	30
(ii) Cash and cash equivalents	7	7,22,731	4,23,000	3,58,673
(iii) Other financial assets	8	-	-	62,54,505
(c) Current Tax Assets	9	2,49,156	2,63,200	2,13,507
(d) Other current assets	10	-	-	44,398
Total Current Assets		**3,61,78,131**	**3,47,48,879**	**3,98,34,758**
Total Assets		**3,63,50,927**	**3,49,21,675**	**4,00,01,458**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	11	1,00,100	1,00,100	1,00,100
(b) Other Equity	12	1,19,80,106	1,02,01,172	88,26,173
Total equity		**1,20,80,206**	**1,03,01,272**	**89,26,273**
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	62,75,775	89,85,938	1,09,64,574
(ii) Other financial liabilities	14	23,96,956	22,27,316	43,61,659
Total non-current liabilities		**86,72,731**	**1,12,13,254**	**1,53,26,233**
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	1,13,18,002	1,02,53,318	1,23,87,435
(ii) Trade and other payables	16	6,000	6,000	6,000
(iii) Other financial liabilities	17	37,80,988	27,72,331	31,55,518
(b) Other current liabilities	18	-	-	-
(c) Provisions	19	4,93,000	3,75,500	2,00,000
Total Current Liabilities		**1,55,97,990**	**1,34,07,149**	**1,57,48,953**
Total liabilities		**2,42,70,721**	**2,46,20,403**	**3,10,75,186**
Total Equity & Liabilities		**3,63,50,927**	**3,49,21,675**	**4,00,01,459**

This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board

For VINEET KHETAN & ASSOCIATES
Chartered Accountants

HEADMAN MERCANTILE PVT. LTD.
Director Director

HEADMAN MERCANTILE PVT. LTD.
Pradeep Biswas
Director Director

Vineet Khetan
Proprietor
Membership No. 060270
3B, Lal Bazar Street
Kolkata - 700 001.
The 29th day of May 2018

Vineet Khetan & Associates ★ Chartered Accountants ★ Kolkata

Headman Mercantile Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC104940

Statement of profit and loss for the year ended 31.03.2018

Particulars	Note	Year ended 31.03.18	Year ended 31.03.17
Revenue			
Revenue from operations	20	36,02,376	36,16,339
Other income	21	-	-
Total Revenue		**36,02,376**	**36,16,339**
Expenses			
Construction Activity Expenses	22	11,53,543	10,88,380
Changes in inventories of work-in-progress	23	(11,53,543)	(10,88,380)
Depreciation and amortisation expense	2	-	-
Finance costs	24	11,22,766	15,62,464
Other expenses	25	1,85,180	2,35,986
Total expenses		**13,07,946**	**17,98,450**
Profit before tax		**22,94,430**	**18,17,889**
Less: Income tax expenses			
- Current tax		4,93,000	3,75,500
- Tax Adjustment For Earlier Year		22,496	67,390
Total tax expense		**5,15,496**	**4,42,890**
Profit after tax		**17,78,934**	**13,74,999**
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss			
(i) Equity Instruments through Other Comprehensive Income		-	-
(ii) Remeasurements of the defined benefit plans		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**17,78,934**	**13,74,999**
Earnings per equity share			
Profit available for Equity Shareholders		17,78,934	13,74,999
Weighted average number of Equity Shares outstanding		10,010	10,010
Basic earnings per share		177.72	137.36
Diluted earnings per share		177.72	137.36

This is the Statement of Profit & Loss referred to in our report of even date.

For and on behalf of the Board

For VINEET KHETAN & ASSOCIATES
Chartered Accountants

HEADMAN MERCANTILE PVT. LTD. Director
Director

HEADMAN MERCANTILE PVT. LTD
Pradeep Lisewal
Director
Director

Vineet Khetan
Proprietor
Membership No. 060270
3B, Lal Bazar Street
Kolkata - 700 001.
The 29th day of May 2018

Vineet Khetan & Associates ★ Kolkata ★ Chartered Accountants

Headman Mercantile Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC104940

Notes to the financial statements as on	**As at 31.03.18**	**As at 31.03.17**	**As at 01.04.16**

Note 4 Financial Assets (Other Financial Assets)			
Unsecured, Considered Good			
Security Deposits	1,72,796	1,72,796	1,66,700
TOTAL	**1,72,796**	**1,72,796**	**1,66,700**

Note 5 Inventories			
(At lower of cost or Net Realisable value)			
Work in Progress	81,96,168	70,42,625	59,54,245
Finished Goods	2,70,09,400	2,70,09,400	2,70,09,400
Total Inventories	**3,52,05,568**	**3,40,52,025**	**3,29,63,645**

Note 6 Financial Assets (Trade receivables)			
Trade receivables	676	10,654	30
Receivables from related parties	-	-	-
Less: Allowance for doubtful debts	-	-	-
	676	**10,654**	**30**

All the trade receivables are Unsecured, considered good and does not require any provision or allowance for doubtful debts

Note 7 Financial Assets (Cash and Cash Equivalents)			
(a) Balances with banks (Unrestricted in Current Account)	6,64,560	3,64,474	3,00,147
(b) Cash in hand	58,171	58,526	58,526
(c) Cheques, drafts on hand	-	-	-
(d) Others			
Cash and cash equivalents as per balance sheet	**7,22,731**	**4,23,000**	**3,58,673**

Note 8 Financial Assets (Other financial assets)			
Other Advances (Unsecured, considered good)	-	-	62,54,505
TOTAL	**-**	**-**	**62,54,505**

Note 9 Current tax assets and liabilities			
Current tax assets			
Advance Income Tax and TDS	2,49,156	2,63,200	2,13,507
TOTAL	**2,49,156**	**2,63,200**	**2,13,507**

Note 10 Other current assets			
Other Advances	-	-	44,398
TOTAL	**-**	**-**	**44,398**

Vineet Khetan & Associates * Chartered Accountants * Kolkata

Headman Mercantile Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC104940

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 11 Equity Share Capital			
(Equity Shares of Rs.10/- each)			
a) Authorised Share Capital			
Number of Shares	20,000	20,000	20,000
Total Amount	2,00,000	2,00,000	2,00,000
b) Issued, subscribed and fully paid Share Capital			
Number of Shares	10,010	10,010	10,010
Total Amount	1,00,100	1,00,100	1,00,100
c) Reconciliation of Number of Equity Shares Outstanding			
As at the beginning & end of the year	10,100	10,100	10,100
No shares have either been issued, nor bought back, forfeited			
d) Details of Shareholders holding more than 5% shares with voting right			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	9,810	9,810	9,810
Percentage of total shares held	97.13%	97.13%	97.13%

e) The rights, preferences & restrictions attaching to shares and restrictions on distribution of dividend and repayment of capital

The Company has only one class of equity shares having par value value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

	As at 31.03.18	As at 31.03.17	As at 01.04.16
g) Shares held by holding, ultimate holding, or subidiaries or associates of holding			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	9,810	9,810	9,810
Percentage of total shares held	97.13%	97.13%	97.13%
Ravi Prakash Pincha *			
Number of Shares	100	100	100
Percentage of total shares held	0.99%	0.99%	0.99%
Pradeep Kumar Pugalia *			
Number of Shares	100	100	100
Percentage of total shares held	0.99%	0.99%	0.99%

** Both the shareholders holding 100 Shares each are held in capacity of nominee holder of RDB Realty & Infrastructure Ltd*

	As at 31.03.18	As at 31.03.17	As at 01.04.16
g) Shares are reserved for issue under options or contracts.			
Number of Shares	-	-	-
Total Amount	-	-	-

h) Shares issued for consideration other than cash or bonus to shareholders or bought back from shareholders within the period of 5 years

No such shares have been issued nor there has been any buy-back

Vineet Khetan & Associates ★ Chartered Accountants ★ Kolkata

Headman Mercantile Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC104940

Notes to the financial statements as on	**As at 31.03.18**	**As at 31.03.17**	**As at 01.04.16**

Note 12 Other equity			
Reserve & Surplus			
Surplus from Statement of Profit & Loss			
As at the beginning of the year	1,02,01,172	88,26,173	84,07,387
Add: Profit for the year	17,78,934	13,74,999	-
Add: Ind AS Adjustments	-	-	4,18,786
As at the end of the year	1,19,80,106	1,02,01,172	88,26,173
Other Comprehensive Income			
Equity Instruments through other comprehensive income	-	-	-
Other items of Other Comprehensive Income	-	-	-
Total	**1,19,80,106**	**1,02,01,172**	**88,26,173**

Note 14 Financial Liabilities - Borrowings (Non Current)			
Secured - at amortised cost			
Term Loan from Bank	62,75,775	89,85,938	1,09,64,574
The loan is secured against first charge over property classified under inventories and lease rental receivable from the property. Loan is repayable in 96 equal monthly installment of Rs. 2,65,349/- (incl. interest) starting from 05.11.13 and last installment falling due on 05.10.21. The rate of interest is Base Rate Plus 2.60 %			
Total non-current borrowings	**62,75,775**	**89,85,938**	**1,09,64,574**

Note 13 Financial Liability (Other Financial Liability)			
Security Deposits	16,66,643	14,97,003	13,46,346
Advance from parties	7,30,313	7,30,313	30,15,313
Total	**23,96,956**	**22,27,316**	**43,61,659**

Note 14 financial liabilities - Borrowings			
(Unsecured, repayable on Demand, including interest accrued)			
From Related Parties	-	-	-
From other than Related Parties	1,13,18,002	1,02,53,318	1,23,87,435
Total	**1,13,18,002**	**1,02,53,318**	**1,23,87,435**

Note 15 financial liabilities - Trade and other payables			
outstanding dues of micro & small entreprises	-	-	-
Other than above	6,000	6,000	6,000
Total	**6,000**	**6,000**	**6,000**

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Headman Mercantile Private Limited
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CIN: U51109WB2005PTC104940

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16

Note 16 financial liabilities - Other Financial Liabilities			
Current maturity of long term debt	24,15,270	19,03,698	16,82,689
Interest accrued but not due on borrowings	64,932	98,788	1,13,579
Advances from other	11,81,059	6,71,747	4,14,312
Other payable	1,19,727	98,098	1,10,726
Book Debt From Bank	-	-	8,34,212
Total	**37,80,988**	**27,72,331**	**31,55,518**

Note 17 Other Current Liabilities			
Advances from Customer and Others	-	-	-
Total	**-**	**-**	**-**

Note 18 Provisions			
Provision for Income Tax	4,93,000	3,75,500	2,00,000
Total	**4,93,000**	**3,75,500**	**2,00,000**

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Headman Mercantile Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC104940

Notes to the financial statements		**Year ended 31.03.18**	**Year ended 31.03.17**
Note 20 Revenue from Operations			
Rental Income		36,02,376	36,16,339
TOTAL		**36,02,376**	**36,16,339**
Note 21 Other Income			
Interest Income		-	-
Total		-	-
Note 22 Construction Activity Expenses			
Other Construction Expenses		2,16,338	10,88,380
Interest Paid		9,37,205	-
Consumption		**11,53,543**	**10,88,380**
Note 23 Changes in inventories of work-in-progress & Finished Goods			
Opening Inventory of Work in Progress		70,42,625	59,54,245
Opening Inventory of Finished Goods		2,70,09,400	2,70,09,400
	Sub Total (A)	3,40,52,025	3,29,63,645
Less : Closing Inventory of Work in Progress		81,96,168	70,42,625
Less : Closing Inventory of Finished Goods		2,70,09,400	2,70,09,400
	Sub Total (B)	3,52,05,568	3,40,52,025
(Increase)/decrease in inventories (A-B)		**(11,53,543)**	**(10,88,380)**
Note 24 Finance Cost			
Interest on Borrowed fund		9,51,741	14,11,784
Other Borrowing Cost			
Notional Interest on Security Deposits		1,69,640	1,50,657
Finance Charges		1,385	23
Total		**11,22,766**	**15,62,464**
Note 25 Others Expenses			
Rates & Taxes		4,710	5,041
Filing Fees		2,579	3,776
Repairs & Maintenance		1,71,353	2,20,042
Professional Charges		600	2,000
Interest Penalty charges		938	127
Auditor's Remuneration			
Statutory Audit Fees		5,000	5,000
Total		**1,85,180**	**2,35,986**

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Headman Mercantile Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC104940

Notes to the financial statements

A. Share Capital

Particulars	Amount (Rs.)
Equity Share Capital as on 01.04.2016	1,00,100
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2017	1,00,100
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2018	1,00,100

B. Other Equity

Other Equity

Reserves and surplus attributable to Equity Share holders of the Company	Amount (Rs.)
Balance at 1 April 2016	**88,26,173**
Transfers	-
Profit for the year	13,74,999
Add:IND AS adjustmnents	-
Other comprehensive income	-
Total comprehensive income for the year	**1,02,01,172**
Balance at 31 March 2017	**1,02,01,172**
Transfers	-
Profit for the Year	17,78,934
Add:IND AS adjustmnents	-
Other comprehensive income	-
Total comprehensive income for the year	**1,19,80,106**
Balance at 31 March 2018	**1,19,80,106**

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Headman Mercantile Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC104940

Notes to the financial statements as on

Note 2 & 3 - Property, Plant and Equipment

Particulars	(2) Tangible Office Equipment		(3) Intangible
Gross carrying amount			
Deemed cost as at 01.04.16	-		-
Additions	-		-
Disposals	-		-
Closing gross carrying amount as on 31.03.17	-		-
Additions	-		-
Disposals	-		-
Closing gross carrying amount as on 31.03.18	-		-
Accumulated depreciation as at 01.04.16	-		-
Depreciation charge during the year	-		-
Disposals	-		-
Closing accumulated depreciation as on 31.03.17	-		-
Depreciation charge during the year	-		-
Disposals	-		-
Closing accumulated depreciation as on 31.03.18	-		-
Net carrying amount as at 01.04.16 as per IND AS	-		-
Net carrying amount as at 31.03.17	-		-
Net carrying amount as at 31.03.18	-		-

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Headman Mercantile Private Limited

Cash Flow Statement for the year ended 31st March, 2018

Cash Flow Statement	For the year ended 31st March,2018 (Amount in ₹)		For the year ended 31st March,2017 (Amount in ₹)	
A. Cash flow from operating activities :				
Net profit before tax as per Statement of Profit and Loss		22,94,430		18,17,889
Adjustments for				
Notional Interest on Security Deposits	1,69,640		1,50,657	
Interest Paid	9,51,741	11,21,381	14,11,784	15,62,441
Operating Profit Before Working Capital Changes		**34,15,811**		**33,80,330**
(Increase) / Decrease in Inventories	(2,16,338)		(10,88,380)	
(Increase) / Decrease in Trade receivables	9,978		(10,624)	
(Increase) / Decrease of Advances	-		(6,096)	
(Increase) / Decrease of Other Financial Assets	-		62,54,505	
(Increase) / Decrease of Other Current Assets	-		44,398	
Increase / (Decrease) in Trade Payables	-		-	
Increase / (Decrease) of Other financial liabilities	5,30,941		(28,74,405)	
Increase / (Decrease) of Other Current Liabilities	-	3,24,581	-	23,19,398
Cash generated from operations		**37,40,392**		**56,99,728**
Less: Direct taxes paid/ (Refunds) including Interest (Net)		3,83,952		3,17,082
Cash Flow before Exceptional Items		33,56,440		53,82,646
Net cash Generated/(used) from operating activities		**33,56,440**		**53,82,646**
B. Cash Flow from Investing Activities :				
Purchase of Fixed Assets		-		
Net cash from investing activities		-		-
C. Cash flow from financing activities :				
Proceeds / (Repayment) of Short Term Borrowings	10,64,684		(21,34,117)	
Proceeds / (Repayment) of Long Term Borrowings	(21,98,591)		(17,57,627)	
Interest Paid	(19,22,802)	(30,56,709)	(14,26,575)	(53,18,319)
Net cash generated/(used) in financing activities		**(30,56,709)**		**(53,18,319)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**2,99,731**		**64,327**
Cash and cash equivalents -Opening balance		4,23,000		3,58,673
Cash and cash equivalents -Closing balance		**7,22,731**		**4,23,000**
CASH AND CASH EQUIVALENTS :				
Balances with Banks		6,64,560		3,64,474
Cash on hand (As certified by the management)		58,171		58,526
		7,22,731		**4,23,000**

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board

For VINEET KHETAN & ASSOCIATES
Chartered Accountants

HEADMAN MERCANTILE PVT. LTD.
Director

HEADMAN MERCANTILE PVT. LTD
Pradeep Lisrew
Director

Vineet Khetan
Proprietor
Membership No. 060270
3B, Lal Bazar Street
Kolkata - 700 001.
The 29th day of May 2018

Director

Director

Vineet Khetan & Associates
Kolkata
Chartered Accountants

26. NOTES TO THE FINANCIAL STATEMENTS

A. Corporate Information

Headman Mercantile Private Limited (The Company) is a deemed Public limited company, private company being a subsidiary of Listed Public Company domiciled and incorporated in India. It is a part of a group leading in real estate activities in Eastern India. The registered office of the Company is situated at 8/1, Lalbazar Street, Bikaner Building, 1 Floor, Room No.10, Kolkata-700001. The principle business activity of the company is Real Estate Development.

B. Summary of Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements (Separate financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards(Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013. For all periods up to and including the year ended 31 March 2017, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules,2014 (previous GAAP).

These financial statements for the year ended 31 March 2018 are the first the company has prepared in accordance with Ind AS. Refer to note29 for an explanation of how the transition from previous GAAP to Ind AS has effected presentation of company's financial position, financial performance and cash flows.

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

All the assets and liabilities have been classified as current and non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013.The normal operating cycle of the company has been considered as 12 months.

b) Use of estimates and management judgments :

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

i) Key estimates and assumptions :

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

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ii) **Revenue recognition, contract costs and valuation of unbilled revenue**

The Company uses the percentage of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

For revenue recognition for projects executed through joint development arrangements, refer clause (ii) below as regards estimates and assumptions involved.

iii) **Estimation of net realisable value for inventory property (including land advance)**

Inventory property is stated at the lower of cost and net realisable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

c) **Revenue Recognition-**

Revenue is recognized as follows:

i. Revenue from own construction projects are recognised on Percentage Completion Method. Revenue recognition starts when 25 % of estimated project cost excluding land and marketing cost is incurred, atleast 25% of the saleable project area is secured by contracts or agreements with buyers and Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

ii. Revenue from Construction Contracts are recognised on "Percentage of Completion Method" measured by reference to the survey of works done up to the reporting date and certified by the client before finalisation of projects accounts.

iii. Real Estate: Sales is exclusive of service tax, if any, net of sales return.

iv. Revenue from services are recognised on rendering of services to customers except otherwise stated.

v. Rental income from assets is recognised for an accrual basis except in case where ultimate collection is considered doubtful. Rental income is exclusive of service tax

vi. Income from interest is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

d) **Borrowing Costs**

Borrowing costs attributable to the acquisition or construction of a qualifying asset are carried as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the year they are incurred.

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e) **Impairment of Non-Financial Assets**

The management periodically assesses using, external and internal sources, whether there is an indication that both tangible and intangible asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

f) **Inventories**

Constructed properties, shown as work in progress, includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development costs, construction costs, overheads, borrowing costs, construction materials including material lying at respective sites, finance and administrative expenses which contribute to bring the inventory to their present location and condition and is valued at lower of cost/ estimated cost and net realizable value.

On completion of projects, unsold stocks are transferred to project finished stock under the head "Inventory" and the same is carried at cost or net realizable value, whichever is less.

Finished Goods – Flats: Valued at cost and net realizable value.

Land Inventory: Valued at lower of cost and net realizable value.

Provision for obsolescence in inventories is made, wherever required.

g) **Retirement Benefits**

No such benefits are payable to any employee.

h) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if the company has a present obligation as a result of past event and the amount of obligation can be reliably estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Possible future or present obligations that may but will probably not require outflow of resources or where the same can not be reliably estimated is disclosed as contingent liability in the financial statement.

i) **Taxes on Income**

i. Tax expense comprises both current and deferred tax. Current tax is determined in respect of taxable income for the year based on applicable tax rates and laws.

ii. Deferred tax Asset/liability is recognized, subject to consideration of prudence, on timing differences being the differences between taxable incomes and accounting income that originates in one year and is capable of reversal in one or more subsequent year and measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each Balance Sheet date to reassess their reliability.

iii. Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at

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each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

j) **Segment Reporting**

The company has identified that its operating activity is a single primary business segment viz. Real Estate Development and Services carried out in India. Accordingly, whole of India has been considered as one geographical segment

k) **Earnings Per Share**

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

l) **Cash & Cash Equivalents**

Cash and cash equivalents comprise cash & cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management and that are readily convertible to known amounts of cash to be cash equivalents.

m) **Financial Instruments**

➢ **Financial Instruments - Initial recognition and measurement**

Financial assets and financial liabilities are recognized in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➢ **Financial assets –Subsequent measurement**

The Subsequent measurement of financial assets depends on their classification which is as follows:

- Financial assets at fair value through profit or loss

  Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.
- Financial assets measured at amortized cost

  Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

  Debt instruments at amortised cost:

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

  i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

     This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on

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acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
ii. The asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

- Financial assets at fair value through OCI

  All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument by instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable. If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

- **Financial assets –Derecognition**

  The company derecognizes a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. Upon derecognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

- **Financial liabilities –**

  Initial recognition and measurement

  Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.

  The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

  Subsequent measurement

  The Subsequent measurement of financial liabilities depends on their classification which is as follows:

  - Financial liabilities at fair value through profit or loss

    Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any, and financial liabilities designated upon initial recognition as at fair value through profit

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or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
Gains or losses on liabilities held for trading are recognised in the profit or loss.

- Financial liabilities measured at amortized cost
  Interest bearing loans and borrowings including debentures issued by the company are subsequently measured at amortized cost using the effective interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortized is included in finance costs in the statement of profit and loss.

- **Financial liabilities –Derecognition**
  A financial liability is derecognized when the obligation under the liability is discharged or expires.

n) **Fair Value measurement**

The company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.
For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

o) **Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

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27 Reconciliation of Effective Tax Rate

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31.03.18	Year ended 31.03.17
Profit before tax	22,94,430	18,17,889
Income tax expense calculated @ 25.75% (2017: 29.87%)	5,90,816	5,43,003
Other differences	(97,816)	(1,67,503)
Total	4,93,000	3,75,500
Adjustments recognised in the current year in relation to the current tax of prior years	22,496	67,390
Income tax recognised in profit or loss	5,15,496	4,42,890

The tax rate used for the year 2016-17 and 2017-18 reconciliations above is the corporate tax payable on taxable profits under the Income Tax Act, 1961.

28 Related Party Disclosure

Related Party Relationship

Enterprises where control exists - RDB Realty & Infrastructure Ltd – Holding

Transactions & Balanaces :

No related party transactions nor any balances have been reported by the management.

29 In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realised in ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary. There is no contingent liability except stated and informed by the Management.

30 **Contingent Liabilities:-** Nil (P. Y. Nil)

31 First Time Adoption of Ind AS

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance withInd AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as per Ind AS as of 1stApril, 2016 (the transition date) by:

(a) recognising all assets and liabilities whose recognition is required by Ind AS,

(b) not recognising items of assets or liabilities which are not permitted by Ind AS,

(c) reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and

(d) applyingInd AS in measurement of recognised assets and liabilities.

29.1 Ind AS optional exemptions

Deemed Cost of Property, Plant and Equipment

The company did not had any Property, Plant and Equipment as at the date of transition.

Deemed Cost of Investment in Subsidiaries, Associates and Joint Ventures

The company did not had any Investment in Subsidiaries, Associates and Joint Ventures as at the date of transition

29.2 Ind AS mandatory exemptions

Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP. Ind AS estimates at 1st April, 2016 are consistent with the estimates as at the same date made with conformity with previous GAAP.

De-recognition of Financial Assets and Liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition retrospectively from a date of entity's choosing.

The entity has elected to apply the de-recognition provisions prospectively from the date of transition.

Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification and measurement of assets on the basis of facts and circumstances that exist at the date of transition to Ind AS. The entity has applied this exception.

Fair Valuation of Investments

Under the previous GAAP, investments were classified as long term investments or current investments based on the intended holding period and realisability. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition.

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29.3 **Transition to Ind AS – Reconciliations**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS:

Reconciliation of Other Equity

Particulars	As on 31.03.2018	As on 31.03.2017	As on 01.04.2016
Reserves and Surplus as per IGAAP	**1,18,81,617**	**99,33,043**	**84,07,387**
Add: Fair valuation of Security Deposits Received	98,489	2,68,129	4,18,786
Other Equity as per Ind AS	**1,19,80,106**	**1,02,01,172**	**88,26,173**

Notes:

(i) Under Indian GAAP, there are certain security deposits received which are carried at nominal value. Ind AS requires the measurement of these assets at fair value at inception and subsequently these assets are measured at amortized cost. At inception date, Company recognises difference between deposit fair value and nominal value as income/expensesand the Company recognises notional interest income/expenses on these deposits over the lease term.

(ii) Indian GAAP required deferred tax accounting using the income statement approach, which focusses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. In addition, the various transitional adjustments lead to different temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(iii) The Company has undertaken a detailed exercise to determine the manner of allocation of expenses to inventory in context of Ind AS and accordingly realignedallocation of expenses and income to comply with Ind AS requirements.

Impact of Ind AS adoption on the Cash Flow Statement for the year ended 31st March, 2017

There are no differences between the Cash Flow Statement presented under Ind AS and the Previous GAAP.

30 **Financial Instruments and Related Disclosures As on 31.03.2018**

Particulars at	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Trade receivables	676	676	676
(ii) Cash and cash equivalents	7,22,731	7,22,731	7,22,731
(iii) Other financial assets	1,72,796	1,72,796	1,72,796
Total Financial Assets	8,96,203	8,96,203	8,96,203
(a) Financial Liabilities			
(i) Borrowings	1,75,93,777	1,75,93,777	1,75,93,777
(ii) Trade and other payables	6,000	6,000	6,000
(iii) Other financial liabilities	61,77,944	61,77,944	61,77,944
Total Financial Liabilities	2,37,77,721	2,37,77,721	2,37,77,721

As on 31.03.2017

Particulars	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Trade receivables	10,654	10,654	10,654
(ii) Cash and cash equivalents	4,23,000	4,23,000	4,23,000
(iii) Other financial assets	1,72,796	1,72,796	1,72,796
Total Financial Assets	6,06,450	6,06,450	6,06,450
(a) Financial Liabilities			
(i) Borrowings	1,92,39,256	1,92,39,256	1,92,39,256
(ii) Trade and other payables	6,000	6,000	6,000
(iii) Other financial liabilities	49,99,647	49,99,647	49,99,647
Total Financial Liabilities	2,42,44,903	2,42,44,903	2,42,44,903

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As on 01.04.2016

Particulars	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Trade receivables	30	30	30
(ii) Cash and cash equivalents	3,58,673	3,58,673	3,58,673
(iii) Other financial assets	64,21,205	64,21,205	64,21,205
Total Financial Assets	67,79,908	67,79,908	67,79,908
(a) Financial Liabilities			
(i) Borrowings	2,33,52,009	2,33,52,009	2,33,52,009
(ii) Trade and other payables	6,000	6,000	6,000
(iii) Other financial liabilities	75,17,177	75,17,177	75,17,177
Total Financial Liabilities	3,08,75,186	3,08,75,186	3,08,75,186

A. **Capital Requirements**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents

Particulars	31-Mar-18 (in Rs.)	31-Mar-17 (in Rs.)	1-Apr-16 (in Rs.)
Borrowings (long-term and short-term, including current maturities of long term borrowings)	2,57,67,279	2,11,42,954	2,50,34,698
Trade payables	6,000	6,000	6,000
Other payables (current and non-current, excluding current maturities of long term borrowings)	37,62,674	30,95,949	58,34,488
Less: Cash and cash equivalents	(7,22,731)	(4,23,000)	(3,58,673)
Net debt	2,88,13,222	2,38,21,903	3,05,16,513
Equity share capital	1,00,100	1,00,100	1,00,100
Other equity	1,19,80,106	1,02,01,172	88,26,173
Total Capital	1,20,80,206	1,03,01,272	89,26,273
Gearing ratio	**0.42**	**0.43**	**0.29**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

31 **Disclosure of Financial Instruments**

Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and loans and advances and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

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Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuatebecause of changes in market prices. Market risk comprises two types of risk: interest rate riskand other price risk, such as equity price risk and commodity/ real estate risk. The Company has not entered into any foreign exchange or commodity derivative contracts. Accordingly, there is no significant exposure to the market risk other than interest risk.

(i) 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 the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Most of the borrowings of the Company are unsecured and at fixed rates. The Company has only one cash credit account which is linked to the Prime Bank Lending Rate. The Company does not enter into any interest rate swaps.

(ii) Price risk

The Company has not made any investments for trading purposes. The surpluses have been deployed in bank deposits as explained above.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

Receivables resulting from other than sale of properties: Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company's credit period generally ranges from 30-60 days.

The ageing of trade receivables are as follows:

Particulars	As on 31.03.2018	As on 31.03.2017	As on 01.04.2016
More than 6 months	---	---	---
Others	676	10,654	30

Deposits with banks and financial institutions

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Board. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2017 and 2016 is the carrying amounts.

Liquidity Risk

The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. In case of short term requirements, it obtains short-term loans from its Bankers.

Vineet Khetan & Associates
Kolkata
Chartered Accountants

VINEET KHETAN & ASSOCIATES
CHARTERED ACCOUNTANTS
5th Floor, R. No. : 7, 3B, Lal Bazar Street, Kolkata - 1, Mobile : 9331040655, Phone : (033) 4066 1047
E-mail : khousehouse71@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KASTURI TIE-UP PRIVATE LIMITED

We have audited the accompanying standalone financial statements (herein referred to as financial statement in this report) of **KASTURI TIE-UP PRIVATE LIMITED**, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss, Cash Flow Statement and the Statement of Changes in Equity for the year then ended, for the year ended, and also a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

Vineet Khetan & Associates * Chartered Accountants * Kolkata

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its **profit,** its cash flows and its statements of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us, we set out a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

1.) The company does not have any fixed assets hence the clause is not applicable.

2.) a) The inventory has been physically verified by the management at regular intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them.

b) In our opinion and according to the information's and explanations given to us, the procedures of physical verification of inventories 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 examinations of records of the inventory, in our opinion, the company is maintaining proper records of inventory except in respect of work-in-progress. As in earlier years, work-in-progress has been determined by the management on the basis of physical verification. The discrepancies ascertained on physical verification between the physical stock and the book records of inventory were not material in relation to the operations of the Company.

3.) The company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Hence clause is not applicable.

4.) According to the records of the company examined by us and according to the information and explanations given to us, in our opinion the company has neither given any guarantees or security nor has made any investments nor given a loan covered under the provisions of section 185 and 186 of the Companies Act, 2013.

5.) The company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under are not applicable.

6.) The rules regarding maintenance of cost records which have been specified by the central government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company.

7.) a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues with the appropriate authorities and there is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

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b) According to the records of the company examined by us and according to information and explanations given to us, there are no dues in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute.

8.) According to the records of the Company examined by us and the information and explanations given to us, the Company has duly repaid loan taken from banks. Further it does not have any outstanding from any financial institutions or government nor has it any outstanding debenture.

9.) In our opinion, and according to the information's and explanations given to us, there was no money raised by way of initial public offer or further public offer (including debt instruments) and the term loan has been applied, on an overall basis, for the purpose for which they were obtained.

10.) According to the information and explanations given to us, we report that neither any fraud by the company nor on the company by its officers / employees has been noticed or reported during the year.

11.) As examined by us, the company has not paid remuneration to any managerial personnel during the period in accordance, hence clause is not applicable.

12.) The company is not a nidhi company. Hence clause is not applicable.

13.) According to the information and explanations given to us, we are of the opinion that all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.

14.) According to the information and explanations given to us, we report that the company has neither made any preferential allotment or private placement of shares nor fully or partly convertible debentures during the year under review. Hence clause is not applicable.

15.) According to the information and explanations given to us, we report that the company has not entered into any non-cash transactions with directors or persons connected with them. Hence clause is not applicable.

16.) According to the information and explanations given to us, we report that company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

1. 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.

2. 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.

3. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of charges in equity dealt with by this Report are in agreement with the books of account.

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4. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

6. With respect to the adequacy of the internal financial controls over financials reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure A.

7. 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:

   (a) The company does not have any pending litigation.

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

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

For **VINEET KHETAN & ASSOCIATES**
Chartered Accountants
FRN: 324428E

Vineet Khetan
Proprietor
Membership No. 060270
Kolkata - 700 001.
Date: 29th Day of May, 2018

Vineet Khetan & Associates
Kolkata
Chartered Accountants

VINEET KHETAN & ASSOCIATES
CHARTERED ACCOUNTANTS
5th Floor, R. No. : 7, 3B, Lal Bazar Street, Kolkata - 1, Mobile : 9331040655, Phone : (033) 4066 1047
E-mail : khousehouse71@gmail.com

TO THE MEMBERS OF KASTURI TIE-UP PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of **KASTURI TIE-UP PRIVATE LIMITED** as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Vineet Khetan & Associates
Kolkata
Chartered Accountants

(I) Pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(II) 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.

(III) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **VINEET KHETAN & ASSOCIATES**
Chartered Accountants
FRN: 324428E

Vineet Khetan
Proprietor
Membership No. 060270
Kolkata - 700 001.
Date: 29th Day of May, 2018

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Kasturi Tie-up Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105031

Balance Sheet as on 31.03.2018

Particulars	Note	As at 31.03.18	As at 31.03.17	As at 01.04.16
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	2	-	-	-
(b) Intangible	3	-	-	-
(c) Financial Assets				
(i) Other Financial Assets	4	1,80,125	1,80,125	1,80,125
Total Non - Current Assets		**1,80,125**	**1,80,125**	**1,80,125**
Current assets				
(a) Inventories	5	3,80,60,919	3,67,67,850	3,56,00,207
(b) Financial Assets				
(i) Trade receivables	6	5,231	17,389	1,598
(ii) Cash and cash equivalents	7	4,96,998	5,26,175	3,74,866
(iii) Other financial assets	8	-	-	-
(c) Current Tax Assets	9	3,04,104	3,05,610	2,60,260
(d) Other current assets	10	-	-	42,588
Total Current Assets		**3,88,67,252**	**3,76,17,024**	**3,62,79,519**
Total Assets		**3,90,47,377**	**3,77,97,149**	**3,64,59,644**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	11	1,00,000	1,00,000	1,00,000
(b) Other Equity	12	1,39,01,245	1,15,92,642	96,58,451
Total equity		**1,40,01,245**	**1,16,92,642**	**97,58,451**
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	62,75,775	89,85,938	1,09,64,574
(ii) Other financial liabilities	14	18,50,393	16,43,333	14,59,443
Total non-current liabilities		**81,26,168**	**1,06,29,271**	**1,24,24,017**
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	1,27,46,368	1,21,60,156	91,15,155
(ii) Trade and other payables	16	67,145	73,699	6,530
(iii) Other financial liabilities	17	34,69,451	27,10,381	48,05,491
(b) Other current liabilities	18	-	-	-
(c) Provisions	19	6,37,000	5,31,000	3,50,000
Total Current Liabilities		**1,69,19,964**	**1,54,75,236**	**1,42,77,176**
Total liabilities		**2,50,46,132**	**2,61,04,507**	**2,67,01,193**
Total Equity & Liabilities		**3,90,47,376**	**3,77,97,149**	**3,64,59,644**

This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board
KASTURI TIE UP PVT. LTD.

Director
Director

For Vineet Khetan & Associates
Chartered Accountants
Registration No. 324428E

KASTURI TIE UP PVT. LTD.

Director
Director

Vineet Khetan
Propritor
Membership No.060270
3B, Lal Bazar Street
Kolkata - 700 001.
The 29th day of May 2018

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Kasturi Tie-up Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105031

Statement of profit and loss for the year ended 31.03.2018

Particulars	Note	Year ended 31.03.18	Year ended 31.03.17
Revenue			
Revenue from operations	20	43,97,016	44,14,058
Other income	21	-	-
Total Revenue		**43,97,016**	**44,14,058**
Expenses			
Construction Activity Expenses	22	12,93,069	11,67,643
Changes in inventories of work-in-progress	23	(12,93,069)	(11,67,643)
Depreciation and amortisation expense	2	-	-
Finance costs	24	11,60,597	15,96,904
Other expenses	25	2,72,593	2,54,397
Total expenses		**14,33,190**	**18,51,301**
Profit before tax		**29,63,826**	**25,62,757**
Less: Income tax expenses			
- Current tax		6,37,000	5,31,000
- Tax Adjustment For Earlier Year		18,223	97,566
Total tax expense		**6,55,223**	**6,28,566**
Profit after tax		**23,08,603**	**19,34,191**
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss			
(i) Equity Instruments through Other Comprehensive Income		-	-
(ii) Remeasurements of the defined benefit plans		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**23,08,603**	**19,34,191**
Earnings per equity share			
Profit available for Equity Shareholders		23,08,603	19,34,191
Weighted average number of Equity Shares outstanding		10,000	10,000
Basic earnings per share		230.86	193.42
Diluted earnings per share		230.86	193.42

This is the Statement of Profit & Loss referred to in our report of even date.

For Vineet Khetan & Associates
Chartered Accountants
Registration No. 324428E

Vineet Khetan
Propritor
Membership No.060270
3B, Lal Bazar Street
Kolkata - 700 001.
The 29th day of May 2018

Vineet Khetan & Associates
Kolkata
Chartered Accountants

For and on behalf of the Board
KASTURI TIE UP PVT. LTD.
Pradeep Lisew5
Director
Director

KASTURI TIE UP PVT. LTD.
Director
Director

Kasturi Tie-up Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105031

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 4 Financial Assets (Other Financial Assets)			
Unsecured, Considered Good			
Security Deposits	1,80,125	1,80,125	1,80,125
TOTAL	**1,80,125**	**1,80,125**	**1,80,125**

Note 5 Inventories			
(At lower of cost or Net Realisable value)			
Work in Progress	1,26,28,594	1,13,35,525	1,01,67,882
Finished Goods	2,54,32,325	2,54,32,325	2,54,32,325
Total Inventories	**3,80,60,919**	**3,67,67,850**	**3,56,00,207**

Note 6 Financial Assets (Trade receivables)			
Trade receivables	5,231	17,389	1,598
Receivables from related parties	-	-	-
Less: Allowance for doubtful debts	-	-	-
	5,231	**17,389**	**1,598**

All the trade receivables are Unsecured, considered good and does not require any provision or allowance for doubtful debts

Note 7 Financial Assets (Cash and Cash Equivalents)			
(a) Balances with banks (Unrestricted in Current Account)	4,46,380	4,75,378	3,23,893
(b) Cash in hand	50,618	50,797	50,973
(c) Cheques, drafts on hand	-	-	-
(d) Others			
Cash and cash equivalents as per balance sheet	**4,96,998**	**5,26,175**	**3,74,866**

Note 8 Financial Assets (Other financial assets)			
Other Advances (Unsecured, considered good)	-	-	-
TOTAL	**-**	**-**	**-**

Note 9 Current tax assets and liabilities			
Current tax assets			
Advance Income Tax and TDS	3,04,104	3,05,610	2,60,260
TOTAL	**3,04,104**	**3,05,610**	**2,60,260**

Note 10 Other current assets			
Other Advances	-	-	42,588
TOTAL	**-**	**-**	**42,588**

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Kasturi Tie-up Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC105031

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 11 Equity Share Capital			
(Equity Shares of Rs.10/- each)			
a) Authorised Share Capital			
Number of Shares	20,000	20,000	20,000
Total Amount	2,00,000	2,00,000	2,00,000
b) Issued, subscribed and fully paid Share Capital			
Number of Shares	10,000	10,000	10,000
Total Amount	1,00,000	1,00,000	1,00,000
c) Reconciliation of Number of Equity Shares Outstanding			
As at the beginning & end of the year	10,000	10,000	10,000
No shares have either been issued, nor bought back, forfeited			
d) Details of Shareholders holding more than 5% shares with voting right			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	10,000	10,000	10,000
Percentage of total shares held	100.00%	100.00%	100.00%

e) The rights, preferences & restrictions attaching to shares and restrictions on distribution of dividend and repayment of capital

The Company has only one class of equity shares having par value value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

	As at 31.03.18	As at 31.03.17	As at 01.04.16
g) Shares held by holding, ultimate holding, or subidiaries or associates of holding			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	9,800	9,800	9,800
Percentage of total shares held	98.00%	98.00%	98.00%
Ravi Prakash Pincha *			
Number of Shares	100	100	100
Percentage of total shares held	1.00%	1.00%	1.00%
Pradeep Kumar Pugalia *			
Number of Shares	100	100	100
Percentage of total shares held	1.00%	1.00%	1.00%

** Both the shareholders holding 100 Shares each are held in capacity of nominee holder of RDB Realty & Infrastructure Ltd*

	As at 31.03.18	As at 31.03.17	As at 01.04.16
g) Shares are reserved for issue under options or contracts.			
Number of Shares	-	-	-
Total Amount	-	-	-

h) Shares issued for consideration other than cash or bonus to shareholders or bought back from shareholders within the period of 5 years

No such shares have been issued nor there has been any buy-back

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Kasturi Tie-up Private Limited
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Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 12 Other equity			
Reserve & Surplus			
Surplus from Statement of Profit & Loss			
As at the beginning of the year	1,15,92,642	96,58,451	89,63,396
Add: Profit for the year	23,08,603	19,34,191	-
Add: Ind AS Adjustments	-	-	6,95,055
As at the end of the year	1,39,01,245	1,15,92,642	96,58,451
Other Comprehensive Income			
Equity Instruments through other comprehensive income	-	-	-
Other items of Other Comprehensive Income	-	-	-
Total	**1,39,01,245**	**1,15,92,642**	**96,58,451**

Note 14 Financial Liabilities - Borrowings (Non Current)			
Secured - at amortised cost			
Term Loan from Bank	62,75,775	89,85,938	1,09,64,574
The loan is secured against first charge over property classified under inventories and lease rental receivable from the property. Loan is repayable in 96 equal monthly installment of Rs. 2,65,349/- (incl. interest) starting from 05.11.13 and last installment falling due on 05.10.21. The rate of interest is Base Rate Plus 2.60 %			
Total non-current borrowings	**62,75,775**	**89,85,938**	**1,09,64,574**

Note 13 Financial Liability (Other Financial Liability)			
Security Deposits	18,50,393	16,43,333	14,59,443
Total	**18,50,393**	**16,43,333**	**14,59,443**

Note 14 financial liabilities - Borrowings			
(Unsecured, repayable on Demand, including interest accrued)			
From Related Parties	-	-	-
From other than Related Parties	1,27,46,368	1,21,60,156	91,15,155
Total	**1,27,46,368**	**1,21,60,156**	**91,15,155**

Note 15 financial liabilities - Trade and other payables			
outstanding dues of micro & small entreprises	-	-	-
Other than above	67,145	73,699	6,530
Total	**67,145**	**73,699**	**6,530**

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Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 16 financial liabilities - Other Financial Liabilities			
Current maturity of long term debt	24,15,270	19,03,698	16,82,689
Interest accrued but not due on borrowings	64,932	98,788	1,13,579
Advances from other	8,21,884	5,99,016	20,04,769
Other payable	1,67,364	1,08,879	89,212
Book Debt From Bank	-	-	9,15,242
Total	**34,69,451**	**27,10,381**	**48,05,491**

Note 17 Other Current Liabilities			
Advances from Customer and Others	-	-	-
Total	-	-	-

Note 18 Provisions			
Provision for Income Tax	6,37,000	5,31,000	3,50,000
Total	**6,37,000**	**5,31,000**	**3,50,000**

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Notes to the financial statements		Year ended 31.03.18	Year ended 31.03.17
Note 20 Revenue from Operations			
Rental Income		43,97,016	44,14,058
TOTAL		**43,97,016**	**44,14,058**
Note 21 Other Income			
Interest Income		-	-
Total		-	-
Note 22 Construction Activity Expenses			
Other Construction Expenses		2,16,338	11,67,643
Interest Paid		10,76,731	-
Consumption		**12,93,069**	**11,67,643**
Note 23 Changes in inventories of work-in-progress & Finished Goods			
Opening Inventory of Work in Progress		1,13,35,525	1,01,67,882
Opening Inventory of Finished Goods		2,54,32,325	2,54,32,325
	Sub Total (A)	3,67,67,850	3,56,00,207
Less : Closing Inventory of Work in Progress		1,26,28,594	1,13,35,525
Less : Closing Inventory of Finished Goods		2,54,32,325	2,54,32,325
	Sub Total (B)	3,80,60,919	3,67,67,850
(Increase)/decrease in inventories (A-B)		**(12,93,069)**	**(11,67,643)**
Note 24 Finance Cost			
Interest on Borrowed fund		9,51,741	14,11,784
Other Borrowing Cost			
Notional Interest on Security Deposits		2,07,060	1,83,890
Finance Charges		1,796	1,230
Total		**11,60,597**	**15,96,904**
Note 25 Others Expenses			
Rates & Taxes		4,710	4,400
Filing Fees		2,579	4,676
Repairs & Maintenance		2,59,468	2,37,766
Professional Charges		800	2,400
Interest Penalty charges		36	155
Auditor's Remuneration			
Statutory Audit Fees		5,000	5,000
Total		**2,72,593**	**2,54,397**

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Notes to the financial statements

A. Share Capital

Particulars	Amount (Rs.)
Equity Share Capital as on 01.04.2016	1,00,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2017	1,00,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2018	1,00,000

B. Other Equity

Other Equity

Reserves and surplus attributable to Equity Share holders of the Company	**Amount (Rs.)**
Balance at 1 April 2016	**96,58,451**
Transfers	-
Profit for the year	19,34,191
Add:IND AS adjustmnents	-
Other comprehensive income	-
Total comprehensive income for the year	**1,15,92,642**
Balance at 31 March 2017	**1,15,92,642**
Transfers	-
Profit for the Year	23,08,603
Add:IND AS adjustmnents	-
Other comprehensive income	-
Total comprehensive income for the year	**1,39,01,245**
Balance at 31 March 2018	**1,39,01,245**

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Notes to the financial statements as on

Note 2 & 3 - Property, Plant and Equipment

Particulars	(2) Tangible Office Equipment		(3) Intangible
Gross carrying amount			
Deemed cost as at 01.04.16	-		-
Additions	-		-
Disposals	-		-
Closing gross carrying amount as on 31.03.17	-		-
Additions	-		-
Disposals	-		-
Closing gross carrying amount as on 31.03.18	-		-
Accumulated depreciation as at 01.04.16	-		-
Depreciation charge during the year	-		-
Disposals	-		-
Closing accumulated depreciation as on 31.03.17	-		-
Depreciation charge during the year	-		-
Disposals	-		-
Closing accumulated depreciation as on 31.03.18	-		-
Net carrying amount as at 01.04.16 as per IND AS	-		-
Net carrying amount as at 31.03.17	-		-
Net carrying amount as at 31.03.18	-		-

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Kasturi Tie-up Private Limited

Cash Flow Statement for the year ended 31st March, 2018

Cash Flow Statement	For the year ended 31st March,2018 (Amount in ₹)		For the year ended 31st March,2017 (Amount in ₹)	
A. Cash flow from operating activities :				
Net profit before tax as per Statement of Profit and Loss		29,63,826		25,62,757
Adjustments for				
Depreciation & Amortisation	-		-	
Notional Interest on Security Deposits	2,07,060		1,83,890	
Interest Paid	9,51,741	11,58,801	14,11,784	15,95,674
Operating Profit Before Working Capital Changes		**41,22,627**		**41,58,431**
(Increase) / Decrease in Inventories	(2,16,338)		(11,67,643)	
(Increase) / Decrease in Trade receivables	12,158		(15,791)	
(Increase) / Decrease of Advances	-		-	
(Increase) / Decrease of Other Current Assets	-		42,588	
Increase / (Decrease) in Trade Payables	(6,554)		67,169	
Increase / (Decrease) of Other financial liabilities	2,81,354		(23,01,328)	
Increase / (Decrease) of Other Current Liabilities	-	70,620	-	(33,75,005)
Cash generated from operations		**41,93,247**		**7,83,426**
Less: Direct taxes paid/ (Refunds) including Interest (Net)		5,47,717		4,92,916
Cash Flow before Exceptional Items		36,45,530		2,90,510
Net cash Generated/(used) from operating activities		**36,45,530**		**2,90,510**
B. Cash Flow from Investing Activities :				
Purchase of Fixed Assets		-		-
Net cash from investing activities		-		-
C. Cash flow from financing activities :				
Proceeds / (Repayment) of Short Term Borrowings	5,86,212		30,45,001	
Proceeds / (Repayment) of Long Term Borrowings	(21,98,591)		(17,57,627)	
Interest Paid	(20,62,328)	(36,74,707)	(14,26,575)	(1,39,201)
Net cash generated/(used) in financing activities		**(36,74,707)**		**(1,39,201)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(29,177)**		**1,51,309**
Cash and cash equivalents -Opening balance		5,26,175		3,74,866
		4,96,998		**5,26,175**
Cash and cash equivalents -Closing balance				
CASH AND CASH EQUIVALENTS :				
Balances with Banks		4,46,380		4,75,378
Cash on hand (As certified by the management)		50,618		50,797
		4,96,998		**5,26,175**

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board

For Vineet Khetan & Associates
Chartered Accountants
Registration No. 324428E

KASTURI TIE UP PVT. LTD.

Director

KASTURI TIE UP PVT. LTD.

Pradeep Lirwal

Director

Vineet Khetan
Propritor
Membership No.060270
3B, Lal Bazar Street
Kolkata - 700 001.
The 29th day of May 2018

Director

Director

Vineet Khetan & Associates
Kolkata
Chartered Accountants

26. NOTES TO THE FINANCIAL STATEMENTS

A. Corporate Information

Kasturi Tie-up Private Limited (The Company) is a deemed Public limited company, private company being a subsidiary of Listed Public Company domiciled and incorporated in India. It is a part of a group leading in real estate activities in Eastern India. The registered office of the Company is situated at 8/1, Lalbazar Street, Bikaner Building, 1 Floor, Room No.10, Kolkata-700001. The principle business activity of the company is Real Estate Development.

B. Summary of Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements (Separate financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards(Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013. For all periods up to and including the year ended 31 March 2017, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules,2014 (previous GAAP).

These financial statements for the year ended 31 March 2018 are the first the company has prepared in accordance with Ind AS. Refer to note29 for an explanation of how the transition from previous GAAP to Ind AS has effected presentation of company's financial position, financial performance and cash flows.

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

All the assets and liabilities have been classified as current and non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013.The normal operating cycle of the company has been considered as 12 months.

b) Use of estimates and management judgments :

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

i) Key estimates and assumptions :

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

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ii) **Revenue recognition, contract costs and valuation of unbilled revenue**

The Company uses the percentage of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

For revenue recognition for projects executed through joint development arrangements, refer clause (ii) below as regards estimates and assumptions involved.

iii) **Estimation of net realisable value for inventory property (including land advance)**

Inventory property is stated at the lower of cost and net realisable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

c) **Revenue Recognition-**

Revenue is recognized as follows:

i. Revenue from own construction projects are recognised on Percentage Completion Method. Revenue recognition starts when 25 % of estimated project cost excluding land and marketing cost is incurred, atleast 25% of the saleable project area is secured by contracts or agreements with buyers and Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

ii. Revenue from Construction Contracts are recognised on "Percentage of Completion Method" measured by reference to the survey of works done up to the reporting date and certified by the client before finalisation of projects accounts.

iii. Real Estate: Sales is exclusive of service tax, if any, net of sales return.

iv. Revenue from services are recognised on rendering of services to customers except otherwise stated

v. Rental income from assets is recognised for an accrual basis except in case where ultimate collection is considered doubtful. Rental income is exclusive of service tax

vi. Income from interest is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

d) **Borrowing Costs**

Borrowing costs attributable to the acquisition or construction of a qualifying asset are carried as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the year they are incurred.

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e) **Impairment of Non-Financial Assets**

The management periodically assesses using external and internal sources, whether there is an indication that both tangible and intangible asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

f) **Inventories**

Constructed properties, shown as work in progress, includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development costs, construction costs, overheads, borrowing costs, construction materials including material lying at respective sites, finance and administrative expenses which contribute to bring the inventory to their present location and condition and is valued at lower of cost/ estimated cost and net realizable value.

On completion of projects, unsold stocks are transferred to project finished stock under the head "Inventory" and the same is carried at cost or net realizable value, whichever is less.

Finished Goods – Flats: Valued at cost and net realizable value.

Land Inventory: Valued at lower of cost and net realizable value.

Provision for obsolescence in inventories is made, wherever required.

g) **Retirement Benefits**

No such benefits are payable to any employee.

h) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if the company has a present obligation as a result of past event and the amount of obligation can be reliably estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Possible future or present obligations that may but will probably not require outflow of resources or where the same can not be reliably estimated is disclosed as contingent liability in the financial statement.

i) **Taxes on Income**

i. Tax expense comprises both current and deferred tax. Current tax is determined in respect of taxable income for the year based on applicable tax rates and laws.

ii. Deferred tax Asset/liability is recognized, subject to consideration of prudence, on timing differences being the differences between taxable incomes and accounting income that originates in one year and is capable of reversal in one or more subsequent year and measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each Balance Sheet date to reassess their reliability.

iii. Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at

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each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

j) **Segment Reporting**

The company has identified that its operating activity is a single primary business segment viz. Real Estate Development and Services carried out in India. Accordingly, whole of India has been considered as one geographical segment

k) **Earnings Per Share**

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

l) **Cash & Cash Equivalents**

Cash and cash equivalents comprise cash & cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less, which are subjett to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management and that are readily convertible to known amounts of cash to be cash equivalents.

m) **Financial Instruments**

➢ **Financial Instruments - Initial recognition and measurement**

Financial assets and financial liabilities are recognized in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➢ **Financial assets –Subsequent measurement**

The Subsequent measurement of financial assets depends on their classification which is as follows:

- <u>Financial assets at fair value through profit or loss</u>
  Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.
- <u>Financial assets measured at amortized cost</u>
  Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.
  Debt instruments at amortised cost:
  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
  i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
  This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on

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acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
ii. The asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

- Financial assets at fair value through OCI

  All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument by instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable. If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

- **Financial assets –Derecognition**

  The company derecognizes a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. Upon derecognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

- **Financial liabilities –**

  Initial recognition and measurement

  Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.

  The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

  Subsequent measurement

  The Subsequent measurement of financial liabilities depends on their classification which is as follows:

  - Financial liabilities at fair value through profit or loss

    Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any, and financial liabilities designated upon initial recognition as at fair value through profit

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or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
Gains or losses on liabilities held for trading are recognised in the profit or loss.

- Financial liabilities measured at amortized cost
  Interest bearing loans and borrowings including debentures issued by the company are subsequently measured at amortized cost using the effective interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortized is included in finance costs in the statement of profit and loss.

- **Financial liabilities –Derecognition**
  A financial liability is derecognized when the obligation under the liability is discharged or expires.

n) **Fair Value measurement**

The company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or

▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

o) **Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

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27 Reconciliation of Effective Tax Rate

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31.03.18	Year ended 31.03.17
Profit before tax	29,63,826	25,62,757
Income tax expense calculated @ 25.75% (2017: 29.87%)	7,63,185	7,65,496
Other differences	(1,26,185)	(2,34,496)
Total	6,37,000	5,31,000
Adjustments recognised in the current year in relation to the current tax of prior years	18,223	97,566
Income tax recognised in profit or loss	6,55,223	6,28,566

The tax rate used for the year 2016-17 and 2017-18 reconciliations above is the corporate tax payable on taxable profits under the Income Tax Act, 1961.

28 Related Party Disclosure

Related Party Relationship

Enterprises where control exists - RDB Realty & Infrastructure Ltd – Holding

Transactions & Balanaces :

No related party transactions nor any balances have been reported by the management.

29 In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realised in ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary. There is no contingent liability except stated and informed by the Management.

30 **Contingent Liabilities:-** Nil (P. Y. Nil)

31 First Time Adoption of Ind AS

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance withInd AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2016 (the transition date) by:

(a) recognising all assets and liabilities whose recognition is required by Ind AS,

(b) not recognising items of assets or liabilities which are not permitted by Ind AS,

(c) reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and

(d) applyingInd AS in measurement of recognised assets and liabilities.

29.1 Ind AS optional exemptions

Deemed Cost of Property, Plant and Equipment

The company did not had any Property, Plant and Equipment as at the date of transition.

Deemed Cost of Investment in Subsidiaries, Associates and Joint Ventures

The company did not had any Investment in Subsidiaries, Associates and Joint Ventures as at the date of transition

29.2 Ind AS mandatory exemptions

Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP. Ind AS estimates at 1st April, 2016 are consistent with the estimates as at the same date made with conformity with previous GAAP.

De-recognition of Financial Assets and Liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition retrospectively from a date of entity's choosing.

The entity has elected to apply the de-recognition provisions prospectively from the date of transition.

Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification and measurement of assets on the basis of facts and circumstances that exist at the date of transition to Ind AS. The entity has applied this exception.

Fair Valuation of Investments

Under the previous GAAP, investments were classified as long term investments or current investments based on the intended holding period and realisability. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition.

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29.3 Transition to Ind AS – Reconciliations

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS:

Reconciliation of Other Equity

Particulars	As on 31.03.2018	As on 31.03.2017	As on 01.04.2016
Reserves and Surplus as per IGAAP	**1,35,97,140**	**1,10,81,477**	**89,63,396**
Add: Fair valuation of Security Deposits Received	3,04,105	5,11,165	6,95,055
Other Equity as per Ind AS	**1,39,01,245**	**1,15,92,642**	**96,58,451**

Notes:

(i) Under Indian GAAP, there are certain security deposits received which are carried at nominal value. Ind AS requires the measurement of these assets at fair value at inception and subsequently these assets are measured at amortized cost. At inception date, Company recognises difference between deposit fair value and nominal value as income/expensesand the Company recognises notional interest income/expenses on these deposits over the lease term.

(ii) Indian GAAP required deferred tax accounting using the income statement approach, which focusses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. In addition, the various transitional adjustments lead to different temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(iii) The Company has undertaken a detailed exercise to determine the manner of allocation of expenses to inventory in context of Ind AS and accordingly realignedallocation of expenses and income to comply with Ind AS requirements.

Impact of Ind AS adoption on the Cash Flow Statement for the year ended 31st March, 2017

There are no differences between the Cash Flow Statement presented under Ind AS and the Previous GAAP.

30 Financial Instruments and Related Disclosures As on 31.03.2018

Particulars at	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Trade receivables	5,231	5,231	5,231
(ii) Cash and cash equivalents	4,96,998	4,96,998	4,96,998
(iii) Other financial assets	1,80,125	1,80,125	1,80,125
Total Financial Assets	6,82,354	6,82,354	6,82,354
(a) Financial Liabilities			
(i) Borrowings	1,90,22,143	1,90,22,143	1,90,22,143
(ii) Trade and other payables	67,145	67,145	67,145
(iii) Other financial liabilities	53,19,844	53,19,844	53,19,844
Total Financial Liabilities	2,44,09,132	2,44,09,132	2,44,09,132

As on 31.03.2017

Particulars	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Trade receivables	17,389	17,389	17,389
(ii) Cash and cash equivalents	5,26,175	5,26,175	5,26,175
(iii) Other financial assets	1,80,125	1,80,125	1,80,125
Total Financial Assets	7,23,689	7,23,689	7,23,689
(a) Financial Liabilities			
(i) Borrowings	2,11,46,094	2,11,46,094	2,11,46,094
(ii) Trade and other payables	73,699	73,699	73,699
(iii) Other financial liabilities	43,53,714	43,53,714	43,53,714
Total Financial Liabilities	2,55,73,507	2,55,73,507	2,55,73,507

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As on 01.04.2016

Particulars	**Carrying Value**	**Amortised Cost**	**Fair Value**
(a) Financial Assets			
(i) Trade receivables	1,598	1,598	1,598
(ii) Cash and cash equivalents	3,74,866	3,74,866	3,74,866
(iii) Other financial assets	1,80,125	1,80,125	1,80,125
Total Financial Assets	5,56,589	5,56,589	5,56,589
(a) Financial Liabilities			
(i) Borrowings	2,00,79,729	2,00,79,729	2,00,79,729
(ii) Trade and other payables	6,530	6,530	6,530
(iii) Other financial liabilities	62,64,934	62,64,934	62,64,934
Total Financial Liabilities	2,63,51,193	2,63,51,193	2,63,51,193

A. **Capital Requirements**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents

Particulars	**31-Mar-18 (in Rs.)**	**31-Mar-17 (in Rs.)**	**1-Apr-16 (in Rs.)**
Borrowings (long-term and short-term, including current maturities of long term borrowings)	2,14,37,413	2,30,49,792	2,17,62,418
Trade payables	67,145	73,699	6,530
Other payables (current and non-current, excluding current maturities of long term borrowings)	29,04,574	24,50,016	43,61,236
Less: Cash and cash equivalents	(4,96,998)	(5,26,175)	(3,74,866)
Net debt	2,39,12,134	2,50,47,332	2,57,55,318
Equity share capital	1,00,000	1,00,000	1,00,000
Other equity	1,39,01,245	1,15,92,642	96,58,451
Total Capital	1,40,01,245	1,16,92,642	97,58,451
Gearing ratio	**0.59**	**0.47**	**0.38**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

31 **Disclosure of Financial Instruments**

Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and loans and advances and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

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Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuatebecause of changes in market prices. Market risk comprises two types of risk: interest rate riskand other price risk, such as equity price risk and commodity/ real estate risk. The Company has not entered into any foreign exchange or commodity derivative contracts. Accordingly, there is no significant exposure to the market risk other than interest risk.

(i) 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 the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Most of the borrowings of the Company are unsecured and at fixed rates. The Company has only one cash credit account which is linked to the Prime Bank Lending Rate. The Company does not enter into any interest rate swaps.

(ii) Price risk

The Company has not made any investments for trading purposes. The surpluses have been deployed in bank deposits as explained above.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

Receivables resulting from other than sale of properties: Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company's credit period generally ranges from 30-60 days.

The ageing of trade receivables are as follows:

Particulars	**As on 31.03.2018**	**As on 31.03.2017**	**As on 01.04.2016**
More than 6 months	---	---	---
Others	67,145	73,699	6,530

Deposits with banks and financial institutions

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Board. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2017 and 2016 is the carrying amounts.

Liquidity Risk

The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. In case of short term requirements, it obtains short-term loans from its Bankers.

Vineet Khetan & Associates
Kolkata
Chartered Accountants

VINEET KHETAN & ASSOCIATES
CHARTERED ACCOUNTANTS
5th Floor, R. No. : 7, 3B, Lal Bazar Street, Kolkata - 1, Mobile : 9331040655, Phone : (033) 4066 1047
E-mail : khousehouse71@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRITON COMMERCIAL PRIVATE LIMITED

We have audited the accompanying standalone financial statements (herein referred to as financial statement in this report) of **TRITON COMMERCIAL PRIVATE LIMITED**, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss, Cash Flow Statement and the Statement of Changes in Equity for the year then ended, for the year ended, and also a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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Kolkata
Chartered Accountants

Opinion
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its **profit,** its cash flows and its statements of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements
As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us, we set out a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

1. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) As explained to us Fixed Assets of the company are physically verified by the management according to a phased programme designed to cover all the items which considering the size and nature of operations of the company appears to be reasonable. Pursuant to such program, no material discrepancies between book records and physical inventory have been noticed on physical verification.

   c) The company does not have any immovable property under the fixed assets, hence the clause is not applicable.

2.) a) The inventory has been physically verified by the management at regular intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them.

   b) In our opinion and according to the information's and explanations given to us, the procedures of physical verification of inventories 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 examinations of records of the inventory, in our opinion, the company is maintaining proper records of inventory except in respect of work-in-progress. As in earlier years, work-in-progress has been determined by the management on the basis of physical verification. The discrepancies ascertained on physical verification between the physical stock and the book records of inventory were not material in relation to the operations of the Company.

3.) The company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Hence clause is not applicable.

4.) According to the records of the company examined by us and according to the information and explanations given to us, in our opinion the company has neither given any guarantees or security nor has made any investments nor given a loan covered under the provisions of section 185 and 186 of the Companies Act, 2013.

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Chartered Accountants

5.) The company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under are not applicable.

6.) The rules regarding maintenance of cost records which have been specified by the central government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company.

7.) a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues with the appropriate authorities and there is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the records of the company examined by us and according to information and explanations given to us, there are no dues in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute.

8.) According to the records of the Company examined by us and the information and explanations given to us, the Company has duly repaid loan taken from banks. Further it does not have any outstanding from any financial institutions or government nor has it any outstanding debenture.

9.) In our opinion, and according to the information's and explanations given to us, there was no money raised by way of initial public offer or further public offer (including debt instruments) and the term loan has been applied, on an overall basis, for the purpose for which they were obtained.

10.) According to the information and explanations given to us, we report that neither any fraud by the company nor on the company by its officers / employees has been noticed or reported during the year.

11.) As examined by us, the company has not paid remuneration to any managerial personnel during the period in accordance, hence clause is not applicable.

12.) The company is not a nidhi company. Hence clause is not applicable.

13.) According to the information and explanations given to us, we are of the opinion that all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.

14.) According to the information and explanations given to us, we report that the company has neither made any preferential allotment or private placement of shares nor fully or partly convertible debentures during the year under review. Hence clause is not applicable.

15.) According to the information and explanations given to us, we report that the company has not entered into any non-cash transactions with directors or persons connected with them. Hence clause is not applicable.

16.) According to the information and explanations given to us, we report that company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934.

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Kolkata
Chartered Accountants

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

1. 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.

2. 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.

3. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of charges in equity dealt with by this Report are in agreement with the books of account.

4. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

6. With respect to the adequacy of the internal financial controls over financials reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure A.

7. 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:

   (a) The company does not have any pending litigation.

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

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

For **VINEET KHETAN & ASSOCIATES**
Chartered Accountants
FRN: 324428E

Vineet Khetan
Proprietor
Membership No. 060270
Kolkata - 700 001.
Date: 29th Day of May, 2018

Vineet Khetan & Associates
Kolkata
Chartered Accountants

VINEET KHETAN & ASSOCIATES
CHARTERED ACCOUNTANTS
5th Floor, R. No. : 7, 3B, Lal Bazar Street, Kolkata - 1, Mobile : 9331040655, Phone : (033) 4066 1047
E-mail : khousehouse71@gmail.com

TO THE MEMBERS OF TRITON COMMERCIAL PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of **TRITON COMMERCIAL PRIVATE LIMITED** as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(I) Pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(II) 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.

(III) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **VINEET KHETAN & ASSOCIATES**
Chartered Accountants
FRN: 324428E

Vineet Khetan
Proprietor
Membership No. 060270
Kolkata - 700 001.
Date: 29th Day of May, 2018

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Triton Commercial Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC104548

Balance Sheet as on 31.03.2018

Particulars	Note	As at 31.03.18	As at 31.03.17	As at 01.04.16
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	2	88,308	-	-
(b) Intangible	3	-	-	-
(c) Financial Assets				
(i) Other Financial Assets	4	1,80,125	1,80,125	1,80,125
Total Non - Current Assets		**2,68,433**	**1,80,125**	**1,80,125**
Current assets				
(a) Inventories	5	3,53,27,871	3,43,63,804	3,34,86,667
(b) Financial Assets				
(i) Trade receivables	6	1,015	13,172	1,596
(ii) Cash and cash equivalents	7	4,93,549	4,77,977	3,74,982
(iii) Other financial assets	8	-	1,11,362	2,78,964
(c) Current Tax Assets	9	3,15,540	3,05,610	2,60,260
(d) Other current assets	10	-	-	42,600
Total Current Assets		**3,61,37,976**	**3,52,71,925**	**3,44,45,069**
Total Assets		**3,64,06,409**	**3,54,52,050**	**3,46,25,194**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	11	1,00,000	1,00,000	1,00,000
(b) Other Equity	12	1,50,60,104	1,26,07,957	1,06,07,680
Total equity		**1,51,60,104**	**1,27,07,957**	**1,07,07,680**
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	62,75,775	89,85,938	1,09,64,574
(ii) Other financial liabilities	14	6,79,553	6,03,511	5,35,978
Total non-current liabilities		**69,55,328**	**95,89,449**	**1,15,00,552**
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	90,63,468	77,13,619	77,01,261
(ii) Trade and other payables	16	6,000	6,000	6,091
(iii) Other financial liabilities	17	45,83,508	48,98,625	43,59,610
(b) Other current liabilities	18	-	-	-
(c) Provisions	19	6,38,000	5,36,400	3,50,000
Total Current Liabilities		**1,42,90,976**	**1,31,54,644**	**1,24,16,962**
Total liabilities		**2,12,46,304**	**2,27,44,093**	**2,39,17,514**
Total Equity & Liabilities		**3,64,06,408**	**3,54,52,050**	**3,46,25,194**

This is the Balance Sheet referred to in our report of even date.

For VINEET KHETAN & ASSOCIATES
Chartered Accountants

Vineet Khetan
Proprietor
Membership No. 060270
3B, Lal Bazar Street
Kolkata - 700 001.
The 29th day of May 2018

TRITON COMMERCIAL PVT. LTD.
Director
Director

For and on behalf of the Board
TRITON COMMERCIAL PVT. LTD
Pradeep Lirewal
Director
Director

Vineet Khetan & Associates ★ Chartered Accountants ★ Kolkata

Triton Commercial Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC104548

Statement of profit and loss for the year ended 31.03.2018

Particulars	Note	Year ended 31.03.18	Year ended 31.03.17
Revenue			
Revenue from operations	20	43,97,016	44,14,058
Other income	21	-	-
Total Revenue		**43,97,016**	**44,14,058**
Expenses			
Construction Activity Expenses	22	9,64,067	8,77,137
Changes in inventories of work-in-progress	23	(9,64,067)	(8,77,137)
Depreciation and amortisation expense	2	13,692	-
Finance costs	24	10,29,630	14,81,817
Other expenses	25	2,52,420	2,69,338
Total expenses		**12,95,743**	**17,51,155**
Pr fit before tax		**31,01,273**	**26,62,903**
Le . Income tax expenses			
- Current tax		6,38,000	5,36,400
- Tax Adjustment For Earlier Year		11,126	1,26,226
Total tax expense		**6,49,126**	**6,62,626**
Profit after tax		**24,52,147**	**20,00,277**
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss			
(i) Equity Instruments through Other Comprehensive Income		-	-
(ii) Remeasurements of the defined benefit plans		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**24,52,147**	**20,00,277.00**
E ings per equity share			
Profit available for Equity Shareholders		24,52,147	20,00,277
Weighted average number of Equity Shares outstanding		10,000	10,000
Basic earnings per share		245.21	200.03
Diluted earnings per share		245.21	200.03

This is the Statement of Profit & Loss referred to in our report of even date.

For VINEET KHETAN & ASSOCIATES
Chartered Accountants

Vineet Khetan
Proprietor
Membership No. 060270
3B, Lal Bazar Street
Kolkata - 700 001.
The 29th day of May 2018

Vineet Khetan & Associates * Kolkata * Chartered Accountants

TRITON COMMERCIAL PVT. LTD.

Director

Director

For and on behalf of the Board

TRITON COMMERCIAL PVT. LTD.

Pradeep Hirow

Director

Director

Triton Commercial Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC104548

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16

Note 4 Financial Assets (Other Financial Assets)			
Unsecured, Considered Good			
Security Deposits	1,80,125	1,80,125	1,80,125
TOTAL	**1,80,125**	**1,80,125**	**1,80,125**

Note 5 Inventories			
(At lower of cost or Net Realisable value)			
Work in Progress	76,67,594	67,03,527	58,26,390
Finished Goods	2,76,60,277	2,76,60,277	2,76,60,277
Total Inventories	**3,53,27,871**	**3,43,63,804**	**3,34,86,667**

Note 6 Financial Assets (Trade receivables)			
Trade receivables	1,015	13,172	1,596
Receivables from related parties	-	-	-
Less: Allowance for doubtful debts	-	-	-
	1,015	**13,172**	**1,596**

All the trade receivables are Unsecured, considered good and does not require any provision or allowance for doubtful debts

Note 7 Financial Assets (Cash and Cash Equivalents)			
(a) Balances with banks (Unrestricted in Current Account)	4,52,815	4,37,064	3,23,893
(b) Cash in hand	40,734	40,913	51,089
(c) Cheques, drafts on hand	-	-	-
(d) Others			
Cash and cash equivalents as per balance sheet	**4,93,549**	**4,77,977**	**3,74,982**

Note 8 Financial Assets (Other financial assets)			
Other Advances (Unsecured, considered good)	-	1,11,362	2,78,964
TOTAL	**-**	**1,11,362**	**2,78,964**

Note 9 Current tax assets and liabilities			
Current tax assets			
Advance Income Tax and TDS	3,15,540	3,05,610	2,60,260
TOTAL	**3,15,540**	**3,05,610**	**2,60,260**

Note 10 Other current assets			
Other Advances	-	-	42,600
TOTAL	**-**	**-**	**42,600**

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Triton Commercial Private Limited
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CIN: U51109WB2005PTC104548

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 11 Equity Share Capital			
(Equity Shares of Rs.10/- each)			
a) Authorised Share Capital			
Number of Shares	20,000	20,000	20,000
Total Amount	2,00,000	2,00,000	2,00,000
b) Issued, subscribed and fully paid Share Capital			
Number of Shares	10,000	10,000	10,000
Total Amount	1,00,000	1,00,000	1,00,000
c) Reconciliation of Number of Equity Shares Outstanding			
As at the beginning & end of the year	10,000	10,000	10,000
No shares have either been issued, nor bought back, forfeited			
d) Details of Shareholders holding more than 5% shares with voting right			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	10,000	10,000	10,000
Percentage of total shares held	100.00%	100.00%	100.00%

e) The rights, preferences & restrictions attaching to shares and restrictions on distribution of dividend and repayment of capital

The Company has only one class of equity shares having par value value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

	As at 31.03.18	As at 31.03.17	As at 01.04.16
g) Shares held by holding, ultimate holding, or subidiaries or associates of holding			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	9,800	9,800	9,800
Percentage of total shares held	98.00%	98.00%	98.00%
Ravi Prakash Pincha *			
Number of Shares	100	100	100
Percentage of total shares held	1.00%	1.00%	1.00%
Pradeep Kumar Pugalia *			
Number of Shares	100	100	100
Percentage of total shares held	1.00%	1.00%	1.00%

** Both the shareholders holding 100 Shares each are held in capacity of nominee holder of RDB Realty & Infrastructure Ltd*

	As at 31.03.18	As at 31.03.17	As at 01.04.16
g) Shares are reserved for issue under options or contracts.			
Number of Shares	-	-	-
Total Amount	-	-	-

h) Shares issued for consideration other than cash or bonus to shareholders or bought back from shareholders within the period of 5 years

No such shares have been issued nor there has been any buy-back

Vineet Khetan & Associates * Chartered Accountants * Kolkata

Triton Commercial Private Limited
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CIN: U51109WB2005PTC104548

Notes to the financial statements as on	**As at 31.03.18**	**As at 31.03.17**	**As at 01.04.16**
Note 12 Other equity			
Reserve & Surplus			
Surplus from Statement of Profit & Loss			
As at the beginning of the year	1,26,07,957	1,06,07,680	89,89,160
Add: Profit for the year	24,52,147	20,00,277	-
Add: Ind AS Adjustments	-	-	16,18,520
As at the end of the year	1,50,60,104	1,26,07,957	1,06,07,680
Other Comprehensive Income			
Equity Instruments through other comprehensive income	-	-	-
Other items of Other Comprehensive Income	-	-	-
Total	**1,50,60,104**	**1,26,07,957**	**1,06,07,680**

Note 14 Financial Liabilities - Borrowings (Non Current)			
Secured - at amortised cost			
Term Loan from Bank	62,75,775	89,85,938	1,09,64,574
The loan is secured against first charge over property classified under inventories and lease rental receivable from the property. Loan is repayable in 96 equal monthly installment of Rs. 2,65,349/- (incl. interest) starting from 05.11.13 and last installment falling due on 05.10.21. The rate of interest is Base Rate Plus 2.60 %			
Total non-current borrowings	**62,75,775**	**89,85,938**	**1,09,64,574**

Note 13 Financial Liability (Other Financial Liability)			
Security Deposits.	6,79,553	6,03,511	5,35,978
Total	**6,79,553**	**6,03,511**	**5,35,978**

Note 14 financial liabilities - Borrowings			
(Unsecured, repayable on Demand, including interest accrued)			
From Related Parties	-	-	-
From other than Related Parties	90,63,468	77,13,619	77,01,261
Total	**90,63,468**	**77,13,619**	**77,01,261**

Note 15 financial liabilities - Trade and other payables			
outstanding dues of micro & small entreprises	-	-	-
Other than above	6,000	6,000	6,091
Total	**6,000**	**6,000**	**6,091**

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Chartered Accountants

Triton Commercial Private Limited
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CIN: U51109WB2005PTC104548

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 16 financial liabilities - Other Financial Liabilities			
Current maturity of long term debt	24,15,270	19,03,698	16,82,689
Interest accrued but not due on borrowings	64,932	98,788	1,13,579
Advances from other	19,72,123	28,18,667	15,73,355
Other payable	1,31,182	77,472	77,398
Book Debt From Bank	-	-	9,12,589
Total	**45,83,508**	**48,98,625**	**43,59,610**

Note 17 Other Current Liabilities			
Advances from Customer and Others	-	-	-
Total	-	-	-

Note 18 Provisions			
Provision for Income Tax	6,38,000	5,36,400	3,50,000
Total	**6,38,000**	**5,36,400**	**3,50,000**

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Triton Commercial Private Limited
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CIN: U51109WB2005PTC104548

Notes to the financial statements	**Year ended 31.03.18**	**Year ended 31.03.17**
Note 20 Revenue from Operations		
Rental Income	43,97,016	44,14,058
TOTAL	**43,97,016**	**44,14,058**
Note 21 Other Income		
Interest Income	-	-
Total	-	-
Note 22 Construction Activity Expenses		
Other Construction Expenses	2,16,338	8,77,137
Interest Paid	7,47,729	-
Consumption	**9,64,067**	**8,77,137**
Note 23 Changes in inventories of work-in-progress & Finished Goods		
Opening Inventory of Work in Progress	67,03,527	58,26,390
Opening Inventory of Finished Goods	2,76,60,277	2,76,60,277
Sub Total (A)	3,43,63,804	3,34,86,667
Less : Closing Inventory of Work in Progress	76,67,594	67,03,527
Less : Closing Inventory of Finished Goods	2,76,60,277	2,76,60,277
Sub Total (B)	3,53,27,871	3,43,63,804
(Increase)/decrease in inventories (A-B)	**(9,64,067)**	**(8,77,137)**
Note 24 Finance Cost		
Interest on Borrowed fund	9,51,741	14,11,784
Other Borrowing Cost		
Notional Interest on Security Deposits	76,042	67,533
Finance Charges	1,847	2,500
Total	**10,29,630**	**14,81,817**
Note 25 Others Expenses		
Rates & Taxes	4,710	4,400
Filing Fees	3,079	3,776
Repairs & Maintenance	2,37,768	2,33,607
Professional Charges	800	22,400
Interest Penalty charges	1,063	155
Auditor's Remuneration		
Statutory Audit Fees	5,000	5,000
Total	**2,52,420**	**2,69,338**

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Triton Commercial Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2005PTC104548

Notes to the financial statements as on

Note 2 & 3 - Property, Plant and Equipment

Particulars	(2) Tangible Office Equipment		(3) Intangible
Gross carrying amount			
Deemed cost as at 01.04.16	-		-
Additions	-		-
Disposals	-		-
Closing gross carrying amount as on 31.03.17	-		-
Additions	1,02,000		-
Disposals	-		-
Closing gross carrying amount as on 31.03.18	1,02,000		-
Accumulated depreciation as at 01.04.16	-		-
Depreciation charge during the year	-		-
Disposals	-		-
Closing accumulated depreciation as on 31.03.17	-		-
Depreciation charge during the year	13,692		-
Disposals	-		-
Closing accumulated depreciation as on 31.03.18	13,692		-
Net carrying amount as at 01.04.16 as per IND AS	-		-
Net carrying amount as at 31.03.17	-		-
Net carrying amount as at 31.03.18	88,308		-

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Triton Commercial Private Limited

Cash Flow Statement for the year ended 31st March, 2018

Cash Flow Statement	For the year ended 31st March,2018 (Amount in ₹)		For the year ended 31st March,2017 (Amount in ₹)	
A. Cash flow from operating activities :				
Net profit before tax as per Statement of Profit and Loss		31,01,273		26,62,903
Adjustments for				
Depreciation & Amortisation	13,692		-	
Notional Interest on Security Deposits	76,042		67,533	
Interest Paid	9,51,741	10,41,475	14,11,784	14,79,317
Operating Profit Before Working Capital Changes		**41,42,748**		**41,42,220**
(Increase) / Decrease in Inventories	(2,16,338)		(8,77,137)	
(Increase) / Decrease in Trade receivables	12,157		(11,576)	
(Increase) / Decrease of Advances	1,11,362		1,67,602	
(Increase) / Decrease of Other Current Assets	-		42,600	
Increase / (Decrease) in Trade Payables	-		(91)	
Increase / (Decrease) of Other financial liabilities	(7,92,833)		3,32,797	
Increase / (Decrease) of Other Current Liabilities	-	(8,85,652)	-	(3,45,805)
Cash generated from operations		**32,57,096**		**37,96,415**
Less: Direct taxes paid/ (Refunds) including Interest (Net)		5,57,456		5,21,576
Cash Flow before Exceptional Items		26,99,640		32,74,839
Net cash Generated/(used) from operating activities		**26,99,640**		**32,74,839**
B. Cash Flow from Investing Activities :				
Purchase of Fixed Assets		(1,02,000)		-
Net cash from investing activities		**(1,02,000)**		**-**
C. Cash flow from financing activities :				
Proceeds / (Repayment) of Short Term Borrowings	13,49,849		12,358	
Proceeds / (Repayment) of Long Term Borrowings	(21,98,591)		(17,57,627)	
Interest Paid	(17,33,326)	(25,82,068)	(14,26,575)	(31,71,844)
Net cash generated/(used) in financing activities		**(25,82,068)**		**(31,71,844)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**15,572**		**1,02,995**
Cash and cash equivalents -Opening balance		4,77,977		3,74,982
		4,93,549		**4,77,977**
Cash and cash equivalents -Closing balance				
CASH AND CASH EQUIVALENTS :				
Balances with Banks		4,52,815		4,37,064
Cash on hand (As certified by the management)		40,734		40,913
		4,93,549		**4,77,977**

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board

For VINEET KHETAN & ASSOCIATES
Chartered Accountants

TRITON COMMERCIAL PVT. LTD.
Director

TRITON COMMERCIAL PVT. LTD.
Pradeep Lhiswal
Director

Vineet Khetan
Proprietor
Membership No. 060270
3B, Lal Bazar Street
Kolkata - 700 001.
The 29th day of May 2018

Director

Director

Vineet Khetan & Associates
Kolkata
Chartered Accountants

26. NOTES TO THE FINANCIAL STATEMENTS

A. Corporate Information

Triton Commercial Private Limited (The Company) is a deemed Public limited company, private company being a subsidiary of Listed Public Company domiciled and incorporated in India. It is a part of a group leading in real estate activities in Eastern India. The registered office of the Company is situated at 8/1, Lalbazar Street, Bikaner Building, 1 Floor, Room No.10, Kolkata-700001. The principle business activity of the company is Real Estate Development.

B. Summary of Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements (Separate financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards(Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013. For all periods up to and including the year ended 31 March 2017, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules,2014 (previous GAAP).

These financial statements for the year ended 31 March 2018 are the first the company has prepared in accordance with Ind AS. Refer to note29 for an explanation of how the transition from previous GAAP to Ind AS has effected presentation of company's financial position, financial performance and cash flows.

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

All the assets and liabilities have been classified as current and non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013.The normal operating cycle of the company has been considered as 12 months.

b) Use of estimates and management judgments :

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

i) Key estimates and assumptions :

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

Kolkata

ii) **Revenue recognition, contract costs and valuation of unbilled revenue**

The Company uses the percentage of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to bè expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

For revenue recognition for projects executed through joint development arrangements, refer clause (ii) below as regards estimates and assumptions involved.

iii) **Estimation of net realisable value for inventory property (including land advance)**

Inventory property is stated at the lower of cost and net realisable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

c) **Property, Plant and Equipment**

The cost of an item of property, plant and equipment comprises of its purchase price, any costs directly attributable to its acquisition and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs when the item is acquired. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

An item of property, plant and equipment and any significant part initially recognized is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is derecognised.

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

d) **Revenue Recognition-**

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Revenue is recognized as follows:

i. Revenue from own construction projects are recognised on Percentage Completion Method. Revenue recognition starts when 25 % of estimated project cost excluding land and marketing cost is incurred, atleast 25% of the saleable project area is secured by contracts or agreements with buyers and Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

ii. Revenue from Construction Contracts are recognised on "Percentage of Completion Method" measured by reference to the survey of works done up to the reporting date and certified by the client before finalisation of projects accounts.

iii. Real Estate: Sales is exclusive of service tax, if any, net of sales return.

iv. Revenue from services are recognised on rendering of services to customers except otherwise stated

v. Rental income from assets is recognised for an accrual basis except in case where ultimate collection is considered doubtful. Rental income is exclusive of service tax

vi. Income from interest is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

e) **Borrowing Costs**

Borrowing costs attributable to the acquisition or construction of a qualifying asset are carried as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the year they are incurred.

f) **Depreciation and amortization**

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

The useful lives estimated for the major classes of property, plant and equipment are as follows:

Depreciation on tangible assets is provided on written down value method over the useful lives of assets estimated by the management and as given in schedule II of The Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged.

Softwares are amortized over the estimated useful life of 5 years.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

g) **Impairment of Non-Financial Assets**

The management periodically assesses using external and internal sources, whether there is an indication that both tangible and intangible asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

h) **Inventories**

Constructed properties, shown as work in progress, includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development costs, construction costs, overheads, borrowing costs, construction materials including material lying at respective sites, finance and administrative expenses which contribute to bring the inventory to their present location and condition and is valued at lower of cost/ estimated cost and net realizable value.

On completion of projects, unsold stocks are transferred to project finished stock under the head "Inventory" and the same is carried at cost or net realizable value, whichever is less.

Finished Goods – Flats: Valued at cost and net realizable value.

Land Inventory: Valued at lower of cost and net realizable value.

Provision for obsolescence in inventories is made, wherever required.

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i) **Retirement Benefits**

No such benefits are payable to any employee.

j) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if the company has a present obligation as a result of past event and the amount of obligation can be reliably estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Possible future or present obligations that may but will probably not require outflow of resources or where the same can not be reliably estimated is disclosed as contingent liability in the financial statement.

k) **Taxes on Income**

i. Tax expense comprises both current and deferred tax. Current tax is determined in respect of taxable income for the year based on applicable tax rates and laws.

ii. Deferred tax Asset/liability is recognized, subject to consideration of prudence, on timing differences being the differences between taxable incomes and accounting income that originates in one year and is capable of reversal in one or more subsequent year and measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each Balance Sheet date to reassess their reliability.

iii. Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

l) **Segment Reporting**

The company has identified that its operating activity is a single primary business segment viz. Real Estate Development and Services carried out in India. Accordingly, whole of India has been considered as one geographical segment

m) **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

n) **Cash & Cash Equivalents**

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Cash and cash equivalents comprise cash & cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management and that are readily convertible to known amounts of cash to be cash equivalents.

o) **Financial Instruments**

- **Financial Instruments - Initial recognition and measurement**

  Financial assets and financial liabilities are recognized in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

- **Financial assets –Subsequent measurement**

  The Subsequent measurement of financial assets depends on their classification which is as follows:

  - Financial assets at fair value through profit or loss

    Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.

  - Financial assets measured at amortized cost

    Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

    Debt instruments at amortised cost:

    A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

    i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
    ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

       This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

    Debt instrument at FVTOCI

    A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

    i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
    ii. The asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

    Debt instrument at FVTPL

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FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

- <u>Financial assets at fair value through OCI</u>
  All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument by instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable. If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

- **Financial assets –Derecognition**
  The company derecognizes a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. Upon derecognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

- **Financial liabilities –**
  <u>Initial recognition and measurement</u>
  Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.
  The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.
  <u>Subsequent measurement</u>
  The Subsequent measurement of financial liabilities depends on their classification which is as follows:
  - <u>Financial liabilities at fair value through profit or loss</u>
    Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any, and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
    Gains or losses on liabilities held for trading are recognised in the profit or loss.

  - <u>Financial liabilities measured at amortized cost</u>
    Interest bearing loans and borrowings including debentures issued by the company are subsequently measured at amortized cost using the effective interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortized is included in finance costs in the statement of profit and loss.

  - **Financial liabilities –Derecognition**
    A financial liability is derecognized when the obligation under the liability is discharged or expires.

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p) **Fair Value measurement**

The company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or

▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

q) **Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

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27 **Reconciliation of Effective Tax Rate**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31.03.18	Year ended 31.03.17
Profit before tax	31,01,273	26,62,903
Income tax expense calculated @ 25.75% (2017: 29.87%)	7,98,578	7,95,409
Other differences	(1,60,578)	(2,59,009)
Total	6,38,000	5,36,400
Adjustments recognised in the current year in relation to the current tax of prior years	11,126	1,26,226
Income tax recognised in profit or loss	6,49,126	6,62,626

The tax rate used for the year 2016-17 and 2017-18 reconciliations above is the corporate tax payable on taxable profits under the Income Tax Act, 1961.

28 **Related Party Disclosure**

Related Party Relationship

Enterprises where control exists - RDB Realty & Infrastructure Ltd – Holding

Transactions & Balanaces :

No related party transactions nor any balances have been reported by the management.

29 In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realised in ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary. There is no contingent liability except stated and informed by the Management.

30 **Contingent Liabilities:-** Nil (P. Y. Nil)

31 **First Time Adoption of Ind AS**

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance withInd AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2016 (the transition date) by:

(a) recognising all assets and liabilities whose recognition is required by Ind AS,

(b) not recognising items of assets or liabilities which are not permitted by Ind AS,

(c) reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and

(d) applyingInd AS in measurement of recognised assets and liabilities.

29.1 **Ind AS optional exemptions**

Deemed Cost of Property, Plant and Equipment

The company did not had any Property, Plant and Equipment as at the date of transition.

Deemed Cost of Investment in Subsidiaries, Associates and Joint Ventures

The company did not had any Investment in Subsidiaries, Associates and Joint Ventures as at the date of transition

29.2 **Ind AS mandatory exemptions**

Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP. Ind AS estimates at 1st April, 2016 are consistent with the estimates as at the same date made with conformity with previous GAAP.

De-recognition of Financial Assets and Liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition retrospectively from a date of entity's choosing.

The entity has elected to apply the de-recognition provisions prospectively from the date of transition.

Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification and measurement of assets on the basis of facts and circumstances that exist at the date of transition to Ind AS. The entity has applied this exception.

Fair Valuation of Investments

Under the previous GAAP, investments were classified as long term investments or current investments based on the intended holding period and realisability. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of

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these investments have been recognised in retained earnings as at the date of transition.

29.3 Transition to Ind AS – Reconciliations

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS:

Reconciliation of Other Equity

Particulars	**As on 31.03.2018**	**As on 31.03.2017**	**As on 01.04.2016**
Reserves and Surplus as per IGAAP	1,35,85,159	**1,10,56,970**	**89,89,160**
Add: Fair valuation of Security Deposits Received	14,74,945	15,50,987	16,18,520
Other Equity as per Ind AS	**1,50,60,104**	**1,26,07,957**	**1,06,07,680**

Notes:

(i) Under Indian GAAP, there are certain security deposits received which are carried at nominal value. Ind AS requires the measurement of these assets at fair value at inception and subsequently these assets are measured at amortized cost. At inception date, Company recognises difference between deposit fair value and nominal value as income/expensesand the Company recognises notional interest income/expenses on these deposits over the lease term.

(ii) Indian GAAP required deferred tax accounting using the income statement approach, which focusses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. In addition, the various transitional adjustments lead to different temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(iii) The Company has undertaken a detailed exercise to determine the manner of allocation of expenses to inventory in context of Ind AS and accordingly realignedallocation of expenses and income to comply with Ind AS requirements.

Impact of Ind AS adoption on the Cash Flow Statement for the year ended 31st March, 2017

There are no differences between the Cash Flow Statement presented under Ind AS and the Previous GAAP.

30 Financial Instruments and Related Disclosures As on 31.03.2018

Particulars at	**Carrying Value**	**Amortised Cost**	**Fair Value**
(a) Financial Assets			
(i) Trade receivables	1,015	1,015	1,015
(ii) Cash and cash equivalents	4,93,549	4,93,549	4,93,549
(iii) Other financial assets	1,80,125	1,80,125	1,80,125
Total Financial Assets	6,74,689	6,74,689	6,74,689
(a) Financial Liabilities			
(i) Borrowings	1,53,39,243	1,53,39,243	1,53,39,243
(ii) Trade and other payables	6,000	6,000	6,000
(iii) Other financial liabilities	52,63,061	52,63,061	52,63,061
Total Financial Liabilities	2,06,08,304	2,06,08,304	2,06,08,304

As on 31.03.2017

Particulars	**Carrying Value**	**Amortised Cost**	**Fair Value**
(a) Financial Assets			
(i) Trade receivables	13,172	13,172	13,172
(ii) Cash and cash equivalents	4,77,977	4,77,977	4,77,977
(iii) Other financial assets	2,91,487	2,91,487	2,91,487
Total Financial Assets	7,82,636	7,82,636	7,82,636
(a) Financial Liabilities			
(i) Borrowings	1,66,99,557	1,66,99,557	1,66,99,557
(ii) Trade and other payables	6,000	6,000	6,000
(iii) Other financial liabilities	55,02,136	55,02,136	55,02,136
Total Financial Liabilities	2,22,07,693	2,22,07,693	2,22,07,693

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As on 01.04.2016

Particulars	**Carrying Value**	**Amortised Cost**	**Fair Value**
(a) Financial Assets			
(i) Trade receivables	1,596	1,596	1,596
(ii) Cash and cash equivalents	3,74,982	3,74,982	3,74,982
(iii) Other financial assets	4,59,089	4,59,089	4,59,089
Total Financial Assets	8,35,667	8,35,667	8,35,667
(a) Financial Liabilities			
(i) Borrowings	1,86,65,835	1,86,65,835	1,86,65,835
(ii) Trade and other payables	6,091	6,091	6,091
(iii) Other financial liabilities	48,95,588	48,95,588	48,95,588
Total Financial Liabilities	2,35,67,514	2,35,67,514	2,35,67,514

A. **Capital Requirements**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents

Particulars	31-Mar-18 (in Rs.)	31-Mar-17 (in Rs.)	1-Apr-16 (in Rs.)
Borrowings (long-term and short-term, including current maturities of long term borrowings)	1,77,54,513	1,86,03,255	2,03,48,524
Trade payables	6,000	6,000	6,091
Other payables (current and non-current, excluding current maturities of long term borrowings)	28,47,791	35,98,438	32,12,899
Less: Cash and cash equivalents	(4,93,549)	(4,77,977)	(3,74,982)
Net debt	2,01,14,754	2,17,29,716	2,31,92,532
Equity share capital	1,00,000	1,00,000	1,00,000
Other equity	1,50,60,104	1,26,07,957	1,06,07,680
Total Capital	1,51,60,104	1,27,07,957	1,07,07,680
Gearing ratio	**0.75**	**0.58**	**0.46**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

31 Disclosure of Financial Instruments

Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and loans and advances and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuatebecause of changes in market prices. Market risk comprises two types of risk: interest rate riskand other price risk, such as equity price risk and commodity/ real estate risk.

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The Company has not entered into any foreign exchange or commodity derivative contracts. Accordingly, there is no significant exposure to the market risk other than interest risk.

(i) 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 the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Most of the borrowings of the Company are unsecured and at fixed rates. The Company has only one cash credit account which is linked to the Prime Bank Lending Rate. The Company does not enter into any interest rate swaps.

(ii) Price risk

The Company has not made any investments for trading purposes. The surpluses have been deployed in bank deposits as explained above.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

Receivables resulting from other than sale of properties: Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company's credit period generally ranges from 30-60 days.

The ageing of trade receivables are as follows:

Particulars	**As on 31.03.2018**	**As on 31.03.2017**	**As on 01.04.2016**
More than 6 months	---	---	---
Others	1,015	13,172	1,596

Deposits with banks and financial institutions

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Board. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2017 and 2016 is the carrying amounts.

Liquidity Risk

The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. In case of short term requirements, it obtains short-term loans from its Bankers.

Vineet Khetan & Associates
Kolkata
Chartered Accountants

VINEET KHETAN & ASSOCIATES
CHARTERED ACCOUNTANTS
5th Floor, R. No. : 7, 3B, Lal Bazar Street, Kolkata - 1, Mobile : 9331040655, Phone : (033) 4066 1047
E-mail : khousehouse71@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED

We have audited the accompanying standalone financial statements (herein referred to as financial statement in this report) of **BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED**, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss, Cash Flow Statement and the Statement of Changes in Equity for the year then ended, for the year ended, and also a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its **profit,** its cash flows and its statements of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us, we set out a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

1. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) As explained to us Fixed Assets of the company are physically verified by the management according to a phased programme designed to cover all the items which considering the size and nature of operations of the company appears to be reasonable. Pursuant to such program, no material discrepancies between book records and physical inventory have been noticed on physical verification.

   c) The company does not have any immovable property under the fixed assets, hence the clause is not applicable.

2.) a) The inventory has been physically verified by the management at regular intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them.

   b) In our opinion and according to the information's and explanations given to us, the procedures of physical verification of inventories 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 examinations of records of the inventory, in our opinion, the company is maintaining proper records of inventory except in respect of work-in-progress. As in earlier years, work-in-progress has been determined by the management on the basis of physical verification. The discrepancies ascertained on physical verification between the physical stock and the book records of inventory were not material in relation to the operations of the Company.

3.) The company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Hence clause is not applicable.

4.) According to the records of the company examined by us and according to the information and explanations given to us, in our opinion the company has neither given any guarantees or security nor has made any investments nor given a loan covered under the provisions of section 185 and 186 of the Companies Act, 2013.

5.) The company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under are not applicable.

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Kolkata
Chartered Accountants

6.) The rules regarding maintenance of cost records which have been specified by the central government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company.

7.) a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues with the appropriate authorities and there is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the records of the company examined by us and according to information and explanations given to us, there are no dues in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute.

8.) According to the records of the Company examined by us and the information and explanations given to us, the Company does not have any outstanding from any banks, financial institutions or government nor has it any outstanding debenture; hence the clause is not applicable.

9.) In our opinion, and according to the information's and explanations given to us, there was no money raised by way of initial public offer or further public offer (including debt instruments) and the term loan has been applied, on an overall basis, for the purpose for which they were obtained.

10.) According to the information and explanations given to us, we report that neither any fraud by the company nor on the company by its officers / employees has been noticed or reported during the year.

11.) As examined by us, the company has not paid remuneration to any managerial personnel during the period in accordance, hence clause is not applicable.

12.) The company is not a nidhi company. Hence clause is not applicable.

13.) According to the information and explanations given to us, we are of the opinion that all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.

14.) According to the information and explanations given to us, we report that the company has neither made any preferential allotment or private placement of shares nor fully or partly convertible debentures during the year under review. Hence clause is not applicable.

15.) According to the information and explanations given to us, we report that the company has not entered into any non-cash transactions with directors or persons connected with them. Hence clause is not applicable.

16.) According to the information and explanations given to us, we report that company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934.

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Chartered Accountants

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

1. 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.

2. 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.

3. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of charges in equity dealt with by this Report are in agreement with the books of account.

4. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

6. With respect to the adequacy of the internal financial controls over financials reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure A.

7. 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:

   (a) The company does not have any pending litigation.

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

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

For **VINEET KHETAN & ASSOCIATES**
Chartered Accountants
FRN: 324428E

Vineet Khetan
Proprietor
Membership No. 060270
Kolkata - 700 001.
Date: 29th May, 2018.

Vineet Khetan & Associates * Chartered Accountants * Kolkata

VINEET KHETAN & ASSOCIATES
CHARTERED ACCOUNTANTS
5th Floor, R. No. : 7, 3B, Lal Bazar Street, Kolkata - 1, Mobile : 9331040655, Phone : (033) 4066 1047
E-mail : khousehouse71@gmail.com

TO THE MEMBERS OF BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of **BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED** as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform.the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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.

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(I) Pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(II) 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.

(III) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **VINEET KHETAN & ASSOCIATES**
Chartered Accountants
FRN: 324428E

Vineet Khetan
Proprietor
Membership No. 060270
Kolkata - 700 001.
Date: 29th May, 2018

Vineet Khetan & Associates * Chartered Accountants * Kolkata

BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70102WB1995PTC073792

Balance Sheet as on 31.03.2018

Particulars	Note	As at 31.03.18	As at 31.03.17	As at 01.04.16
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	2	76,615.00	-	-
(b) Intrangible	2A	-	-	-
(c) Financial Assets				
(i) Investment	3	-	-	-
(ii) Other Financial Assets	4	1,04,888.00	1,04,888.00	1,04,888.00
(d) Other Non current Assets	5	1,44,81,000.00	1,14,81,000.00	1,64,81,000.00
Total Non - Current Assets		**1,46,62,503.00**	**1,15,85,888.00**	**1,65,85,888.00**
Current assets				
(a) Inventories	6	4,21,42,659.00	4,24,58,520.00	5,72,55,180.00
(b) Financial Assets				
(i) Trade receivables	7	2,83,73,402.00	3,42,04,952.00	3,45,31,085.00
(ii) Cash and cash equivalents	8	9,14,665.00	19,26,595.00	15,94,956.00
(iii) Other financial assets	9	7,23,61,143.00	6,47,21,303.00	3,85,52,529.00
(c) Current Tax Assets	10	6,29,018.00	6,66,412.00	2,64,272.00
(d) Other current assets	11	-	-	-
Total Current Assets		**14,44,20,887.00**	**14,39,77,782.00**	**13,21,98,022.00**
Total Assets		**15,90,83,390.00**	**15,55,63,670.00**	**14,87,83,910.00**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	12	2,72,000.00	2,72,000.00	2,72,000.00
(b) Other Equity	13	11,07,97,580.00	10,73,31,862.00	7,58,93,921.00
Total equity		**11,10,69,580.00**	**10,76,03,862.00**	**7,61,65,921.00**
Liabilities				
Non-current liabilities.				
(a) Financial Liabilities				
(i) Borrowings	14	-	-	-
(ii) Other financial liabilities		98,16,442.00	94,00,000.00	84,00,000.00
Total non-current liabilities		**98,16,442.00**	**94,00,000.00**	**84,00,000.00**
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	6,92,000.00	-	-
(ii) Trade and other payables	16	14,96,713.00	14,24,413.00	12,83,381.00
(iii) Other financial liabilities	17	1,86,144.00	8,55,376.00	7,23,404.00
(b) Other current liabilities	18	3,41,97,511.00	2,80,30,019.00	6,09,61,204.00
(c) Provisions	19	16,25,000.00	82,50,000.00	12,50,000.00
Total Current Liabilities		**3,81,97,368.00**	**3,85,59,808.00**	**6,42,17,989.00**
Total liabilities		**4,80,13,810.00**	**4,79,59,808.00**	**7,26,17,989.00**
Total Equity & Liabilities		**15,90,83,390.00**	**15,55,63,670.00**	**14,87,83,910.00**

This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board
BHAGWATI BUILDERS & DEVELOPMENT PVT. LTD.
Pradeep Lirawt
Director
Director

For VINEET KHETAN & ASSOCIATES
Chartered Accountants

Vineet Khetan
Proprietor
Membership No.060270
3B, Lal Bazar Street
Kolkata - 700 001.
The 29th day of May 2018

Vineet Khetan & Associates, Chartered Accountants, Kolkata

BHAGWATI BUILDERS & DEVELOPMENT PVT. LTD.
Vinod Kanple
Director
Director

WATI BUILDERS & DEVELOPMENT PRIVATE LIMITED
loor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
: U70102WB1995PTC073792

Statement of profit and loss for the year ended 31.03.2018

Particulars	Note	Year ended 31.03.18	Year ended 31.03.17
Revenue			
Revenue from operations	20	79,72,072	5,57,71,654
Other income	21	-	67,075
Total Revenue		**79,72,072**	**5,58,38,729**
Expenses			
Construction Activity Expenses	22	40,183	-
Changes in inventories of work-in-progress & finished goods	23	3,15,861	1,47,96,660
Employee benefit expense	24	5,27,096	5,62,364
Depreciation and amortisation expense	2	12,385	-
Finance costs	25	-	-
Other expenses	26	9,00,557	4,20,325
Total expenses		**17,96,082**	**1,57,79,349**
Profit before tax		**61,75,990**	**4,00,59,380**
Less: Income tax expenses			
- Current tax		16,25,000	82,50,000
- Tax Adjustment For Earlier Year		10,85,272	3,71,439
otal tax expense		**27,10,272**	**86,21,439**
Profit after tax		**34,65,718**	**3,14,37,941**
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss			
(i) Equity Instruments through Other Comprehensive Income		-	-
(ii) Remeasurements of the defined benefit plans		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**34,65,718**	**3,14,37,941**
<u>**Earnings per equity share**</u>			
Profit available for Equity Shareholders		34,65,718	3,14,37,941
Weighted average number of Equity Shares outstanding		27,200	27,200
Basic earnings per share		127.42	1,155.81
Diluted earnings per share		127.42	1,155.81

This is the Statement of Profit & Loss referred to in our report of even date.

For and on behalf of the Board

BHAGWATI BUILDERS & DEVELOPMENT PVT. LTD.

Pradeep Hiravat

Director

Director

For VINEET KHETAN & ASSOCIATES
Chartered Accountants

Vineet Khetan
Proprietor
Membership No.060270
3B, Lal Bazar Street
Kolkata - 700 001.
The 29th day of May 2018

Vineet Khetan & Associates Chartered Accountants Kolkata

BHAGWATI BUILDERS & DEVELOPMENT PVT. LTD.

Vinod Bagri

Director

Director

BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70102WB1995PTC073792

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 3 Investment			
	-	-	-

Note 4 Financial Assets			
Unsecured, Considered Good			
Security Deposits	1,04,888	1,04,888	1,04,888
TOTAL	**1,04,888**	**1,04,888**	**1,04,888**

Note 4 Other non-current asset			
Unsecured, Considered Good			
Capital Advances	1,44,81,000	1,14,81,000	1,64,81,000
	1,44,81,000	1,14,81,000	1,64,81,000

Note 6 Inventories			
(At lower of cost or Net Realisable value)			
Finished Stock	3,95,46,250	3,95,06,066	3,95,06,066
Work in process	25,96,409	29,52,454	1,77,49,114
Total Inventories	**4,21,42,659**	**4,24,58,520**	**5,72,55,180**

Note 7 Trade receivables			
Trade receivables	2,83,73,402	3,42,04,952	3,45,31,085
Receivables from related parties	-	-	-
Less: Allowance for doubtful debts	-	-	-
	2,83,73,402	**3,42,04,952**	**3,45,31,085**
Break up of security details:			
Trade receivables			
(a) Secured, considered good	-	-	-
(b) Unsecured, considered good	2,83,73,402	3,42,04,952	3,45,31,085
(c) Doubtful	-	-	-
Less: Allowance for doubtful debts	-	-	-
Total	**2,83,73,402**	**3,42,04,952**	**3,45,31,085**

Note 8 Cash and Cash Equivalents			
(a) Balances with banks (Unrestricted in Current Account)	9,04,551	5,30,283	9,63,713
(b) Cheques, drafts on hand	-	-	-
(c) Cash in hand	10,114	13,96,312	6,31,243
Cash and cash equivalents as per balance sheet	**9,14,665**	**19,26,595**	**15,94,956**

Vineet Khetan & Associates * Chartered Accountants * Kolkata

BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70102WB1995PTC073792

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 9 Other financial assets			
Unsecured, considered good			
Loan To Others	58,14,917	6,06,35,872	3,74,51,519
Other Advance to Related Parties	3,15,790	-	-
Other Advance to Others	6,62,30,436	40,85,431	11,01,010
TOTAL	**7,23,61,143**	**6,47,21,303**	**3,85,52,529**
Note 10 Current tax assets and liabilities			
Current tax assets			
Advance Income Tax and TDS	6,29,018	6,66,412	2,64,272
TOTAL	**6,29,018**	**6,66,412**	**2,64,272**
Note 11 Other current assets			
Prepaid Expenses	-	-	-
Balance with Statutory Authorities	-	-	-
TOTAL	-	-	-
Note 12 Equity Share Capital			
(Equity Shares of Rs.10/- each)			
a) Authorised Share Capital			
Number of Shares	1,00,000	1,00,000	1,00,000
Total Amount	10,00,000	10,00,000	10,00,000
b) Issued, subscribed and fully paid Share Capital			
Number of Shares	27,200	27,200	27,200
Total Amount	2,72,000	2,72,000	2,72,000
c) Reconciliation of Number of Equity Shares Outstanding			
As at the beginning & end of the year	27,200	27,200	27,200
No shares have either been issued, nor bought back, forfeited			
d) Details of Shareholders holding more than 5% shares with voting right			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	27,200	27,200	27,200
Percentage of total shares held	100%	100%	100%

e) The rights, preferences & restrictions attaching to shares and restrictions on distribution of dividend and repayment of capital

The Company has only one class of equity shares having par value value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Vineet Khetan & Associates * Chartered Accountants * Kolkata

BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70102WB1995PTC073792

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
f) Shares held by holding, ultimate holding, or subidiaries or associates of holding			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	27,100	27,100	27,100
Percentage of total shares held	99.63%	99.63%	99.63%
Ravi Prakash Pincha (Nominee of above)			
Number of Shares	100	100	100
Percentage of total shares held	0.37%	0.37%	0.37%
100 Shares held by Ravi Prakash Pincha are held in capacity of nominee holder of RDB Realty & Infrastructure Ltd			
g) Shares are reserved for issue under options or contracts.			
Number of Shares	-	-	-
Total Amount	-	-	-
h) Shares issued for consideration other than cash or bonus to shareholders or bought back from shareholders within the period of 5 years			
No such shares have been issued nor there has been any buy-back			

Note 13 Other equity			
Reserve & Surplus			
Surplus from Statement of Profit & Loss			
As at the beginning of the year	10,73,31,862	7,58,93,921	7,58,93,921
Add: Profit for the year	34,65,718	3,14,37,941	-
As at the end of the year	11,07,97,580	10,73,31,862	7,58,93,921
Other Comprehensive Income			
Equity Instruments through other comprehensive income	-	-	-
Other items of Other Comprehensive Income	-	-	-
Total	**11,07,97,580**	**10,73,31,862**	**7,58,93,921**

Note 14 Financial Liabilities - Borrowings (Non Current)			
Secured - at amortised cost			
Loan	-	-	-
Total non-current borrowings	-	-	-

Note 15 Other Financial Liability (Non Current)			
Unsecured			
Advance against properties	89,16,442	85,00,000	75,00,000
Security Deposits	9,00,000	9,00,000	9,00,000
Total	**98,16,442**	94,00,000	84,00,000

Vineet Khetan & Associates
Kolkata
Chartered Accountants

BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70102WB1995PTC073792

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 15 financial liabilities - Borrowings (Current)			
From other than Related Parties (Unsecured)	6,92,000	-	-
Total	**6,92,000**	-	-
Note 16 financial liabilities - Trade Payables			
outstanding dues of micro & small entreprises	-	-	-
Other than above	14,96,713	14,24,413	12,83,381
Total	**14,96,713**	**14,24,413**	**12,83,381**
Note 17 financial liabilities - Other Financial Liabilities (Current)			
Other Liabiltiies	1,86,144	8,55,376	7,23,404
Total	**1,86,144**	**8,55,376**	**7,23,404**
Note 18 Other Current Liabilities			
Advances from Customer and Others	3,41,97,511	2,80,30,019	6,09,61,204
Total	**3,41,97,511**	**2,80,30,019**	**6,09,61,204**
Note 19 Provisions			
Provision for Income Tax	16,25,000	82,50,000	12,50,000
Total	**16,25,000**	**82,50,000**	**12,50,000**

Vineet Khetan & Associates
Kolkata
Chartered Accountants

BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70102WB1995PTC073792

Notes to the financial statements	Year ended 31.03.18	Year ended 31.03.17
Note 20 Revenue from Operations		
Sale of Construction Activities	16,81,998	5,14,61,263
Sale of Services (Maintenance Charges)	62,90,074	
Interest on Loan	-	43,10,391
TOTAL	**79,72,072**	**5,57,71,654**
Note 21 Other Income		
Miscellaneous Income	-	67,075
Total	-	**67,075**
Note 22 Construction Activity Expenses		
Other Construction Expenses	40,183	-
Consumption	**40,183**	-
Note 23 Changes in inventories		
(A) Opening Inventory		
Finished Goods	3,95,06,066	3,95,06,066
Work in Progress	29,52,454	1,77,49,114
Sub Total (A)	**4,24,58,520**	**5,72,55,180**
(B) Closing Inventory		
Finished Goods	3,95,46,250	3,95,06,066
Work in Progress	25,96,409	29,52,454
Sub Total (B)	**4,21,42,659**	**4,24,58,520**
(Increase)/decrease in inventories (A-B)	**3,15,861**	**1,47,96,660**
Note 24 Employee Benefits Expense		
Salaries, Wages and incentives	5,27,096	5,62,364
Total	**5,27,096**	**5,62,364**
Note 25 Finance Cost		
Interest Paid	-	-
Other Borrowing Cost (Finance Charges)	-	-
Total	-	-

Vineet Khaitan & Associates * Chartered Accountants * Kolkata

BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70102WB1995PTC073792

Notes to the financial statements	Year ended 31.03.18	Year ended 31.03.17
Note 26 Others Expenses		
Rates & Taxes	4,710	4,400
Rent	60,000	60,000
Electricity Expenses	12,000	12,000
Professional Charges	1,66,500	3,02,641
Bank Charges	1,685	1,406
Conveyance	3,474	4,588
Filing Fees	1,334	1,776
General Expenses	37,680	11,779
Donation	5,00,000	---
Other Marketing Expenses	71,436	
Printing & Stationery	34,238	14,235
Auditor's Remuneration		
Statutory Audit Fees	5,000	5,000
Tax Audit Fees	2,500	2,500
Total	**9,00,557**	**4,20,325**

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BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70102WB1995PTC073792

Notes to the financial statements as on

Note 2 Property, Plant and Equipment

Particulars	Intangible	Intangible
	Office Equipement	Software
Gross carrying amount		
Deemed cost as at 01.04.16	-	-
Additions	-	-
Disposals	-	-
Closing gross carrying amount as on 31.03.17	-	-
Additions	89,000	-
Disposals	-	-
Closing gross carrying amount as on 31.03.18	89,000	-
Accumulated depreciation as at 01.04.16	-	-
Depreciation charge during the year	-	-
Disposals	-	-
Closing accumulated depreciation as on 31.03.17	-	-
Depreciation charge during the year	12,385	-
Disposals	-	-
Closing accumulated depreciation as on 31.03.18	12,385	-
Net carrying amount as at 01.04.16 as per IND AS	-	-
Net carrying amount as at 31.03.17	-	-
Net carrying amount as at 31.03.18	76,615	-

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BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70102WB1995PTC073792

Notes to the financial statements

A. Share Capital

Particulars	Amount (Rs.)
Equity Share Capital as on 01.04.2016	2,72,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2017	2,72,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2018	2,72,000

B. Other Equity
Other Equity

Reserves and surplus attributable to Equity Share holders of the Company	**Surplus from Statement of Profit & Loss**	**Other Comprehensive Income**	**Amount (Rs.)**
Balance at 1 April 2016	7,58,93,921	-	**7,58,93,921**
Transfers	-	-	-
Profit for the year	3,14,37,941	-	3,14,37,941
Total comprehensive income for the year	10,73,31,862	-	**10,73,31,862**
Balance at 31 March 2017	10,73,31,862	-	**10,73,31,862**
Transfers	-	-	-
Profit for the Year	34,65,718	-	34,65,718
Total comprehensive income for the year	11,07,97,580	-	**11,07,97,580**
Balance at 31 March 2018	11,07,97,580	-	**11,07,97,580**

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BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED

Cash Flow Statement for the year ended 31st March, 2018

Cash Flow Statement	For the year ended 31st March,2018		For the year ended 31st March,2017	
A. Cash flow from operating activities :				
Net profit before tax as per Statement of Profit and Loss		61,75,990		4,00,59,380
Adjustments for				
Sundry Balances written back	-		(67,075)	
Depreciation & Amortisation	12,385		-	
Interest Paid	-	12,385	-	(67,075)
Operating Profit Before Working Capital Changes		**61,88,375**		**3,99,92,305**
(Increase) / Decrease in Inventories	3,15,861		1,47,96,660	
(Increase) / Decrease in Trade receivables	58,31,550		3,26,133	
(Increase) / Decrease of Advances	(76,39,840)		(2,61,68,774)	
(Increase) / Decrease of Other Current Assets	(30,00,000)		50,00,000	
Increase / (Decrease) in Trade Payables	72,300		1,41,032	
Increase / (Decrease) of Other financial liabilities	(2,52,790)		11,31,972	
Increase / (Decrease) of Other Current Liabilities	61,67,492	14,94,573	(3,28,64,110)	(3,76,37,087)
Cash generated from operations		**76,82,948**		**23,55,218**
Less: Direct taxes paid/ (Refunds) including Interest (Net)		92,97,878		20,23,579
Cash Flow before Exceptional Items		(16,14,930)		3,31,639
Net cash Generated/(used) from operating activities		**(16,14,930)**		**3,31,639**
B. Cash Flow from Investing Activities :				
Purchase of Fixed Assets		(89,000)		-
Increase in Investment		-		-
Net cash from investing activities		**(89,000)**		-
C. Cash flow from financing activities :				
Proceeds / (Repayment) of Short Term Borrowings	6,92,000		-	
Proceeds / (Repayment) of Long Term Borrowings	-		-	
Interest Paid	-	6,92,000	-	-
Net cash generated/(used) in financing activities		**6,92,000**		-
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(10,11,930)**		**3,31,639**
Cash and cash equivalents -Opening balance		19,26,595		15,94,956
		9,14,666		**19,26,595**
Cash and cash equivalents -Closing balance				
CASH AND CASH EQUIVALENTS :				
Balances with Banks		9,04,551		5,30,283
Cash on hand (As certified by the management)		10,114		13,96,312
		9,14,665		**19,26,595**

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board

For VINEET KHETAN & ASSOCIATES
Chartered Accountants

BHAGWATI BUILDERS & DEVELOPMENT PVT. LTD. BHAGWATI BUILDERS & DEVELOPMENT PVT. LTD.

Pradeep Hirawat Vinod Bajaj

Director Director

Vineet Khetan
Proprietor
Membe no. 060270
3B, Lal Bazar Street,
Kolkata - 700 001.
The 29th day of May 2018

Director Director

Vineet Khetan & Associates Kolkata Chartered Accountants

26. NOTES TO THE FINANCIAL STATEMENTS

A. Corporate Information

Bhagwati Builders & Development Private Limited (The Company) is a deemed Public limited company, private company being a subsidiary of Listed Public Company domiciled and incorporated in India. It is a part of a group leading in real estate activities in Eastern India. The registered office of the Company is situated at 8/1, Lalbazar Street, Bikaner Building, 1 Floor, Room No.10, Kolkata-700001. The principle business activity of the company is Real Estate Development.

B. Summary of Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements (Separate financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards(Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013. For all periods up to and including the year ended 31 March 2017, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules,2014 (previous GAAP).

These financial statements for the year ended 31 March 2018 are the first the company has prepared in accordance with Ind AS. Refer to note29 for an explanation of how the transition from previous GAAP to Ind AS has effected presentation of company's financial position, financial performance and cash flows.

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

All the assets and liabilities have been classified as current and non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013.The normal operating cycle of the company has been considered as 12 months.

b) Use of estimates and management judgments :

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

i) Key estimates and assumptions :

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

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ii) **Revenue recognition, contract costs and valuation of unbilled revenue**

The Company uses the percentage of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

For revenue recognition for projects executed through joint development arrangements, refer clause (ii) below as regards estimates and assumptions involved.

iii) **Estimation of net realisable value for inventory property (including land advance)**

Inventory property is stated at the lower of cost and net realisable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

c) **Revenue Recognition-**

Revenue is recognized as follows:

i. Revenue from own construction projects are recognised on Percentage Completion Method. Revenue recognition starts when 25 % of estimated project cost excluding land and marketing cost is incurred, atleast 25% of the saleable project area is secured by contracts or agreements with buyers and Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

ii. Revenue from Construction Contracts are recognised on "Percentage of Completion Method" measured by reference to the survey of works done up to the reporting date and certified by the client before finalisation of projects accounts.

iii. Real Estate: Sales is exclusive of service tax, if any, net of sales return.

iv. Revenue from services are recognised on rendering of services to customers except otherwise stated

v. Rental income from assets is recognised for an accrual basis except in case where ultimate collection is considered doubtful. Rental income is exclusive of service tax

vi. Income from interest is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

d) **Borrowing Costs**

Borrowing costs attributable to the acquisition or construction of a qualifying asset are carried as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the year they are incurred.

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e) **Impairment of Non-Financial Assets**

The management periodically assesses using external and internal sources, whether there is an indication that both tangible and intangible asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

f) **Inventories**

Constructed properties, shown as work in progress, includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development costs, construction costs, overheads, borrowing costs, construction materials including material lying at respective sites, finance and administrative expenses which contribute to bring the inventory to their present location and condition and is valued at lower of cost/ estimated cost and net realizable value.

On completion of projects, unsold stocks are transferred to project finished stock under the head "Inventory" and the same is carried at cost or net realizable value, whichever is less.

Finished Goods – Flats: Valued at cost and net realizable value.

Land Inventory: Valued at lower of cost and net realizable value.

Provision for obsolescence in inventories is made, wherever required.

g) **Retirement Benefits**

No such benefits are payable to any employee.

h) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if the company has a present obligation as a result of past event and the amount of obligation can be reliably estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Possible future or present obligations that may but will probably not require outflow of resources or where the same can not be reliably estimated is disclosed as contingent liability in the financial statement.

i) **Taxes on Income**

i. Tax expense comprises both current and deferred tax. Current tax is determined in respect of taxable income for the year based on applicable tax rates and laws.

ii. Deferred tax Asset/liability is recognized, subject to consideration of prudence, on timing differences being the differences between taxable incomes and accounting income that originates in one year and is capable of reversal in one or more subsequent year and measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each Balance Sheet date to reassess their reliability.

iii. Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at

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each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

j) **Segment Reporting**

The company has identified that its operating activity is a single primary business segment viz. Real Estate Development and Services carried out in India. Accordingly, whole of India has been considered as one geographical segment

k) **Earnings Per Share**

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

l) **Cash & Cash Equivalents**

Cash and cash equivalents comprise cash & cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management and that are readily convertible to known amounts of cash to be cash equivalents.

m) **Financial Instruments**

➢ **Financial Instruments - Initial recognition and measurement**

Financial assets and financial liabilities are recognized in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➢ **Financial assets –Subsequent measurement**

The Subsequent measurement of financial assets depends on their classification which is as follows:

- <u>Financial assets at fair value through profit or loss</u>
  Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.
- <u>Financial assets measured at amortized cost</u>
  Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.
  Debt instruments at amortised cost:
  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
  i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
ii. The asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

- <u>Financial assets at fair value through OCI</u>

  All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument by instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable. If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

- **Financial assets –Derecognition**

  The company derecognizes a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. Upon derecognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

- **Financial liabilities –**

  <u>Initial recognition and measurement</u>

  Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.

  The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

  <u>Subsequent measurement</u>

  The Subsequent measurement of financial liabilities depends on their classification which is as follows:

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- Financial liabilities at fair value through profit or loss
  Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any, and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
  Gains or losses on liabilities held for trading are recognised in the profit or loss.

- Financial liabilities measured at amortized cost
  Interest bearing loans and borrowings including debentures issued by the company are subsequently measured at amortized cost using the effective interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortized is included in finance costs in the statement of profit and loss.

- **Financial liabilities –Derecognition**
  A financial liability is derecognized when the obligation under the liability is discharged or expires.

n) **Fair Value measurement**

The company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

o) **Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

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27 **Reconciliation of Effective Tax Rate**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31.03.18	Year ended 31.03.17
Profit before tax	61,75,990	4,00,59,380
Income tax expense calculated @ 25.75% (2017: 29.87%)	15,90,317	1,19,65,737
Other differences	34,683	(37,15,737)
Total	16,25,000	82,50,000
Adjustments recognised in the current year in relation to the current tax of prior years	10,85,272	3,71,439
Income tax recognised in profit or loss	27,10,272	86,21,439

The tax rate used for the year 2016-17 and 2017-18 reconciliations above is the corporate tax payable on taxable profits under the Income Tax Act, 1961.

28 **Related Party Disclosure**

Related Party Relationship

Enterprises where control exists - RDB Realty & Infrastructure Ltd – Holding

Transactions & Balanaces :

No related party transactions nor any balances have been reported by the management.

29 In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realised in ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary. There is no contingent liability except stated and informed by the Management.

30 **Contingent Liabilities:-** Nil (P. Y. Nil)

31 **First Time Adoption of Ind AS**

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance withInd AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2016 (the transition date) by:

(a) recognising all assets and liabilities whose recognition is required by Ind AS,

(b) not recognising items of assets or liabilities which are not permitted by Ind AS,

(c) reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and

(d) applyingInd AS in measurement of recognised assets and liabilities.

29.1 **Ind AS optional exemptions**

Deemed Cost of Property, Plant and Equipment

The company did not had any Property, Plant and Equipment as at the date of transition.

Deemed Cost of Investment in Subsidiaries, Associates and Joint Ventures

The company did not had any Investment in Subsidiaries, Associates and Joint Ventures as at the date of transition

29.2 **Ind AS mandatory exemptions**

Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP. Ind AS estimates at 1st April, 2016 are consistent with the estimates as at the same date made with conformity with previous GAAP.

De-recognition of Financial Assets and Liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition retrospectively from a date of entity's choosing.

The entity has elected to apply the de-recognition provisions prospectively from the date of transition.

Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification and measurement of assets on the basis of facts and circumstances that exist at the date of transition to Ind AS. The entity has applied this exception.

Fair Valuation of Investments

Under the previous GAAP, investments were classified as long term investments or current investments based on the intended holding period and realisability. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of

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these investments have been recognised in retained earnings as at the date of transition.

29.3 **Transition to Ind AS – Reconciliations**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS:

Reconciliation of Other Equity

Particulars	**As on 31.03.2018**	**As on 31.03.2017**	**As on 01.04.2016**
Reserves and Surplus as per IGAAP	**10,73,31,862**	**7,58,93,921**	**7,58,93,921**
Add: Fair valuation of Security Deposits Received	-	-	-
Other Equity as per Ind AS	**10,73,31,862**	**7,58,93,921**	**7,58,93,921**

Notes:

(i) Under Indian GAAP, there are certain security deposits received which are carried at nominal value. Ind AS requires the measurement of these assets at fair value at inception and subsequently these assets are measured at amortized cost. At inception date, Company recognises difference between deposit fair value and nominal value as income/expensesand the Company recognises notional interest income/expenses on these deposits over the lease term.

(ii) Indian GAAP required deferred tax accounting using the income statement approach, which focusses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. In addition, the various transitional adjustments lead to different temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(iii) The Company has undertaken a detailed exercise to determine the manner of allocation of expenses to inventory in context of Ind AS and accordingly realignedallocation of expenses and income to comply with Ind AS requirements.

Impact of Ind AS adoption on the Cash Flow Statement for the year ended 31st March, 2017

There are no differences between the Cash Flow Statement presented under Ind AS and the Previous GAAP.

30 Financial Instruments and Related Disclosures As on 31.03.2018

Particulars at	**Carrying Value**	**Amortised Cost**	**Fair Value**
(a) Financial Assets			
(i) Trade receivables	2,83,73,402	2,83,73,402	2,83,73,402
(ii) Cash and cash equivalents	9,14,665	9,14,665	9,14,665
(iii) Other financial assets	7,24,66,031	7,24,66,031	7,24,66,031
Total Financial Assets	10,17,54,098	10,17,54,098	10,17,54,098
(a) Financial Liabilities			
(i) Borrowings	6,92,000	6,92,000	6,92,000
(ii) Trade and other payables	14,96,713	14,96,713	14,96,713
(iii) Other financial liabilities	1,00,02,586	1,00,02,586	1,00,02,586
Total Financial Liabilities	1,21,91,299	1,21,91,299	1,21,91,299

As on 31.03.2017

Particulars	**Carrying Value**	**Amortised Cost**	**Fair Value**
(a) Financial Assets			
(i) Trade receivables	3,42,04,952	3,42,04,952	3,42,04,952
(ii) Cash and cash equivalents	19,26,595	19,26,595	19,26,595
(iii) Other financial assets	6,48,26,191	6,48,26,191	6,48,26,191
Total Financial Assets	10,09,57,738	10,09,57,738	10,09,57,738
(a) Financial Liabilities			
(i) Borrowings	-	-	-
(ii) Trade and other payables	14,24,413	14,24,413	14,24,413
(iii) Other financial liabilities	1,02,55,376	1,02,55,376	1,02,55,376
Total Financial Liabilities	1,16,79,789	1,16,79,789	1,16,79,789

Kolkata

As on 01.04.2016

Particulars	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Trade receivables	3,45,31,085	3,45,31,085	3,45,31,085
(ii) Cash and cash equivalents	15,94,956	15,94,956	15,94,956
(iii) Other financial assets	3,86,57,417	3,86,57,417	3,86,57,417
Total Financial Assets	7,47,83,458	7,47,83,458	7,47,83,458
(a) Financial Liabilities			
(i) Borrowings	-	-	-
(ii) Trade and other payables	12,83,381	12,83,381	12,83,381
(iii) Other financial liabilities	91,23,404	91,23,404	91,23,404
Total Financial Liabilities	1,04,06,785	1,04,06,785	1,04,06,785

A. **Capital Requirements**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents

Particulars	31-Mar-18 (in Rs.)	31-Mar-17 (in Rs.)	1-Apr-16 (in Rs.)
Borrowings (long-term and short-term, including current maturities of long term borrowings)	-	-	-
Trade payables	12,83,381	12,83,381	12,83,381
Other payables (current and non-current, excluding current maturities of long term borrowings)	91,23,404	91,23,404	91,23,404
Less: Cash and cash equivalents	(9,14,665)	(19,26,595)	(15,94,956)
Net debt	94,92,120	84,80,190	88,11,829
Equity share capital	2,72,000	2,72,000	2,72,000
Other equity	11,07,97,580	10,73,31,862	7,58,93,921
Total Capital	11,10,69,580	10,76,03,862	7,61,65,921
Gearing ratio	**11.70**	**12.69**	**8.64**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

31 Disclosure of Financial Instruments

Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and loans and advances and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuatebecause of changes in market prices. Market risk comprises two types of risk: interest rate riskand other price risk, such as equity price risk and commodity/ real estate risk. The Company has not entered into any foreign exchange or commodity derivative contracts. Accordingly, there is no significant exposure

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to the market risk other than interest risk.

(i) 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 the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Most of the borrowings of the Company are unsecured and at fixed rates. The Company has only one cash credit account which is linked to the Prime Bank Lending Rate. The Company does not enter into any interest rate swaps.

(ii) Price risk

The Company has not made any investments for trading purposes. The surpluses have been deployed in bank deposits as explained above.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

Receivables resulting from other than sale of properties: Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company's credit period generally ranges from 30-60 days.

The ageing of trade receivables are as follows:

Particulars	**As on 31.03.2018**	**As on 31.03.2017**	**As on 01.04.2016**
More than 6 months	2,83,73,402	3,42,04,952	3,45,31,085
Others	-	-	-

Deposits with banks and financial institutions

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Board. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2017 and 2016 is the carrying amounts.

Liquidity Risk

The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. In case of short term requirements, it obtains short-term loans from its Bankers.

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RAJ CONSTRUCTION PROJECTS PVT LTD

We have audited the accompanying standalone financial statements (herein referred to as financial statement in this report) of **RAJ CONSTRUCTION PROJECTS PVT LTD**, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss, Cash Flow Statement and the Statement of Changes in Equity for the year then ended, for the year ended, and also a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, 2018, and its **profit,** its cash flows and its statements of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us, we set out a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

1. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) As explained to us Fixed Assets of the company are physically verified by the management according to a phased programme designed to cover all the items which considering the size and nature of operations of the company appears to be reasonable. Pursuant to such program, no material discrepancies between book records and physical inventory have been noticed on physical verification.

   c) The title deeds of immovable properties are held in the name of the company.

2.) a) The inventory has been physically verified by the management at regular intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them.

   b) In our opinion and according to the information's and explanations given to us, the procedures of physical verification of inventories 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 examinations of records of the inventory, in our opinion, the company is maintaining proper records of inventory except in respect of work-in-progress. As in earlier years, work-in-progress has been determined by the management on the basis of physical verification. The discrepancies ascertained on physical verification between the physical stock and the book records of inventory were not material in relation to the operations of the Company.

3.) The company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Hence clause is not applicable.

4.) According to the records of the company examined by us and according to the information and explanations neither given to us, in our opinion the company has given any guarantees or security nor has made any investments nor given a loan covered under the provisions of section 185 and 186 of the Companies Act, 2013.

5.) The company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under are not applicable.

6.) The rules regarding maintenance of cost records which have been specified by the central government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company.

7.) a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues with the appropriate authorities and there is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the records of the company examined by us and according to information and explanations given to us, there are no dues in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute.

8.) According to the records of the Company examined by us and the information and explanations given to us, the Company has duly repaid loan taken from banks during the year under review. Further it does not have any outstanding from any financial institutions or government nor has it any outstanding debenture; hence the clause is not applicable.

9.) In our opinion, and according to the information's and explanations given to us, there was no money raised by way of initial public offer or further public offer (including debt instruments) and the term loan has been applied, on an overall basis, for the purpose for which they were obtained.

10.) According to the information and explanations given to us, we report that neither any fraud by the company nor on the company by its officers / employees has been noticed or reported during the year.

11.) As examined by us, the company has not paid remuneration to any managerial personnel during the period in accordance, hence clause is not applicable.

12.) The company is not a nidhi company. Hence clause is not applicable.

13.) According to the information and explanations given to us, we are of the opinion that all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.

14.) According to the information and explanations given to us, we report that the company has neither made any preferential allotment or private placement of shares nor fully or partly convertible debentures during the year under review. Hence clause is not applicable.

15.) According to the information and explanations given to us, we report that the company has not entered into any non-cash transactions with directors or persons connected with them. Hence clause is not applicable.

16.) According to the information and explanations given to us, we report that company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934.

M.K. SUKHANA & CO. Chartered Accountants Calcutta 700001

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

1. 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.

2. 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.

3. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of charges in equity dealt with by this Report are in agreement with the books of account.

4. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

6. With respect to the adequacy of the internal financial controls over financials reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure A.

7. 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:

   (a) The company does not have any pending litigation.

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

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

For **M K Surana & Co.**
Chartered Accountants
Firm Registration No.

M K Surana & Co. Calcutta 700001 Chartered Accountants

Kirti Kumar Surana
(Partner)
20, Synagogue Street,2nd Floor, Kolkata - 700 001.
Date: The 28th day of May 2018

M. K. SURANA & CO.
CHARTERED ACCOUNTANTS

20, SYNAGOGUE STREET
2nd FLOOR, KOLKATA-700 001
TELE. : 2210-3203/3235

TO THE MEMBERS OF RAJ CONSTRUCTION PROJECTS PVT LTD

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

We have audited the internal financial controls over financial reporting of **RAJ CONSTRUCTION PROJECTS PVT LTD** as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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Calcutta
700001
Chartered Accountants

purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(I) Pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(II) 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.

(III) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M K Surana & Co.**
Chartered Accountants
Firm Registration No.

Kirti Kumar Surana
(Partner)
20, Synagogue Street,2nd Floor, Kolkata - 700 001.
Date: The 28th day of May 2018

Raj Construction Projects Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70109WB1987PTC041935

Balance Sheet as on 31.03.2018

Particulars	Note	As at 31.03.18	As at 31.03.17	As at 01.04.16
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	2	4,478,528	5,204,067	5,694,282
(b) Intrangible	2A	-	-	-
(c) Financial Assets				
(i) Investment	3	31,075,000	30,100,000	-
(ii) Other Financial Assets	4	193,087	194,087	2,568,514
(d) Deferred tax assets (Net)	5	58,246	58,246	58,246
Total Non - Current Assets		**35,804,861**	**35,556,400**	**8,321,042**
Current assets				
(a) Inventories	6	37,902,428	37,314,463	36,244,323
(b) Financial Assets				
(i) Trade receivables	7	1,491,922	1,514,841	1,198,795
(ii) Cash and cash equivalents	8	2,530,701	1,695,194	2,238,420
(iii) Other financial assets	9	149,869,007	173,663,796	165,381,891
(c) Current Tax Assets	10	1,798,241	1,525,038	1,231,684
(d) Other current assets	11	63,674	87,984	37,964
Total Current Assets		**193,655,973**	**215,801,316**	**206,333,077**
Total Assets		**229,460,834**	**251,357,716**	**214,654,119**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	12	18,544,500	18,544,500	18,544,500
(b) Other Equity	13	201,964,575	193,783,897	185,175,578
Total equity		**220,509,075**	**212,328,397**	**203,720,078**
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	-	1,652,346	1,652,346
(ii) Other financial liabilities		-	-	2,247,500
Total non-current liabilities		**-**	**1,652,346**	**3,899,846**
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	1,563,348	30,026,631	-
(ii) Trade and other payables	16	356,877	196,498	-
(iii) Other financial liabilities	17	1,371,490	1,190,144	2,834,195
(b) Other current liabilities	18	3,739,786	3,278,500	2,000,000
(c) Provisions	19	1,920,258	2,685,200	2,200,000
Total Current Liabilities		**8,951,759**	**37,376,973**	**7,034,195**
Total liabilities		**8,951,759**	**39,029,319**	**10,934,041**
Total Equity & Liabilities		**229,460,834**	**251,357,716**	**214,654,119**

This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board

RAJ CONSTRUCTION PROJECTS PVT. LTD

Director

Director

For M.K.SURANA & CO
Chartered Accountants

Kirti Kumar Surana
Partner
Membership No.061605
20, Synagogue Street,2nd Floor,
Kolkata - 700 001.
The 28th day of May 2018

RAJ CONSTRUCTION PROJECTS PVT. LTD

Director

Director

Raj Construction Projects Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70109WB1987PTC041935

Statement of profit and loss for the year ended 31.03.2018

Particulars	Note	Year ended 31.03.18	Year ended 31.03.17
Revenue			
Revenue from operations	20	19,552,154	16,661,314
Other income	21	-	1,615
Total Revenue		**19,552,154**	**16,662,929**
Expenses			
Construction Activity Expenses	22	587,965	1,070,140
Changes in inventories of work-in-progress & finished goods	23	(587,965)	(1,070,140)
Employee benefit expense	24	879,355	1,000,178
Depreciation and amortisation expense	2	766,139	760,867
Finance costs	25	1,808,146	325,825
Other expenses	26	4,470,070	2,646,091
Total expenses		**7,923,710**	**4,732,961**
Profit before tax		**11,628,444**	**11,929,968**
Less: Income tax expenses			
- Current tax		1,920,258	2,685,200
- Tax Adjustment For Earlier Year		1,527,508	636,449
Total tax expense		**3,447,766**	**3,321,649**
Profit after tax		**8,180,678**	**8,608,319**
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss			
(i) Equity Instruments through Other Comprehensive Income		-	-
(ii) Remeasurements of the defined benefit plans		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**8,180,678**	**8,608,319**
Earnings per equity share			
Profit available for Equity Shareholders		8,180,678	8,608,319
Weighted average number of Equity Shares outstanding		1,854,450	1,854,450
Basic earnings per share		4.41	4.64
Diluted earnings per share		4.41	4.64

This is the Statement of Profit & Loss referred to in our report of even date.

For M.K.SURANA & CO
Chartered Accountants

Kirti Kumar Surana
Partner
Membership No.061605
20, Synagogue Street,2nd Floor,
Kolkata - 700 001.
The 28th day of May 2018

For and on behalf of the Board
RAJ CONSTRUCTION PROJECTS PVT. LTD
Pradeep Lunawat
Director
Director

RAJ CONSTRUCTION PROJECTS PVT. LTD
Ravi Vinka
Director
Director

Raj Construction Projects Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70109WB1987PTC041935

Notes to the financial statements as on

Note 2 Property, Plant and Equipment

Particulars	Tangible						Intangible
	Land	Plant & Machineries	Furnitures & Fixtures	Vehicles	Computer	Total	Software
Gross carrying amount							
Deemed cost as at 01.04.16	475,086	2,362,361	1,218,756	4,998,400	303,565	9,358,168	29,100
Additions	-	270,652	-	-	-	270,652	-
Disposals						-	-
Closing gross carrying amount as on 31.03.17	475,086	2,633,013	1,218,756	4,998,400	303,565	9,628,820	29,100
Additions	-	-	40,600	-	-	40,600	-
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount as on 31.03.18	475,086	2,633,013	1,259,356	4,998,400	303,565	9,669,420	29,100
Accumulated depreciation as at 01.04.16	-	1,336,035	1,014,881	1,009,511	303,459	3,663,886	29,100
Depreciation charge during the year	-	190,735	35,784	534,348	-	760,867	-
Disposals		-	-	-	-	-	-
Closing accumulated depreciation as on 31.03.17	-	1,526,770	1,050,665	1,543,859	303,459	4,424,753	29,100
Depreciation charge during the year	-	216,378	27,207	522,554	-	766,139	-
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation as on 31.03.18	-	1,743,148	1,077,872	2,066,413	303,459	5,190,892	29,100
Net carrying amount as at 01.04.16 as per IND AS	475,086	1,026,326	203,875	3,988,889	106	5,694,282	-
Net carrying amount as at 31.03.17	475,086	1,106,243	168,091	3,454,541	106	5,204,067	-
Net carrying amount as at 31.03.18	475,086	889,865	181,484	2,931,987	106	4,478,528	-

Raj Construction Projects Private Limited

Cash Flow Statement for the year ended 31st March, 2018

Cash Flow Statement	For the year ended 31st March,2018		For the year ended 31st March,2017	
A. Cash flow from operating activities :				
Net profit before tax as per Statement of Profit and Loss		11,628,444		11,929,968
Adjustments for				
Sundry Balances written back	-		(1,615)	
Depreciation & Amortisation	766,139		760,867	
Interest Paid	1,808,146	2,574,285	324,218	1,083,470
Operating Profit Before Working Capital Changes		**14,202,729**		**13,013,438**
(Increase) / Decrease in Inventories	(587,965)		(1,070,140)	
(Increase) / Decrease in Trade receivables	22,919		(316,046)	
(Increase) / Decrease of Advances	23,795,789		(5,907,478)	
(Increase) / Decrease of Other Current Assets	24,310		(50,020)	
Increase / (Decrease) in Trade Payables	160,379		196,498	
Increase / (Decrease) of Other financial liabilities	181,346		(3,891,551)	
Increase / (Decrease) of Other Current Liabilities	461,286	24,058,064	1,280,115	(9,758,622)
Cash generated from operations		**38,260,793**		**3,254,816**
Less: Direct taxes paid/ (Refunds) including Interest (Net)		4,485,911		3,129,803
Cash Flow before Exceptional Items		33,774,882		125,013
Net cash Generated/(used) from operating activities		**33,774,882**		**125,013**
B. Cash Flow from Investing Activities :				
Purchase of Fixed Assets		(40,600)		(270,652)
Increase in Investment		(975,000)		(30,100,000)
Net cash from investing activities		**(1,015,600)**		**(30,370,652)**
C. Cash flow from financing activities :				
Proceeds / (Repayment) of Short Term Borrowings	(28,463,283)		30,026,631	
Proceeds / (Repayment) of Long Term Borrowings	(1,652,346)		-	
Interest Paid	(1,808,146)	(31,923,775)	(324,218)	29,702,413
Net cash generated/(used) in financing activities		**(31,923,775)**		**29,702,413**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**835,507**		**(543,226)**
Cash and cash equivalents -Opening balance		1,695,194		2,238,420
		2,530,701		**1,695,194**
Cash and cash equivalents -Closing balance				
CASH AND CASH EQUIVALENTS :				
Balances with Banks		2,292,339		1,329,865
Cash on hand (As certified by the management)		238,362		365,329
		2,530,701		**1,695,194**

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board

For M.K.SURANA & CO
Chartered Accountants

Kirti Kumar Surana

RAJ CONSTRUCTION PROJECTS PVT LTD

Pradeep Hirawat

RAJ CONSTRUCTION PROJECTS PVT. LTD

Kirti Kumar Surana
Partner
Membership No.061605
20, Synagogue Street,2nd Floor,
Kolkata - 700 001.
The 28th day of May 2018

Director Director

Director Director

Raj Construction Projects Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70109WB1987PTC041935

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 3 Investment			
Investment in Partnership Firm			-
Rituraj Construction LLP			
- Capital	50,000	50,000	-
- Current	-	-	-
HPSD Enclave LLP			
- Capital	50,000	50,000	-
- Current	-	-	-
HPVD Enclave LLP			
- Capital	250,000	250,000	-
- Current	30,725,000	29,750,000	-
	31,075,000	**30,100,000**	**-**
Disclosure of Partnership Firm			
Rituraj Construction LLP			
Name of Partner and Share of Investment			
Raj Construction Projects Pvt Ltd (50%)	50,000	50,000	
Raj Vardhan Patodia (50%)	50,000	50,000	
HPSD Enclave LLP			
Name of Partner and Share of Investment			
Raj Construction Projects Pvt Ltd (50%)			
- Capital	50,000	50,000	
- Current	-	-	
Regent Hirise Private Limited (50%)			
- Capital	50,000	50,000	
- Current	(45,000)	(45,000)	
HPVD Enclave LLP			
Name of Partner and Share of Investment			
Raj Construction Projects Pvt Ltd (50%)			
- Capital	250,000	250,000	
- Current	30,725,000	29,750,000	
Regent Hirise Private Limited (50%)			
- Capital	250,000	250,000	
- Current	30,490,000	31,480,000	

Note 4 Financial Assets			
Unsecured, Considered Good			
Security Deposits	193,087	194,087	2,568,514
TOTAL	**193,087**	**194,087**	**2,568,514**

Note 4 Deferred Tax Liability (net)			
Deferred Tax Assets			
- On Fixed Assets	58,246	58,246	58,246
Deferred Tax Assets	58,246	58,246	58,246

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Raj Construction Projects Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70109WB1987PTC041935

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 6 Inventories			
(At lower of cost or Net Realisable value)			
Finished Stock	19,820,459	19,820,459	-
Work in process	18,081,969	17,494,004	36,244,323
Total Inventories	**37,902,428**	**37,314,463**	**36,244,323**

Note 7 Trade receivables			
Trade receivables	1,491,922	1,514,841	1,198,795
Receivables from related parties	-	-	-
Less: Allowance for doubtful debts	-	-	-
	1,491,922	**1,514,841**	**1,198,795**
Break up of security details:			
Trade receivables			
(a) Secured, considered good	-	-	-
(b) Unsecured, considered good	1,491,922	1,514,841	1,198,795
(c) Doubtful	-	-	-
Less: Allowance for doubtful debts	-	-	-
Total	**1,491,922**	**1,514,841**	**1,198,795**

Note 8 Cash and Cash Equivalents			
(a) Balances with banks (Unrestricted in Current Account)	2,292,339	1,329,865	1,854,665
(b) Cheques, drafts on hand	-	-	-
(c) Cash in hand	238,362	365,329	383,755
Cash and cash equivalents as per balance sheet	2,530,701	1,695,194	2,238,420

Note 9 Other financial assets			
Unsecured, considered good			
Loan To Others	146,445,502	170,040,291	160,838,339
Other Advance	3,423,505	3,623,505	4,543,552
TOTAL	**149,869,007**	**173,663,796**	**165,381,891**

Note 10 Current tax assets and liabilities			
Current tax assets			
Advance Income Tax and TDS	1,798,241	1,525,038	1,231,684
TOTAL	**1,798,241**	**1,525,038**	**1,231,684**

Note 11 Other current assets			
Prepaid Expenses	25,710	50,020	-
Balance with Statutory Authorities	37,964	37,964	37,964
TOTAL	63,674	87,984	37,964

Raj Construction Projects Private Limited
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Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 12 Equity Share Capital			
(Equity Shares of Rs.10/- each)			
a) Authorised Share Capital			
Number of Shares	2,000,000	2,000,000	2,000,000
Total Amount	20,000,000	20,000,000	20,000,000
b) Issued, subscribed and fully paid Share Capital			
Number of Shares	1,854,450	1,854,450	1,854,450
Total Amount	18,544,500	18,544,500	18,544,500
c) Reconciliation of Number of Equity Shares Outstanding			
As at the beginning & end of the year	1,854,450	1,854,450	1,854,450
No shares have either been issued, nor bought back, forfeited			
d) Details of Shareholders holding more than 5% shares with voting right			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	1,854,450	1,854,450	1,854,450
Percentage of total shares held	100%	100%	100%

e) The rights, preferences & restrictions attaching to shares and restrictions on distribution of dividend and repayment of capital

The Company has only one class of equity shares having par value value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

g) Shares held by holding, ultimate holding, or subidiaries or associates of holding			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	1,854,350	1,854,350	1,854,350
Percentage of total shares held	99.99%	99.99%	99.99%
Ravi Prakash Pincha (Nominee of above)			
Number of Shares	100	100	100
Percentage of total shares held	0.01%	0.01%	0.01%

100 Shares held by Ravi Prakash Pincha are held in capacity of nominee holder of RDB Realty & Infrastructure Ltd

g) Shares are reserved for issue under options or contracts.			
Number of Shares	-	-	-
Total Amount	-	-	-

h) Shares issued for consideration other than cash or bonus to shareholders or bought back from shareholders within the period of 5 years

No such shares have been issued nor there has been any buy-back

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Raj Construction Projects Private Limited
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Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 13 Other equity			
Reserve & Surplus			
Surplus from Statement of Profit & Loss			
As at the beginning of the year	116,741,397	108,133,078	108,133,078
Add: Profit for the year	8,180,678	8,608,319	-
As at the end of the year	124,922,075	116,741,397	108,133,078
Securities Premium			
As at the beginning of the year	77,042,500	77,042,500	77,042,500
Add: Charges during the year	-	-	-
As at the end of the year	77,042,500	77,042,500	77,042,500
Other Comprehensive Income			
Equity Instruments through other comprehensive income	-	-	-
Other items of Other Comprehensive Income	-	-	-
Total	**201,964,575**	**193,783,897**	**185,175,578**

Note 14 Financial Liabilities - Borrowings (Non Current)			
Secured - at amortised cost			
Car Loan From Bank	-	1,652,346	1,652,346
Secured by way of hypothecation of Car Purchased Total Facility Amount - Rs.44,00,000/- repayable in 36 equal monthly installments of Rs. 1,47,196/- each including interest @ 12.50% starting from 07.04.15 and last installment falling due on 07.03.18			
Total non-current borrowings	-	**1,652,346**	**1,652,346**

Note 14 Other Financial Liability (Non Current)			
Security Deposits (Unsecured)	-	-	2,247,500
Total	-	-	2,247,500

Note 15 financial liabilities - Borrowings (Current)			
From other than Related Parties (Unsecured)	1,563,348	30,026,631	-
Total	**1,563,348**	**30,026,631**	-

Note 16 financial liabilities - Trade Payables			
outstanding dues of micro & small entreprises	-	-	-
Other than above	356,877	196,498	-
Total	**356,877**	**196,498**	-

Raj Construction Projects Private Limited
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CIN: U70109WB1987PTC041935

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16

Note 17 financial liabilities - Other Financial Liabilities (Current)			
Current maturity of long term debt	-	13,325	1,485,145
Other Liabiltiies	1,371,490	1,176,819	1,349,050
Total	**1,371,490**	**1,190,144**	**2,834,195**

Note 18 Other Current Liabilities			
Advances from Customer and Others	3,739,786	3,278,500	2,000,000
Total	**3,739,786**	**3,278,500**	**2,000,000**

Note 19 Provisions			
Provision for Income Tax	1,920,258	2,685,200	2,200,000
Total	**1,920,258**	**2,685,200**	**2,200,000**

Raj Construction Projects Private Limited
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Notes to the financial statements

	Year ended 31.03.18	Year ended 31.03.17
Note 20 Revenue from Operations		
Rental Income	4,269,731	4,023,526
Interest on Loan	15,282,423	12,637,788
TOTAL	**19,552,154**	**16,661,314**
Note 21 Other Income		
Sundry Balances written back	-	1,615
Total	-	**1,615**
Note 22 Construction Activity Expenses		
Contract Labour Charges	-	350
Professional Charges	-	434,390
Other Construction Expenses	587,965	635,400
Consumption	**587,965**	**1,070,140**
Note 23 Changes in inventories		
(A) Opening Inventory		
Finished Goods	19,820,459	-
Work in Progress	17,494,004	36,244,323
Sub Total (A)	**37,314,463**	**36,244,323**
(B) Closing Inventory		
Finished Goods	19,820,459	19,820,459
Work in Progress	18,081,969	17,494,004
Sub Total (B)	**37,902,428**	**37,314,463**
(Increase)/decrease in inventories (A-B)	**(587,965)**	**(1,070,140)**
Note 24 Employee Benefits Expense		
Salaries, Wages and incentives	879,355	1,000,178
Total	**879,355**	**1,000,178**
Note 25 Finance Cost		
Interest Paid	1,808,146	324,218
Other Borrowing Cost (Finance Charges)	-	1,607
Total	**1,808,146**	**325,825**

b-

Raj Construction Projects Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
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Notes to the financial statements

	Year ended 31.03.18	Year ended 31.03.17
Note 26 Others Expenses		
Municipal Tax	762,148	393,513
Rates & Taxes	8,600	10,240
Rent	32,868	35,834
Advertisement & Publicity Expenses	---	29,655
Commission	57,500	100,000
Filing Fees	2,916	2,488
Genereal Expenses	51,027	3,951
Insurance Charges	80,693	108,763
Interest on Statutory Dues	5,563	---
Maintenance Charges	1,374,052	1,208,632
Motor Vehicle Expenses	355,245	270,798
Other Repairs	925,342	11,500
Postage & Telegram	3,210	59
Printing & Stationery	8,509	37,192
Professional Charges	10,200	89,400
Sales Promotion	766,117	296,509
Travelling Charges	18,580	40,057
Auditor's Remuneration		
Statutory Audit Fees	5,000	5,000
Tax Audit Fees	2,500	2,500
Total	4,470,070	2,646,091

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27 **Reconciliation of Effective Tax Rate**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31.03.18	Year ended 31.03.17
Profit before tax	11,628,444	11,929,968
Income tax expense calculated @ 25.75% (2017: 29.87%)	2,994,324	3,563,481
Other differences	(1,074,066)	(878,281)
Total	1,920,258	2,685,200
Adjustments recognised in the current year in relation to the current tax of prior years	1,527,508	636,449
Income tax recognised in profit or loss	3,447,766	3,321,649

The tax rate used for the year 2016-17 and 2017-18 reconciliations above is the corporate tax payable on taxable profits under the Income Tax Act, 1961.

28 **Related Party Disclosure**

Related Party Relationship

Enterprises where control exists - RDB Realty & Infrastructure Ltd – Holding

Transactions & Balanaces :

Rental Income from RDB RDB Realty & Infrastructure Ltd - Rs. 90,000/- (P.Y. Rs. 90,000/-)

29 In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realised in ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary. There is no contingent liability except stated and informed by the Management.

30 **Contingent Liabilities:-** Nil (P. Y. Nil)

31 **First Time Adoption of Ind AS**

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance withInd AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2016 (the transition date) by:

(a) recognising all assets and liabilities whose recognition is required by Ind AS,

(b) not recognising items of assets or liabilities which are not permitted by Ind AS,

(c) reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and

(d) applyingInd AS in measurement of recognised assets and liabilities.

29.1 **Ind AS optional exemptions**

Deemed Cost of Property, Plant and Equipment

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for property, plant and equipment and use that as its deemed cost at the date of transition.

Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

Deemed Cost of Investment in Subsidiaries, Associates and Joint Ventures

The company did not had any Investment in Subsidiaries, Associates and Joint Ventures as at the date of transition

29.2 **Ind AS mandatory exemptions**

Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP. Ind AS estimates at 1st April, 2016 are consistent with the estimates as at the same date made with conformity with previous GAAP.

De-recognition of Financial Assets and Liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition retrospectively from a date of entity's choosing.

The entity has elected to apply the de-recognition provisions prospectively from the date of transition.

Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification and measurement of assets on the basis of facts and circumstances that exist at the date of transition to Ind AS. The entity has applied this exception.

Fair Valuation of Investments

Under the previous GAAP, investments were classified as long term investments or current investments based on the intended holding period and realisability. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition.

29.3 **Transition to Ind AS – Reconciliations**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS:

Reconciliation of Other Equity

Particulars	As on 31.03.2018	As on 31.03.2017	As on 01.04.2016
Reserves and Surplus as per IGAAP	116,741,397	108,133,078	108,133,078
Add: Fair valuation of Security Deposits Received	8,180,678	8,608,319	-
Other Equity as per Ind AS	**124,922,075**	**116,741,397**	**108,133,078**

Notes:

(i) Under Indian GAAP, there are certain security deposits received which are carried at nominal value. Ind AS requires the measurement of these assets at fair value at inception and subsequently these assets are measured at amortized cost. At inception date, Company recognises difference between deposit fair value and nominal value as income/expensesand the Company recognises notional interest income/expenses on these deposits over the lease term.

(ii) Indian GAAP required deferred tax accounting using the income statement approach, which focusses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. In addition, the various transitional adjustments lead to different temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(iii) The Company has undertaken a detailed exercise to determine the manner of allocation of expenses to inventory in context of Ind AS and accordingly realignedallocation of expenses and income to comply with Ind AS requirements.

Impact of Ind AS adoption on the Cash Flow Statement for the year ended 31st March, 2017

There are no differences between the Cash Flow Statement presented under Ind AS and the Previous GAAP.

30 Financial Instruments and Related Disclosures As on 31.03.2018

Particulars at	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Investments	31,075,000	31,075,000	31,075,000
(ii) Trade receivables	1,491,922	1,491,922	1,491,922
(iii) Cash and cash equivalents	2,530,701	2,530,701	2,530,701
(iv) Other financial assets	150,062,094	150,062,094	150,062,094
Total Financial Assets	185,159,717	185,159,717	185,159,717
(a) Financial Liabilities			
(i) Borrowings	1,563,348	1,563,348	1,563,348
(ii) Trade and other payables	356,877	356,877	356,877
(iii) Other financial liabilities	1,371,490	1,371,490	1,371,490
Total Financial Liabilities	3,291,715	3,291,715	3,291,715

As on 31.03.2017

Particulars	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Investments	30,100,000	30,100,000	30,100,000
(ii) Trade receivables	1,514,841	1,514,841	1,514,841
(iii) Cash and cash equivalents	1,695,194	1,695,194	1,695,194
(iv) Other financial assets	173,857,883	173,857,883	173,857,883
Total Financial Assets	207,167,918	207,167,918	207,167,918
(a) Financial Liabilities			
(i) Borrowings	31,678,977	31,678,977	31,678,977
(ii) Trade and other payables	196,498	196,498	196,498
(iii) Other financial liabilities	1,190,144	1,190,144	1,190,144
Total Financial Liabilities	33,065,619	33,065,619	33,065,619

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As on 01.04.2016

Particulars	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Investments	-	-	-
(ii) Trade receivables	1,198,795	1,198,795	1,198,795
(iii) Cash and cash equivalents	2,238,420	2,238,420	2,238,420
(iv) Other financial assets	167,950,405	167,950,405	167,950,405
Total Financial Assets	171,387,620	171,387,620	171,387,620
(a) Financial Liabilities			
(i) Borrowings	1,652,346	1,652,346	1,652,346
(ii) Trade and other payables	-	-	-
(iii) Other financial liabilities	5,081,695	5,081,695	5,081,695
Total Financial Liabilities	6,734,041	6,734,041	6,734,041

A. **Capital Requirements**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents

Particulars	31-Mar-18 (in Rs.)	31-Mar-17 (in Rs.)	1-Apr-16 (in Rs.)
Borrowings (long-term and short-term, including current maturities of long term borrowings)	1,563,348	31,678,977	1,652,346
Trade payables	356,877	196,498	-
Other payables (current and non-current, excluding current maturities of long term borrowings)	1,371,490	1,190,144	5,081,695
Less: Cash and cash equivalents	(2,530,701)	(1,695,194)	(2,238,420)
Net debt	761,014	31,370,425	4,495,621
Equity share capital	18,544,500	18,544,500	18,544,500
Other equity	201,964,575	193,783,897	185,175,578
Total Capital	220,509,075	212,328,397	203,720,078
Gearing ratio	**289.76**	**6.77**	**45.32**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

31 Disclosure of Financial Instruments

Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and loans and advances and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuatebecause of changes in market prices. Market risk comprises two types of risk: interest rate riskand other price risk, such as equity price risk and commodity/ real estate risk. The Company has not entered into any foreign exchange or commodity derivative contracts. Accordingly, there is no significant exposure to the market risk other than interest risk.

(i) 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 the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Most of the borrowings of the Company are unsecured and at fixed rates. The Company has only one cash credit account which is linked to the Prime Bank Lending Rate. The Company does not enter into any interest rate swaps.

(ii) Price risk

The Company has not made any investments for trading purposes. The surpluses have been deployed in bank deposits as explained above.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

Receivables resulting from other than sale of properties: Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company's credit period generally ranges from 30-60 days.

The ageing of trade receivables are as follows:

Particulars	**As on 31.03.2018**	**As on 31.03.2017**	**As on 01.04.2016**
More than 6 months	-	-	-
Others	1,491,922	1,514,841	1,198,795

Deposits with banks and financial institutions

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Board. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2017 and 2016 is the carrying amounts.

Liquidity Risk

The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. In case of short term requirements, it obtains short-term loans from its Bankers.

For and on behalf of the Board

For M.K.SURANA & CO
Chartered Accountants

Pradeep Hirawat

Director

Kirti Kumar Surana
Partner
Membership No.061605
20, Synagogue Street,2nd Floor,
Kolkata - 700 001.
The 28th day of May 2018

Director

M. K. SURANA & CO.
CHARTERED ACCOUNTANTS

20, SYNAGOGUE STREET
2nd FLOOR, KOLKATA-700 001
TELE. : 2210-3203/3235

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RDB JAIPUR INFRASTRUCTURE PRIVATE LIMITED

We have audited the accompanying standalone financial statements (herein referred to as financial statement in this report) of **RDB JAIPUR INFRASTRUCTURE PRIVATE LIMITED**, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss, Cash Flow Statement and the Statement of Changes in Equity for the year then ended, for the year ended, and also a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, 2018, and its **profit,** its cash flows and its statements of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us, we set out a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

1. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) As explained to us Fixed Assets of the company are physically verified by the management according to a phased programme designed to cover all the items which considering the size and nature of operations of the company appears to be reasonable. Pursuant to such program, no material discrepancies between book records and physical inventory have been noticed on physical verification.

   c) The company does not have any immovable property under the fixed assets, hence the clause is not applicable.

2.) a) The inventory has been physically verified by the management at regular intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them.

   b) In our opinion and according to the information's and explanations given to us, the procedures of physical verification of inventories 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 examinations of records of the inventory, in our opinion, the company is maintaining proper records of inventory except in respect of work-in-progress. As in earlier years, work-in-progress has been determined by the management on the basis of physical verification. The discrepancies ascertained on physical verification between the physical stock and the book records of inventory were not material in relation to the operations of the Company.

3.) The company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Hence clause is not applicable.

4.) According to the records of the company examined by us and according to the information and explanations given to us, in our opinion the company has neither given any guarantees or security nor has made any investments nor given a loan covered under the provisions of section 185 and 186 of the Companies Act, 2013.

5.) The company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under are not applicable.

6.) The rules regarding maintenance of cost records which have been specified by the central government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company.

7.) a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues with the appropriate authorities and there is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the records of the company examined by us and according to information and explanations given to us, there are no dues in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute.

8.) According to the records of the Company examined by us and the information and explanations given to us, the Company does not have any outstanding from any banks, financial institutions or government nor has it any outstanding debenture; hence the clause is not applicable.

9.) In our opinion, and according to the information's and explanations given to us, there was no money raised by way of initial public offer or further public offer (including debt instruments) and the term loan has been applied, on an overall basis, for the purpose for which they were obtained.

10.) According to the information and explanations given to us, we report that neither any fraud by the company nor on the company by its officers / employees has been noticed or reported during the year.

11.) As examined by us, the company has not paid remuneration to any managerial personnel during the period in accordance, hence clause is not applicable.

12.) The company is not a nidhi company. Hence clause is not applicable.

13.) According to the information and explanations given to us, we are of the opinion that all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.

14.) According to the information and explanations given to us, we report that the company has neither made any preferential allotment or private placement of shares nor fully or partly convertible debentures during the year under review. Hence clause is not applicable.

15.) According to the information and explanations given to us, we report that the company has not entered into any non-cash transactions with directors or persons connected with them. Hence clause is not applicable.

16.) According to the information and explanations given to us, we report that company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

1. 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.

2. 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.

3. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of charges in equity dealt with by this Report are in agreement with the books of account.

4. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

6. With respect to the adequacy of the internal financial controls over financials reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure A.

7. 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:

   (a) The company does not have any pending litigation.

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

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

For **M K Surana & Co.**
Chartered Accountants
Firm Registration No. 324127E

Kirti Kumar Surana

Kirti Kumar Surana
(Partner)
Membership No. 061605
20, Synagogue Street,2nd Floor, Kolkata - 700 001.
Date: The 29th day of May 2018

TO THE MEMBERS OF RDB JAIPUR INFRASTRUCTURE PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of **RDB JAIPUR INFRASTRUCTURE PRIVATE LIMITED** as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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 interhal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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

(I) Pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(II) 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.

(III) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M K Surana & Co.**
Chartered Accountants
Firm Registration No. 324127E

Kirti Kumar Surana
(Partner)
Membership No. 061605
20, Synagogue Street,2nd Floor, Kolkata - 700 001.
Date: The 29th day of May 2018

RDB Jaipur Infrastructure Private Limited (Formerly RDB Realty (P) Ltd.)
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70101WB2005PTC106328

Balance Sheet as on 31.03.2018

Particulars	Note	As at 31.03.18	As at 31.03.17	As at 01.04.16
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	1	3,03,830	4,34,026	5,74,039
(b) Intangible	2	-	-	-
(c) Financial Assets				
(i) Investment	3	-	-	-
(d) Deferred Tax Assets (Net)	4	38,547	29,121	43,841
Total Non - Current Assets		**3,42,377**	**4,63,147**	**6,17,880**
Current assets				
(a) Inventories	5	1,32,22,56,880	1,32,08,94,165	1,31,35,33,503
(b) Financial Assets				
(i) Trade receivables	6	1,22,44,661	-	-
(ii) Cash and cash equivalents	7	3,24,526	15,58,025	29,48,562
(iii) Other financial assets	8	7,48,75,667	4,64,23,727	2,40,67,958
(c) Current Tax Assets	9	14,10,438	-	25,22,576
(d) Other current assets	10	-	-	-
Total Current Assets		**1,41,11,12,171**	**1,36,88,75,917**	**1,34,30,72,599**
Total Assets		**1,41,14,54,548**	**1,36,93,39,064**	**1,34,36,90,479**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	11	10,00,00,000	10,00,00,000	10,00,00,000
(b) Other Equity	12	(1,18,59,622)	(1,19,16,202)	(1,14,98,660)
Total equity		**8,81,40,378**	**8,80,83,798**	**8,85,01,340**
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Other financial liabilities	13	9,00,00,000	9,00,00,000	9,00,00,000
Total non-current liabilities		**9,00,00,000**	**9,00,00,000**	**9,00,00,000**
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	5,30,22,113	5,55,01,557	7,34,79,128
(ii) Trade and other payables	15	4,91,23,250	4,88,00,000	8,28,00,000
(iii) Other financial liabilities	16	1,13,07,34,657	1,08,61,07,327	1,00,74,54,965
(b) Other current liabilities	17	4,20,650	8,46,383	14,55,046
(c) Provisions	18	13,500	-	-
Total Current Liabilities		**1,23,33,14,170**	**1,19,12,55,267**	**1,16,51,89,139**
Total liabilities		**1,32,33,14,170**	**1,28,12,55,267**	**1,25,51,89,139**
Total Equity & Liabilities		**1,41,14,54,548**	**1,36,93,39,065**	**1,34,36,90,479**

This is the Balance Sheet referred to in our report of even date.

For M.K.SURANA & CO
Chartered Accountants
Kirti Kumar Surana
Partner
Membership No.061605
20, Synagogue Street,2nd Floor,
Kolkata - 700 001.
The 29th day of May 2018

For and on behalf of the Board
RDB JAIPUR INFRASTRUCTURE PVT. LTD.
Pradeep Hirawat
Director
Director

RDB JAIPUR INFRASTRUCTURE PVT. LTD.
Director
Director

/pur Infrastructure Private Limited (Formerly RDB Realty (P) Ltd.)
oor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
U70101WB2005PTC106328

Statement of profit and loss for the year ended 31.03.2018

Particulars	Note	Year ended 31.03.18	Year ended 31.03.17
Revenue			
Revenue from operations	19	-	-
Other income	20	51,32,839	7,64,350
Total Revenue		**51,32,839**	**7,64,350**
Expenses			
Construction Activity Expenses	21	13,62,715	73,60,662
Changes in inventories of work-in-progress	22	(13,62,715)	(73,60,662)
Employee benefit expense	23	8,44,914	9,51,026
Depreciation and amortisation expense	2	1,30,196	1,40,013
Finance costs	24	39,97,262	-
Other expenses	25	89,546	76,133
Total expenses		**50,61,918**	**11,67,172**
Profit before tax		**70,921**	**(4,02,822)**
Less: Income tax expenses			
- Current tax		13,500	-
- Tax Adjustment For Earlier Year		10,267	-
- Deferred Tax		(9,426)	14,720
Total tax expense		**14,341**	**14,720**
Profit after tax		**56,580**	**(4,17,542)**
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss			
(i) Equity Instruments through Other Comprehensive Income		-	-
(ii) Remeasurements of the defined benefit plans		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**56,580**	**(4,17,542)**
Earnings per equity share			
Profit available for Equity Shareholders		56,580	(4,17,542)
Weighted average number of Equity Shares outstanding		1,00,00,000	1,00,00,000
Basic earnings per share		0.01	(0.04)
Diluted earnings per share		0.01	(0.04)

This is the Statement of Profit & Loss referred to in our report of even date.

For and on behalf of the Board
RDB JAIPUR INFRASTRUCTURE PVT. LTD.

For M.K.SURANA & CO
Chartered Accountants

Director
Director

Kirti Kumar Surana
Partner
Membership No.061605
20, Synagogue Street,2nd Floor,
Kolkata - 700 001.
The 29th day of May 2018

RDB JAIPUR INFRASTRUCTURE PVT. LTD.

Director
Director

RDB Jaipur Infrastructure Private Limited (Formerly RDB Realty (P) Ltd.)
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70101WB2005PTC106328

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 3 Financial Assets (Investment)			
Investment in Equity Instruments (At Cost, fully Paid)			
	-	-	-
	-	-	-
Note 4 Deferred tax assets (net)			
Deferred Tax Assets on	38,547	29,121	43,841
Depreciation Allowance on Fixed Assets			
TOTAL	**38,547**	**29,121**	**43,841**
Note 5 Inventories			
(At lower of cost or Net Realisable value)			
Work in process	1,32,22,56,880	1,32,08,94,165	1,31,35,33,503
Total Inventories	**1,32,22,56,880**	**1,32,08,94,165**	**1,31,35,33,503**
Note 6 Financial Assets (Trade receivables)			
Trade receivables	1,22,44,661	-	-
Receivables from related parties	-	-	-
Less: Allowance for doubtful debts	-	-	-
	1,22,44,661	**-**	**-**
Break up of security details:			
Trade receivables			
(a) Secured, considered good	-	-	-
(b) Unsecured, considered good	1,22,44,661	-	-
(c) Doubtful	-	-	-
Less: Allowance for doubtful debts	-	-	-
Total	**1,22,44,661**	**-**	**-**
Note 7 Financial Assets (Cash and Cash Equivalents)			
(a) Balances with banks (Unrestricted in Current Account)	2,67,143	14,68,768	29,13,853
(b) Cheques, drafts on hand	-	-	-
(c) Cash in hand	57,383	89,257	34,709
(d) Others			
Cash and cash equivalents as per balance sheet	**3,24,526**	**15,58,025**	**29,48,562**
Note 8 Financial Assets (Other financial assets)			
Unsecured, considered good			
Other Advances	7,48,75,667	4,64,23,727	2,40,67,958
TOTAL	**7,48,75,667**	**4,64,23,727**	**2,40,67,958**

RDB Jaipur Infrastructure Private Limited (Formerly RDB Realty (P) Ltd.)
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U70101WB2005PTC106328

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 9 Current tax assets and liabilities			
Current tax assets			
Advance Income Tax and TDS	14,10,438	-	25,22,576
TOTAL	**14,10,438**	**-**	**25,22,576**
Note 10 Other current assets			
Balance with Statutory Authorities	-	-	-
TOTAL	-	-	-
Note 11 Equity Share Capital (Equity Shares of Rs.10/- each)			
a) Authorised Share Capital			
Number of Shares	1,50,00,000	1,50,00,000	1,50,00,000
Total Amount	15,00,00,000	15,00,00,000	15,00,00,000
b) Issued, subscribed and fully paid Share Capital			
Number of Shares	1,00,00,000	1,00,00,000	1,00,00,000
Total Amount	10,00,00,000	10,00,00,000	10,00,00,000
c) Reconciliation of Number of Equity Shares Outstanding			
As at the beginning & end of the year	1,00,00,000	1,00,00,000	1,00,00,000
No shares have either been issued, nor bought back, forfeited			
d) Details of Shareholders holding more than 5% shares with voting right			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	53,63,046	53,63,046	53,63,046
Percentage of total shares held	53.63%	53.63%	53.63%
Sanjay Surana			
Number of Shares	10,00,000	10,00,000	10,00,000
Percentage of total shares held	10.00%	10.00%	10.00%
Gaurishankar Kothari			
Number of Shares	10,00,000	10,00,000	10,00,000
Percentage of total shares held	10.00%	10.00%	10.00%
Shyam Sunder Mohata			
Number of Shares	9,33,477	9,33,477	-
Percentage of total shares held	9.33%	9.33%	0.00%
Santosh Devi Dhoot			
Number of Shares	6,00,000	6,00,000	6,00,000
Percentage of total shares held	6.00%	6.00%	6.00%
Kedar Nath Dhoot			
Number of Shares	5,40,977	5,40,977	5,40,977
Percentage of total shares held	5.41%	5.41%	5.41%

e) The rights, preferences & restrictions attaching to shares and restrictions on distribution of dividend and repayment of capital

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
f) Shares held by holding, ultimate holding, or subidiaries or associates of holding			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	5,62,870	5,62,870	5,62,870
Percentage of total shares held	5.63%	5.63%	5.63%
g) Shares are reserved for issue under options or contracts.			
Number of Shares & Amount	-	-	-
h) Shares issued for consideration other than cash or bonus to shareholders or bought back from shareholders within the period of 5 years			
No such shares have been issued nor there has been any buy-back			
Note 12 Other equity			
Reserve & Surplus			
Surplus from Statement of Profit & Loss			
As at the beginning of the year	(1,19,16,202)	(1,14,98,660)	(1,14,98,660)
Add: Profit for the year	56,580	(4,17,542)	-
Add: Ind AS Adjustments	-	-	-
As at the end of the year	(1,18,59,622)	(1,19,16,202)	(1,14,98,660)
Other Comprehensive Income			
Equity Instruments through other comprehensive income	-	-	-
Other items of Other Comprehensive Income	-	-	-
Total	**(1,18,59,622)**	**(1,19,16,202)**	**(1,14,98,660)**

Note 13 Financial Liability (Other Financial Liability)			
Advance against Properties	9,00,00,000	9,00,00,000	9,00,00,000
Total	**9,00,00,000**	**9,00,00,000**	**9,00,00,000**

Note 14 financial liabilities - Borrowings			
(Unsecured, repayable on Demand, including interest accrued)			
From other than Related Parties	5,30,22,113	5,55,01,557	7,34,79,128
Total	**5,30,22,113**	**5,55,01,557**	**7,34,79,128**

Note 15 financial liabilities - Trade and other payables			
outstanding dues of micro & small entreprises	-	-	-
Other than above	4,91,23,250	4,88,00,000	8,28,00,000
Total	**4,91,23,250**	**4,88,00,000**	**8,28,00,000**

Note 16 financial liabilities - Other Financial Liabilities			
Advances from Others	1,13,07,34,657	1,08,61,07,327	1,00,74,54,965
Total	**1,13,07,34,657**	**1,08,61,07,327**	**1,00,74,54,965**

Note 17 Other Current Liabilities			
Other payable	4,20,650	8,46,383	14,55,046
Total	**4,20,650**	**8,46,383**	**14,55,046**

Note 18 Provisions			
Provision for Income Tax	13,500	-	-
Total	**13,500**	**-**	**-**

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Notes to the financial statements	Year ended 31.03.18	Year ended 31.03.17
Note 19 Revenue from Operations		
Maintenance & Other Charges	-	-
TOTAL	-	-
Note 20 Other Income		
Profit on Sale of Investment (Non Current, other than trade)	-	1,05,085
Interest Income	51,32,839	5,98,064
Miscellaneous Income		60,500
Sundry Balances written back (net)	-	701
Total	**51,32,839**	**7,64,350**
Note 21 Construction Activity Expenses		
Other Construction Expenses	54,398	21,33,049
Interest & Other Finance Cost (in accordance with IND AS-23)	13,08,317	52,27,613
Consumption	**13,62,715**	**73,60,662**
Note 22 Changes in inventories of work-in-progress		
Opening Inventory of Work in Progress	1,32,08,94,165	1,31,35,33,503
Less : Closing Inventory of Work in Progress	1,32,22,56,880	1,32,08,94,165
(Increase)/decrease in inventories (A-B)	**(13,62,715)**	**(73,60,662)**
Note 23 Employee Benefits Expense		
Salaries, Wages and incentives	8,44,914	9,51,026
Total	**8,44,914**	**9,51,026**
Note 24 Finance Cost		
Interest on Borrowed fund	39,97,262	-
Total	**39,97,262**	-
Note 25 Others Expenses		
Rates & Taxes	2,500	2,500
Sundry Balances written off (net)		
Advertisement & Publicity Expenses		
Bank Charges		
Conveyance		
Filing Fees	4,311	26,688
General Expenses	60,500	2,150
Postage & Telegram		
Printing & Stationery	7,035	29,795
Professional Charges	200	---
Auditor's Remuneration		
Statutory Audit Fees	15,000	15,000
Total	**89,546**	**76,133**

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Notes to the financial statements

A. Share Capital

Particulars	Amount (Rs.)
Equity Share Capital as on 01.04.2016	10,00,00,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2017	10,00,00,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2018	10,00,00,000

B. Other Equity

Other Equity

Reserves and surplus attributable to Equity Share holders of the Company	**Amount (Rs.)**
Balance at 1 April 2016	**(1,14,98,660)**
Transfers	-
Profit for the year	(4,17,542)
Other comprehensive income	-
Total comprehensive income for the year	**(4,17,542)**
Balance at 31 March 2017	**(1,19,16,202)**
Transfers	-
Profit for the Year	56,580
Other comprehensive income	-
Total comprehensive income for the period	**56,580**
Balance at 31 March 2018	**(1,18,59,622)**

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Notes to the financial statements as on

Note 2 Property, Plant and Equipment

Particulars	Tangible						Intangible
	Plant & Machinery	Furniture & Fixtures	Vehicles	Computers	Mobile	Total	
Gross carrying amount							
Deemed cost as at 01.04.16	7,500	7,100	14,41,449	58,365	52,599	15,67,013	-
Additions						-	-
Disposals						-	-
Closing gross carrying amount as on 31.03.17	7,500	7,100	14,41,449	58,365	52,599	15,67,013	-
Additions						-	-
Disposals						-	-
Closing gross carrying amount as on 31.03.18	7,500	7,100	14,41,449	58,365	52,599	15,67,013	-
Accumulated depreciation as at 01.04.16	2,819	5,186	8,95,250	55,439	34,280	9,92,974	-
Depreciation charge during the year	431	252	1,28,210	-	11,120	1,40,013	-
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation as on 31.03.17	3,250	5,438	10,23,460	55,439	45,400	11,32,987	-
Depreciation charge during the year	431	253	1,27,041	-	2,471	1,30,196	-
Disposals						-	-
Closing accumulated depreciation as on 31.03.18	3,681	5,691	11,50,501	55,439	47,871	12,63,183	-
Net carrying amount as at 01.04.16 as per IND AS	4,681	1,914	5,46,199	2,926	18,319	5,74,039	-
Net carrying amount as at 31.03.17	4,250	1,662	4,17,989	2,926	7,199	4,34,026	-
Net carrying amount as at 31.03.18	3,819	1,409	2,90,948	2,926	4,728	3,03,830	-

RDB Jaipur Infrastructure Private Limited (Formerly RDB Realty (P) Ltd.)

Cash Flow Statement for the year ended 31st March, 2018

Cash Flow Statement	For the year ended 31st March,2018		For the year ended 31st March,2017	
A. Cash flow from operating activities :				
Net profit before tax as per Statement of Profit and Loss		70,921		(4,02,822)
Adjustments for				
Sundry Balances written back	-		(701)	
Profit on Sale of Investment (Non Current, other than trade)	-		(1,05,085)	
Depreciation & Amortisation	1,30,196		1,40,013	
Interest Paid	39,97,262	41,27,458	-	34,227
Operating Profit Before Working Capital Changes		**41,98,379**		**(3,68,595)**
(Increase) / Decrease in Inventories	(54,398)		(21,33,049)	
(Increase) / Decrease in Trade receivables	(1,22,44,661)		-	
(Increase) / Decrease of Advances	(2,84,51,940)		(2,23,55,068)	
(Increase) / Decrease of Other Current Assets	-		-	
Increase / (Decrease) in Trade Payables	3,23,250		(3,40,00,000)	
Increase / (Decrease) of Other financial liabilities	4,46,27,330		7,86,52,362	
Increase / (Decrease) of Other Current Liabilities	(4,25,733)	37,73,849	(6,08,663)	1,95,55,582
Cash generated from operations		**79,72,228**		**1,91,86,987**
Less: Direct taxes paid/ (Refunds) including Interest (Net)		14,20,705		(25,22,574)
Cash Flow before Exceptional Items		65,51,523		2,17,09,561
Net cash Generated/(used) from operating activities		**65,51,523**		**2,17,09,561**
B. Cash Flow from Investing Activities :				
Purchase of Fixed Assets		-		-
Sale of Investment		-		1,05,085
Net cash from investing activities		-		**1,05,085**
C. Cash flow from financing activities :				
Proceeds / (Repayment) of Short Term Borrowings	(24,79,444)		(1,79,77,571)	
Interest Paid	(53,05,579)	(77,85,023)	(52,27,613)	(2,32,05,184)
Net cash generated/(used) in financing activities		**(77,85,023)**		**(2,32,05,184)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(12,33,500)**		**(13,90,538)**
Cash and cash equivalents -Opening balance		15,58,025		29,48,562
		3,24,526		**15,58,025**
Cash and cash equivalents -Closing balance				
CASH AND CASH EQUIVALENTS :				
Balances with Banks		2,67,143		14,68,768
Cash on hand (As certified by the management)		57,383		89,257
		3,24,526		**15,58,025**

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board

For M.K.SURANA & CO
Chartered Accountants

RDB JAIPUR INFRASTRUCTURE PVT. LTD. RDB JAIPUR INFRASTRUCTURE PVT. LTD

Pradeep

Director Director

Kirti Kumar Surana
Partner
Membership No.061605
20, Synagogue Street,2nd Floor,
Kolkata - 700 001.
The 29th day of May 2018

Director Director

26. NOTES TO THE FINANCIAL STATEMENTS

A. Corporate Information

RDB Jaipur Infrastructure Private Limited (Formerly RDB Realty (P) Ltd.) (The Company) is a deemed Public limited company, private company being a subsidiary of Listed Public Company domiciled and incorporated in India. It is a part of a group leading in real estate activities in Eastern India. The registered office of the Company is situated at 8/1, Lalbazar Street, Bikaner Building, 1 Floor, Room No.10, Kolkata-700001. The principle business activity of the company is Real Estate Development.

B. Summary of Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements (Separate financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards(Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013. For all periods up to and including the year ended 31 March 2017, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules,2014 (previous GAAP).

These financial statements for the year ended 31 March 2018 are the first the company has prepared in accordance with Ind AS. Refer to note29 for an explanation of how the transition from previous GAAP to Ind AS has effected presentation of company's financial position, financial performance and cash flows.

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

All the assets and liabilities have been classified as current and non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013.The normal operating cycle of the company has been considered as 12 months.

b) Use of estimates and management judgments :

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

i) Key estimates and assumptions :

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

ii) **Revenue recognition, contract costs and valuation of unbilled revenue**

The Company uses the percentage of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

For revenue recognition for projects executed through joint development arrangements, refer clause (ii) below as regards estimates and assumptions involved.

iii) **Estimation of net realisable value for inventory property (including land advance)**

Inventory property is stated at the lower of cost and net realisable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

c) **Property, Plant and Equipment**

The cost of an item of property, plant and equipment comprises of its purchase price, any costs directly attributable to its acquisition and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs when the item is acquired. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

An item of property, plant and equipment and any significant part initially recognized is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is derecognised.

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

d) **Revenue Recognition-**

Revenue is recognized as follows:

i. Revenue from own construction projects are recognised on Percentage Completion Method. Revenue recognition starts when 25 % of estimated project cost excluding land and marketing cost is incurred, atleast 25% of the saleable project area is secured by contracts or agreements with buyers and Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.
ii. Revenue from Construction Contracts are recognised on "Percentage of Completion Method" measured by reference to the survey of works done up to the reporting date and certified by the client before finalisation of projects accounts.
iii. Real Estate: Sales is exclusive of service tax, if any, net of sales return.
iv. Revenue from services are recognised on rendering of services to customers except otherwise stated
v. Rental income from assets is recognised for an accrual basis except in case where ultimate collection is considered doubtful. Rental income is exclusive of service tax
vi. Income from interest is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

e) **Borrowing Costs**
Borrowing costs attributable to the acquisition or construction of a qualifying asset are carried as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the year they are incurred.

f) **Impairment of Non-Financial Assets**
The management periodically assesses using external and internal sources, whether there is an indication that both tangible and intangible asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

g) **Inventories**
Constructed properties, shown as work in progress, includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development costs, construction costs, overheads, borrowing costs, construction materials including material lying at respective sites, finance and administrative expenses which contribute to bring the inventory to their present location and condition and is valued at lower of cost/ estimated cost and net realizable value.
On completion of projects, unsold stocks are transferred to project finished stock under the head "Inventory" and the same is carried at cost or net realizable value, whichever is less.
Finished Goods – Flats: Valued at cost and net realizable value.
Land Inventory: Valued at lower of cost and net realizable value.
Provision for obsolescence in inventories is made, wherever required.

h) **Retirement Benefits**
No such benefits are payable to any employee.

i) **Provisions, Contingent Liabilities and Contingent Assets**
Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if the company has a present obligation as a result of past event and the amount of obligation can be reliably estimated.
If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Possible future or present obligations that may but will probably not require outflow of resources or where the same can not be reliably estimated is disclosed as contingent liability in the financial statement.

j) **Taxes on Income**

i. Tax expense comprises both current and deferred tax. Current tax is determined in respect of taxable income for the year based on applicable tax rates and laws.

ii. Deferred tax Asset/liability is recognized, subject to consideration of prudence, on timing differences being the differences between taxable incomes and accounting income that originates in one year and is capable of reversal in one or more subsequent year and measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each Balance Sheet date to reassess their reliability.

iii. Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

k) **Segment Reporting**

The company has identified that its operating activity is a single primary business segment viz. Real Estate Development and Services carried out in India. Accordingly, whole of India has been considered as one geographical segment

l) **Earnings Per Share**

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

m) **Cash & Cash Equivalents**

Cash and cash equivalents comprise cash & cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management and that are readily convertible to known amounts of cash to be cash equivalents.

n) **Financial Instruments**

➢ **Financial Instruments - Initial recognition and measurement**

Financial assets and financial liabilities are recognized in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

- **Financial assets –Subsequent measurement**

  The Subsequent measurement of financial assets depends on their classification which is as follows:

  - Financial assets at fair value through profit or loss

    Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.

  - Financial assets measured at amortized cost

    Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

    Debt instruments at amortised cost:

    A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

    i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
    ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

       This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

    Debt instrument at FVTOCI

    A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

    i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
    ii. The asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

    Debt instrument at FVTPL

    FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

    In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

  - Financial assets at fair value through OCI

    All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive

Income (OCI). The company makes an irrevocable election on an instrument by instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable. If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

- **Financial assets –Derecognition**
  The company derecognizes a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. Upon derecognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

- **Financial liabilities –**
  <u>Initial recognition and measurement</u>
  Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.
  The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.
  <u>Subsequent measurement</u>
  The Subsequent measurement of financial liabilities depends on their classification which is as follows:
  - <u>Financial liabilities at fair value through profit or loss</u>
    Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any, and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
    Gains or losses on liabilities held for trading are recognised in the profit or loss.

  - <u>Financial liabilities measured at amortized cost</u>
    Interest bearing loans and borrowings including debentures issued by the company are subsequently measured at amortized cost using the effective interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortized is included in finance costs in the statement of profit and loss.

  - **Financial liabilities –Derecognition**
    A financial liability is derecognized when the obligation under the liability is discharged or expires.

o) **Fair Value measurement**

The company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

p) **Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

VINEET KHETAN & ASSOCIATES

CHARTERED ACCOUNTANTS

5th Floor, R. No. : 7, 3B, Lal Bazar Street, Kolkata - 1, Mobile : 9331040655, Phone : (033) 4066 1047

E-mail : khousehouse71@gmail.com

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

RDB MUMBAI INFRASTRUCTURE PRIVATE LIMITED.

Report on the Financial Statements

We have audited the accompanying financial statements of **RDB MUMBAI INFRASTRUCTURE PRIVATE LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial

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statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls . An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2018, its profit/loss and its cash flows for the year ended on that date.

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 sub-section (11) of section 143 of the Act, we give in the "***Annexure A***" statement on the matters specified in paragraphs 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, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

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

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i. The Company does not have any pending litigations which would impact its financial position.

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

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

For Vineet Khetan & Associates
Chartered Accountants
Firm Reg No. 324428E

(Vineet Khetan)
Proprietor
Membership No. 060270

Place: Kolkata
Dated: 28.05.2018

Vineet Khetan & Associates
Kolkata
Chartered Accountants

"Annexure A" to the Independent Auditors' Report

Annexure referred to in our Report of even date to the Members of **RDB MUMBAI INFRASTRUCTURE PRIVATE LIMITED**, as at and for the year ended 31st March, 2018.

1. **(a)** The Company has maintained proper record showing full particulars, including quantitative details and situation of fixed assets.

   (b) All the fixed assets have been physically verified by the management. No material discrepancies have been noticed on such physical verification.

   (c) The title deed of immovable properties are held in the name of the company.

2. **(a)** The Company has maintained proper records of stock during the year under review which have been physically verified by the management.

   (b) The discrepancies between the physical stocks and the book stocks, which have been properly dealt with in the books of account, were not significant.

3. In respect of Loan granted / taken by the Company to / from Companies, Firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013('the Act'), according to the information and explanation give to us:

   The company has not granted loans to Companies and other parties covered in the register maintained under section 189 of Companies Act, 2013.

   (a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest.

   (b) The parties have repaid the principal amounts as stipulated and have been regular in the payment of interest.

   (c) There is no overdue amount of loans granted to companies, firms or other parties listed in the registers maintaines under section 189 of the Companies Act, 2013.

4. In our opinion and according to information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act,2013 in respect of loans, investments, guarantees, and security.

5. Based on our scrutiny of the company's records and according to information and explanation provided to us, the Company has not accepted any deposits from public.

6. The Central Government has not prescribed maintenance of cost records 148(1) of the Act for the Company.

7. **(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, wealth tax, service tax, duty of customs, value added tax, cess and other

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material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arears as at March 31, 2018 for a period of more than six months from the date on when they become payable.

(b) According to the records of the company, there are no dues outstanding in respect of Income tax, service tax, sales tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

According to the information and explanations given to us no amounts were required to be transferred to the investor education and protection fund.

8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a Financial Institution or Bank. The company has taken loan from Bank and has not issued any debentures.

9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or 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 and hence not commented on it.

10. 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.

11. Based upon the audit procedures performed and the information and explanations given by the management, no managerial remuneration has been paid or provided during the year under audit.

12. In our opinion, the company is not a Nidhi Company. Therefore, the provisions for clause 4 (xii) of the Order are not applicable to the Company.

13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. Based upon the audit procedures performed and explanations given by the management, the company has not made any preferential allotement or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15. 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 and hence not commented upon.

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Kolkata
Chartered Accountants

16. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For Vineet Khetan & Associates
Chartered Accountants
Firm Reg No. 324428E

(Vineet Khetan)
Proprietor
Membership No. 060270

Place: Kolkata
Dated: 28.05.2018

Vineet Khetan & Associates
Kolkata
Chartered Accountants

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RDB MUMBAI INFRASTRUCTURE PRIVATE LIMITED.

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

We have audited the internal financial controls over financial reporting **RDB MUMBAI INFRASTRUCTURE PRIVATE LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Vineet Khetan & Associates * Kolkata * Chartered Accountants

We believe that the audit evidence I/we have obtained is sufficient and appropriate to provide a basis for my /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 March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Vineet Khetan & Associates
Chartered Accountants

Vineet Khetan
Proprietor
(Membership No.: 060270)

Vineet Khetan & Associates
Kolkata
Chartered Accountants

Place: Kolkata
Date: 28.05.2018

RDB Mumbai Infrastructures Private Limited (Formerly Maple Tieup Private Limited)
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2007PTC114242

Balance Sheet as on 31.03.2018

Particulars	Note	As at 31.03.18	As at 31.03.17	As at 01.04.16
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	1	55,736	59,080	13,175
(c) Financial Assets				
(i) Investment	2	6,16,81,545	6,14,69,076	6,16,68,008
(d) Deferred Tax Assets (Net)	3	22,72,466	22,72,466	21,09,242
(d) Other non-current assets	4	-	1,75,800	3,51,600
Total Non - Current Assets		**6,40,09,747**	**6,39,76,422**	**6,41,42,025**
Current assets				
(a) Inventories	5	28,24,44,294	27,72,23,053	19,83,89,055
(b) Financial Assets				
(i) Trade receivables	6	1,30,68,735	43,00,093	68,46,130
(ii) Cash and cash equivalents	7	58,53,080	7,53,158	53,75,437
(iii) Other financial assets	8	1,58,24,852	1,58,24,852	9,46,650
(c) Current Tax Assets	9	45,65,468	40,29,132	2,92,873
(d) Other current assets	10	3,80,33,973	3,23,90,399	2,09,99,538
Total Current Assets		**35,97,90,402**	**33,45,20,687**	**23,28,49,683**
Total Assets		**42,38,00,149**	**39,84,97,109**	**29,69,91,708**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	11	1,00,00,000	1,00,00,000	1,00,000
(b) Other Equity	12	(53,82,446)	(60,74,024)	(47,05,314)
Total equity		**46,17,554**	**39,25,976**	**(46,05,314)**
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings		24,35,92,165	16,98,13,761	20,00,09,536
(ii) Other financial liabilities	13	1,66,85,438	1,09,60,313	52,67,688
Total non-current liabilities		**26,02,77,603**	**18,07,74,074**	**20,52,77,224**
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	2,39,78,369	1,75,09,000	-
(ii) Trade and other payables	15	26,52,965	34,81,389	1,43,13,675
(iii) Other financial liabilities	16	17,40,356	24,76,857	23,68,524
(b) Other current liabilities	17	13,05,33,302	19,03,29,813	7,96,37,599
(c) Provisions	18	-	-	-
Total Current Liabilities		**15,89,04,992**	**21,37,97,059**	**9,63,19,798**
Total liabilities		**41,91,82,595**	**39,45,71,133**	**30,15,97,022**
Total Equity & Liabilities		**42,38,00,149**	**39,84,97,109**	**29,69,91,708**

This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board

For Vineet Khetan & Associates
Chartered Accountants

Vikash chand Jhanwer.

Vineet Khetan
Proprietor
Membership No.060270
3B,Lal Bazar Street,
Kolkata - 700 001.
The 28th day of May 2018

Vineet Khetan & Associates Kolkata Chartered Accountants

RDB MUMBAI INFRASTRUCTURES PVT LTD MUMBAI

Vikash Jhanwer
Director

Kiran Mali
Director

RDB Mumbai Infrastructures Private Limited (Formerly Maple Tieup Private Limited)
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2007PTC114242

Statement of profit and loss for the year ended 31.03.2018

Particulars	Note	Year ended 31.03.18	Year ended 31.03.17
Revenue			
Revenue from operations	19	7,89,11,008	1,74,63,968
Other income	20	17,656	72,062
Total Revenue		**7,89,28,664**	**1,75,36,030**
Expenses			
Construction Activity Expenses	21	8,02,20,906	9,60,16,798
Changes in inventories of work-in-progress	22	(52,21,241)	(7,88,33,998)
Employee benefit expense	23	7,13,510	6,33,612
Depreciation and amortisation expense	2	36,661	17,612
Finance costs	24	2,01,000	-
Other expenses	25	22,86,250	12,33,940
Total expenses		**7,82,37,086**	**1,90,67,964**
ofit before tax		**6,91,578**	**(15,31,934)**
Less: Income tax expenses			
- Current tax		-	-
- Tax Adjustment For Earlier Year		-	-
- Deferred Tax		-	(1,63,224)
Total tax expense		-	**(1,63,224)**
Profit after tax		**6,91,578**	**(13,68,710)**
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss			
(i) Equity Instruments through Other Comprehensive Income		-	-
(ii) Remeasurements of the defined benefit plans		-	-
Other comprehensive income for the year, net of tax		-	-
al comprehensive income for the year		**6,91,578**	**(13,68,710)**
Earnings per equity share			
Profit available for Equity Shareholders		6,91,578	(13,68,710)
Weighted average number of Equity Shares outstanding		10,00,000	10,000
Basic earnings per share		0.69	(136.87)
Diluted earnings per share		0.69	(136.87)

This is the Statement of Profit & Loss referred to in our report of even date.

For and on behalf of the Board

For Vineet Khetan & Associates
Chartered Accountants

Vikash chand Jhanwer.

Vineet Khetan
Proprietor
Membership No.060270
3B,Lal Bazar Street,
Kolkata - 700 001.
The 28th day of May 2018

Vineet Khetan & Associates Kolkata Chartered Accountants

RDB MUMBAI INFRASTRUCTURES PVT LTD MUMBAI

Vikash Jhanwer
Director

Kiran Mali
Director

RDB Mumbai Infrastructures Private Limited (Formerly Maple Tieup Private Limited)

Cash Flow Statement for the year ended 31st March, 2018

Cash Flow Statement	For the year ended 31st March,2018		For the year ended 31st March,2017	
A. Cash flow from operating activities :				
Net profit before tax as per Statement of Profit and Loss		6,91,578		(15,31,934)
Adjustments for				
Sundry Balances written back	3,51,600		1,75,800	
Depreciation & Amortisation	36,661		17,612	
Interest Paid	2,01,000	5,89,261	-	1,93,412
Operating Profit Before Working Capital Changes		**12,80,839**		**(13,38,522)**
(Increase) / Decrease in Inventories	1,48,30,709		(7,18,35,255)	
(Increase) / Decrease in Trade receivables	(87,68,642)		25,46,037	
(Increase) / Decrease of Advances	(3,51,600)		(1,50,54,002)	
(Increase) / Decrease of Other Current Assets	(54,67,774)		(1,12,15,061)	
Increase / (Decrease) in Trade Payables	(8,28,424)		(1,08,32,286)	
Increase / (Decrease) of Other financial liabilities	49,88,624		58,00,958	
Increase / (Decrease) of Other Current Liabilities	(5,97,96,511)	(5,53,93,618)	11,06,92,214	1,01,02,605
Cash generated from operations		**(5,41,12,779)**		**87,64,083**
Less: Direct taxes paid/ (Refunds) including Interest (Net)		5,36,337		37,36,259
Cash Flow before Exceptional Items		(5,46,49,116)		50,27,824
Net cash Generated/(used) from operating activities		**(5,46,49,116)**		**50,27,824**
B. Cash Flow from Investing Activities :				
Purchase of Fixed Assets		(33,317)		(63,517)
Changes of Investment		(2,12,469)		1,98,932
Net cash from investing activities		**(2,45,786)**		**1,35,415**
C. Cash flow from financing activities :				
Issue of Shares	-		99,00,000	
Proceeds / (Repayment) of Long Term Borrowings	7,37,78,404		(3,01,95,775)	
Proceeds / (Repayment) of Short Term Borrowings	64,69,369		1,75,09,000	
Interest Paid	(2,02,52,950)	5,99,94,823	(69,98,743)	(97,85,518)
Net cash generated/(used) in financing activities		**5,99,94,823**		**(97,85,518)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**50,99,921**		**(46,22,279)**
Cash and cash equivalents -Opening balance		7,53,158		53,75,437
		58,53,080		**7,53,158**
Cash and cash equivalents -Closing balance				
CASH AND CASH EQUIVALENTS :				
Balances with Banks		58,44,624		7,09,730
Cash on hand (As certified by the management)		8,456		43,428
		58,53,080		**7,53,158**

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board

For Vineet Khetan & Associates
Chartered Accountants

Vineet Khetan
Proprietor
Membership No.060270
3B,Lal Bazar Street,
Kolkata - 700 001.
The 28th day of May 2018

Vikash chand Jhanwer

Kiran Mali
Director

Vikash Jhanwer
Director

RDB MUMBAI INFRASTRUCTURES PVT LTD ★ MUMBAI

Vineet Khetan & Associates ★ Kolkata ★ Chartered Accountants

RDB Mumbai Infrastructures Private Limited (Formerly Maple Tieup Private Limited)
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U51109WB2007PTC114242

Notes to the financial statements as on

Note 2 Property, Plant and Equipment

Particulars	**Office Equipment**	**Computers**	**Total**
Gross carrying amount			
Deemed cost as at 01.04.16	16,000	52,950	68,950
Additions	31,000	32,517	63,517
Disposals			-
Closing gross carrying amount as on 31.03.17	47,000	85,467	1,32,467
Additions		33,317	33,317
Disposals			-
Closing gross carrying amount as on 31.03.18	47,000	1,18,784	1,65,784
Accumulated depreciation as at 01.04.16	8,525	47,250	55,775
Depreciation charge during the year	7,041	10,571	17,612
Disposals	-	-	-
Closing accumulated depreciation as on 31.03.17	15,566	57,821	73,387
Depreciation charge during the year	14,168	22,493	36,661
Disposals			-
Closing accumulated depreciation as on 31.03.18	29,734	80,314	1,10,048
Net carrying amount as at 01.04.16 as per IND AS	7,475	5,700	13,175
Net carrying amount as at 31.03.17	31,434	27,646	59,080
Net carrying amount as at 31.03.18	17,266	38,470	55,736

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Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 2 Financial Assets (Investment)			
Investment in Partnership Firm			-
Regent Associates (51% share in Profit)	6,16,81,545	6,14,69,076	6,16,68,008
	6,16,81,545	6,14,69,076	6,16,68,008
Disclosure of Investment in Partnership Firm (Regent Associates)			
Name of Partner and Share of Investment			
RDB Mumbai Infrastructures Private Limited (51%)	6,16,81,545	6,14,69,076	6,16,68,008
Dharmendra Lalchand Jain (11%)	1,59,03,692	1,59,14,374	1,59,14,374
Lalchand Pannalal Jain (11%)	50,97,692	51,08,374	51,08,374
Leela Lalchand Jain (11%)	49,04,692	49,15,374	49,15,374
Mahendra Lalchand Jain (8%)	80,40,498	80,48,266	80,48,266
Praveen Lalchand Jain (8%)	1,18,63,959	1,18,71,727	1,18,71,727
	10,74,92,078	**10,73,27,191**	**10,75,26,123**
Note 3 Deferred tax assets (net)			
Deferred Tax Assets on			
- On Fixed Assets	3,801	3,801	2,434
- On Brought Forward Losses	22,68,665	22,68,665	21,06,808
TOTAL	**22,72,466**	**22,72,466**	**21,09,242**
Note 4 Other non-current assets			
Preliminary Expenses (to the extent not written off)	-	1,75,800	3,51,600
TOTAL	-	**1,75,800**	**3,51,600**
Note 5 Inventories			
(At lower of cost or Net Realisable value)			
Work in process	28,24,44,294	27,72,23,053	19,83,89,055
Total Inventories	**28,24,44,294**	**27,72,23,053**	**19,83,89,055**
Note 6 Financial Assets (Trade receivables)			
Trade receivables	1,30,68,735	43,00,093	68,46,130
Receivables from related parties	-	-	-
Less: Allowance for doubtful debts	-	-	-
	1,30,68,735	**43,00,093**	**68,46,130**
Break up of security details:			
Trade receivables			
(a) Secured, considered good	-	-	-
(b) Unsecured, considered good	1,30,68,735	43,00,093	68,46,130
(c) Doubtful	-	-	-
Less: Allowance for doubtful debts	-	-	-
Total	**1,30,68,735**	**43,00,093**	**68,46,130**
Note 7 Financial Assets (Cash and Cash Equivalents)			
(a) Balances with banks (Unrestricted in Current Account)	58,44,624	7,09,730	53,62,569
(b) Cash in hand	8,456	43,428	12,868
Cash and cash equivalents as per balance sheet	**58,53,080**	**7,53,158**	**53,75,437**

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Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 8 Financial Assets (Other financial assets)			
Unsecured, considered good			
Security Deposit	1,58,24,852	1,58,24,852	9,46,650
TOTAL	**1,58,24,852**	**1,58,24,852**	**9,46,650**
Note 9 Current tax assets and liabilities			
Current tax assets (Advance Income Tax and TDS)	45,65,468	40,29,132	2,92,873
TOTAL	**45,65,468**	**40,29,132**	**2,92,873**
Note 10 Other current assets			
Advance to suppliers against Material	3,94,400	4,14,400	4,33,445
Balances with government authorities	16,23,917	67,287	1,20,182
Pre paid expenses	27,96,715	32,87,912	-
Other Advances	3,32,18,941	2,84,45,000	2,02,70,111
Preliminary Expenses (to the extent not written off)	-	1,75,800	1,75,800
TOTAL	**3,80,33,973**	**3,23,90,399**	**2,09,99,538**
Note 11 Equity Share Capital (Equity Shares of Rs.10/- each)			
a) Authorised Share Capital			
Number of Shares	1,00,00,000	1,00,00,000	1,00,00,000
Total Amount	10,00,00,000	10,00,00,000	10,00,00,000
b) Issued, subscribed and fully paid Share Capital			
Number of Shares	10,00,000	10,00,000	10,000
Total Amount	1,00,00,000	1,00,00,000	1,00,000
c) Reconciliation of Number of Equity Shares Outstanding			
As at the beginning of the year	10,00,000	10,000	10,000
Add: Issued during the year	-	9,90,000	-
As at the end of the year	10,00,000	10,00,000	10,000
d) Details of Shareholders holding more than 5% shares with voting right			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	5,10,000	5,10,000	7,000
Percentage of total shares held	51.00%	51.00%	70.00%
Kiran Ponnamchand Mali			
Number of Shares	1,63,330	1,63,330	1,000
Percentage of total shares held	16.33%	16.33%	10.00%
Vikash Mohan Jhanwar			
Number of Shares	1,63,340	1,63,340	1,000
Percentage of total shares held	16.33%	16.33%	10.00%
Aditya Kumar			
Number of Shares	-	-	1,000
Percentage of total shares held	0.00%	0.00%	10.00%
Waseem Javed Khan			
Number of Shares	1,63,330	1,63,330	-
Percentage of total shares held	16.33%	16.33%	0.00%

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Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16

e) The rights, preferences & restrictions attaching to shares and restrictions on distribution of dividend and repayment of capital

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

	As at 31.03.18	As at 31.03.17	As at 01.04.16
g) Shares held by holding, ultimate holding, or subidiaries or associates of holding			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	5,10,000	5,10,000	7,000
Percentage of total shares held	51.00%	51.00%	0.70%
g) Shares are reserved for issue under options or contracts.			
Number of Shares & Amount	-	-	-

h) Shares issued for consideration other than cash or bonus to shareholders or bought back from shareholders within the period of 5 years

No such shares have been issued nor there has been any buy-back

Note 12 Other equity

	As at 31.03.18	As at 31.03.17	As at 01.04.16
Reserve & Surplus			
Surplus from Statement of Profit & Loss			
As at the beginning of the year	(60,74,024)	(47,05,314)	(47,05,314)
Add: Profit for the year	6,91,578	(13,68,710)	-
Add: Ind AS Adjustments	-	-	-
As at the end of the year	(53,82,446)	(60,74,024)	(47,05,314)
Other Comprehensive Income			
Equity Instruments through other comprehensive income	-	-	-
Other items of Other Comprehensive Income	-	-	-
Total	**(53,82,446)**	**(60,74,024)**	**(47,05,314)**

Note 14 financial liabilities - Borrowings

(Unsecured, repayable on Demand, including interest accrued)	As at 31.03.18	As at 31.03.17	As at 01.04.16
From Directors	10,25,31,000	10,71,31,000	8,37,11,000
From Others	14,10,61,165	6,26,82,761	11,62,98,536
Total	**24,35,92,165**	**16,98,13,761**	**20,00,09,536**

Note 13 Financial Liability (Other Financial Liability)

	As at 31.03.18	As at 31.03.17	As at 01.04.16
Interest accrued and due on borrowing	1,66,85,438	1,09,60,313	52,67,688
Total	**1,66,85,438**	**1,09,60,313**	**52,67,688**

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Note 14 financial liabilities - Borrowings

(Secured, repayable on Demand, including interest accrued)	As at 31.03.18	As at 31.03.17	As at 01.04.16
Overdraft facility From Banks	2,39,78,369	1,75,09,000	-
Total	**2,39,78,369**	**1,75,09,000**	**-**

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Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 15 financial liabilities - Trade and other payables			
outstanding dues of micro & small entreprises	-	-	-
Other than above	26,52,965	34,81,389	1,43,13,675
Total	**26,52,965**	**34,81,389**	**1,43,13,675**
Note 16 financial liabilities - Other Financial Liabilities			
Other payable	13,79,141	11,22,915	23,68,524
Book Debt From Bank	3,61,215	13,53,942	-
Total	**17,40,356**	**24,76,857**	**23,68,524**
Note 17 Other Current Liabilities			
Advances from Customers / Booking	13,05,33,302	19,03,29,813	7,96,37,599
Total	**13,05,33,302**	**19,03,29,813**	**7,96,37,599**
Note 18 Provisions			
Provision for Income Tax	-	-	-
Total	-	-	-

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Notes to the financial statements	Year ended 31.03.18	Year ended 31.03.17
Note 19 Revenue from Operations		
Sale of Construction Activities	7,87,61,598	1,76,62,900
Share of Profit from Investment in Firm (Non Current, Trade)	1,49,410	(1,98,932)
TOTAL	**7,89,11,008**	**1,74,63,968**
Note 20 Other Income		
Miscellaneous Income	17,656	72,062
Total	**17,656**	**72,062**
Note 21 Construction Activity Expenses		
Other Construction Expenses	6,01,68,956	8,90,18,055
Interest & Other Finance Cost (in accordance with IND AS-23)	2,00,51,950	69,98,743
Consumption	**8,02,20,906**	**9,60,16,798**
Note 22 Changes in inventories of work-in-progress		
Opening Inventory of Work in Progress	27,72,23,053	19,83,89,055
Less : Closing Inventory of Work in Progress	28,24,44,294	27,72,23,053
(Increase)/decrease in inventories (A-B)	**(52,21,241)**	**(7,88,33,998)**
Note 23 Employee Benefits Expense		
Salaries, Wages and incentives	7,13,510	6,33,612
Total	**7,13,510**	**6,33,612**
Note 24 Finance Cost		
Processing fees for OD & BG	2,01,000	-
Total	**2,01,000**	-
Note 25 Others Expenses		
Rates & Taxes	1,00,100	2,500
Rent	8,51,350	---
Electricity Expenses	75,820	66,560
Motor Vehicle Expenses	51,578	50,150
Other Repairs	32,680	12,340
Travelling & Conveyance Expn	1,39,656	---
Postage, Telegraph & Telephones	37,532	15,850
Printing & Stationary	93,837	96,657
Listing Fees & Filing Fees	5,175	37,400
Interest Penalty charges	7,461	---
Miscellaneous Expenses	2,01,165	4,38,562
Bad Debts/ Advances Written Off	3,51,600	1,75,800
Professional Charges	2,51,554	2,81,402
Bank Charges	12,302	28,219
Advertisement & Publicity Expenses	32,545	---
Other Sales Expenses	13,395	---
Auditor's Remuneration		
Statutory Audit Fees	7,500	7,500
Tax Audit Fees	21,000	21,000
Total	**22,86,250**	**12,33,940**

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Notes to the financial statements

A. Share Capital

Particulars	**Amount (Rs.)**
Equity Share Capital as on 01.04.2016	10,00,00,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2017	10,00,00,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2018	10,00,00,000

B. Other Equity

Other Equity

Reserves and surplus attributable to Equity Share holders of the Company	**Amount (Rs.)**
Balance at 1 April 2016	**(47,05,314)**
Transfers	-
Profit for the year	(13,68,710)
Other comprehensive income	-
Total comprehensive income for the year	**(13,68,710)**
Balance at 31 March 2017	**(60,74,024)**
Transfers	-
Profit for the Year	6,91,578
Other comprehensive income	-
Total comprehensive income for the period	**6,91,578**
Balance at 31 March 2018	**(53,82,446)**

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RDB MUMBAI INFRASTRUCTURES PRIVATE LIMITED

26. NOTES TO THE FINANCIAL STATEMENTS

A. Corporate Information

RDB Mumbai Infrastructures Private Limited (Formerly Maple Tie Up Private Limited) (The Company) is a deemed Public limited company, private company being a subsidiary of Listed Public Company domiciled and incorporated in India. It is a part of a group leading in real estate activities in Eastern India. The registered office of the Company is situated at 8/1, Lalbazar Street, Bikaner Building, 1 Floor, Room No.10, Kolkata-700001. The principle business activity of the company is Real Estate Development.

B. Summary of Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements (Separate financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards (Ind. AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013. For all periods up to and including the year ended 31 March 2017, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules,2014 (previous GAAP).

These financial statements for the year ended 31 March 2018 are the first the company has prepared in accordance with Ind AS. Refer to note29 for an explanation of how the transition from previous GAAP to Ind AS has effected presentation of company's financial position, financial performance and cash flows.

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

All the assets and liabilities have been classified as current and non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013.The normal operating cycle of the company has been considered as 12 months.

b) Use of estimates and management judgments :

The preparation of financial statement in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported

balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

i) Key estimates and assumptions :

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the

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financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

ii) **Revenue recognition, contract costs and valuation of unbilled revenue**

The Company uses the percentage of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

For revenue recognition for projects executed through joint development arrangements, refer clause (ii) below as regards estimates and assumptions involved.

iii) **Estimation of net realisable value for inventory property (including land advance)**

Inventory property is stated at the lower of cost and net realisable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

c) **Property, Plant and Equipment**

The cost of an item of property, plant and equipment comprises of its purchase price, any costs directly attributable to its acquisition and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs when the item is acquired. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise,

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when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

An item of property, plant and equipment and any significant part initially recognized is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is derecognised.

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

d) **Revenue Recognition-**

Revenue is recognized as follows:

i. Revenue from own construction projects are recognised on Percentage Completion Method. Revenue recognition starts when 25 % of estimated project cost excluding land and marketing cost is incurred, atleast 25% of the saleable project area is secured by contracts or agreements with buyers and Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.
ii. Revenue from Construction Contracts are recognised on "Percentage of Completion Method" measured by reference to the survey of works done up to the reporting date and certified by the client before finalisation of projects accounts.
iii. Real Estate: Sales is exclusive of service tax, if any, net of sales return.
iv. Revenue from services are recognised on rendering of services to customers except otherwise stated
v. Rental income from assets is recognised for an accrual basis except in case where ultimate collection is considered doubtful. Rental income is exclusive of service tax
vi. Income from interest is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

e) **Borrowing Costs**

Borrowing costs attributable to the acquisition or construction of a qualifying asset are carried as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the year they are incurred.

f) **Impairment of Non-Financial Assets**

The management periodically assesses using external and internal sources, whether there is an indication that both tangible and intangible asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

g) **Inventories**

Constructed properties, shown as work in progress, includes the cost of land (including development rights and land under agreements to purchase), internal development costs,

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external development costs, construction costs, overheads, borrowing costs, construction materials including material lying at respective sites, finance and administrative expenses which contribute to bring the inventory to their present location and condition and is valued at lower of cost/ estimated cost and net realizable value.
On completion of projects, unsold stocks are transferred to project finished stock under the head "Inventory" and the same is carried at cost or net realizable value, whichever is less.
Finished Goods – Flats: Valued at cost and net realizable value.
Land Inventory: Valued at lower of cost and net realizable value.
Provision for obsolescence in inventories is made, wherever required.

h) **Retirement Benefits**
No such benefits are payable to any employee.

i) **Provisions, Contingent Liabilities and Contingent Assets**
Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if the company has a present obligation as a result of past event and the amount of obligation can be reliably estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Possible future or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated is disclosed as contingent liability in the financial statement.

j) **Taxes on Income**

i. Tax expense comprises both current and deferred tax. Current tax is determined in respect of taxable income for the year based on applicable tax rates and laws.

ii. Deferred tax Asset/liability is recognized, subject to consideration of prudence, on timing differences being the differences between taxable incomes and accounting income that originates in one year and is capable of reversal in one or more subsequent year and measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each Balance Sheet date to reassess their reliability.

iii. Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance
Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit

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entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

k) **Segment Reporting**

The company has identified that its operating activity is a single primary business segment viz. Real Estate Development and Services carried out in India. Accordingly, whole of India has been considered as one geographical segment

l) **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

m) **Cash & Cash Equivalents**

Cash and cash equivalents comprise cash & cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management and that are readily convertible to known amounts of cash to be cash equivalents.

n) **Financial Instruments**

➢ **Financial Instruments - Initial recognition and measurement**

Financial assets and financial liabilities are recognized in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➢ **Financial assets –Subsequent measurement**

The Subsequent measurement of financial assets depends on their classification which is as follows:

- Financial assets at fair value through profit or loss

  Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.
- Financial assets measured at amortized cost

  Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

  Debt instruments at amortised cost:

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A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
ii. The asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

- **Financial assets at fair value through OCI**
  All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument by instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable. If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

- **Financial assets –Derecognition**
  The company derecognizes a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. Upon derecognition of equity instruments designated at

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fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

- **Financial liabilities –**

  Initial recognition and measurement

  Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.

  The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

  Subsequent measurement

  The Subsequent measurement of financial liabilities depends on their classification which is as follows:

  - Financial liabilities at fair value through profit or loss

    Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any, and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

    Gains or losses on liabilities held for trading are recognised in the profit or loss.

  - Financial liabilities measured at amortized cost

    Interest bearing loans and borrowings including debentures issued by the company are subsequently measured at amortized cost using the effective interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortized is included in finance costs in the statement of profit and loss.

  - **Financial liabilities –Derecognition**

    A financial liability is derecognized when the obligation under the liability is discharged or expires.

o) **Fair Value measurement**

The company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value

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measurement is directly or indirectly observable, or

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value

measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

p) **Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

For Vineet Khetan & Associates

Chartered Accountants

Vineet Khetan

Proprietor

Membership No.60270

Place: Kolkata

Date: 28th May 2018

For and on behalf of the Board

Vikash chand Jhanwer.

Kiran Mali

Director

RDB MUMBAI INFRASTRUCTURES PVT LTD MUMBAI

Vikash Jhanwer

Director

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27 **Reconciliation of Effective Tax Rate**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31.03.18	Year ended 31.03.17
Profit before tax	6,91,578	(15,31,934)
Income tax expense calculated @ 25.75% (2017: 29.87%)	1,78,081	-
Other differences	(1,78,081)	-
Total	-	-
Adjustments recognised in the current year in relation to the current tax of prior years	-	-
Income tax recognised in profit or loss	-	-

The tax rate used for the year 2016-17 and 2017-18 reconciliations above is the corporate tax payable on taxable profits under the Income Tax Act, 1961.

28 **Related Party Disclosure**

Related Party Relationship

Enterprises where control exists - RDB Realty & Infrastructure Ltd – Holding

Transactions & Balances :

Particulars	**31.03.18**	**31.03.17**
Transactions		
Loan Taken	2,13,09,150	2,60,00,000
Refund of Loan Taken	2,59,09,150	25,80,000
Interest provided on Loan Taken	-	
Investment in partnership firm	1,49,410	(1,98,832)
Balances		
Loan Taken	10,25,31,000	10,71,31,000
Interest accrued on Loan Taken	36,89,759	-
Investment in partnership firm	6,16,81,545	6,14,69,076

29 In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realised in ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary. There is no contingent liability except stated and informed by the Management.

30 **Contingent Liabilities:-**

Demand has been raised by Income Tax department for Rs.2,49,48,150 against Company for the Asst. year 2014-2015 against which appeal have been filed with Commissioner (Appeal) of Income tax.

31 **First Time Adoption of Ind AS**

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance withInd AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as per Ind AS as of 1stApril, 2016 (the transition date) by:

(a) recognising all assets and liabilities whose recognition is required by Ind AS,

(b) not recognising items of assets or liabilities which are not permitted by Ind AS,

(c) reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and

(d) applyingInd AS in measurement of recognised assets and liabilities.

29.1 **Ind AS optional exemptions**

Deemed Cost of Property, Plant and Equipment

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for property, plant and equipment and use that as its deemed cost at the date of transition.

Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

Deemed Cost of Investment in Subsidiaries, Associates and Joint Ventures

The company did not had any Investment in Subsidiaries, Associates and Joint Ventures as at the date of transition

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29.2 Ind AS mandatory exemptions

Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP. Ind AS estimates at 1st April, 2016 are consistent with the estimates as at the same date made with conformity with previous GAAP.

De-recognition of Financial Assets and Liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition retrospectively from a date of entity's choosing.
The entity has elected to apply the de-recognition provisions prospectively from the date of transition.

Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification and measurement of assets on the basis of facts and circumstances that exist at the date of transition to Ind AS. The entity has applied this exception.

Fair Valuation of Investments

Under the previous GAAP, investments were classified as long term investments or current investments based on the intended holding period and realisability. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition.

29.3 Transition to Ind AS – Reconciliations

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS:

Reconciliation of Other Equity

Particulars	**As on 31.03.2018**	**As on 31.03.2017**	**As on 01.04.2016**
Reserves and Surplus as per IGAAP	(60,74,024)	(47,05,314)	(47,05,314)
Add: Fair valuation of Security Deposits Received	6,91,578	(13,68,710)	-
Other Equity as per Ind AS	**(53,82,446)**	**(60,74,024)**	**(47,05,314)**

Notes:

(i) Under Indian GAAP, there are certain security deposits received which are carried at nominal value. Ind AS requires the measurement of these assets at fair value at inception and subsequently these assets are measured at amortized cost. At inception date, Company recognises difference between deposit fair value and nominal value as income/expensesand the Company recognises notional interest income/expenses on these deposits over the lease term.

(ii) Indian GAAP required deferred tax accounting using the income statement approach, which focusses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. In addition, the various transitional adjustments lead to different temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(iii) The Company has undertaken a detailed exercise to determine the manner of allocation of expenses to inventory in context of Ind AS and accordingly realignedallocation of expenses and income to comply with Ind AS requirements.

Impact of Ind AS adoption on the Cash Flow Statement for the year ended 31st March, 2017

There are no differences between the Cash Flow Statement presented under Ind AS and the Previous GAAP.

30 Financial Instruments and Related Disclosures As on 31.03.2018

Particulars at	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Investments	6,16,81,545	6,16,81,545	6,16,81,545
(ii) Trade receivables	1,30,68,735	1,30,68,735	1,30,68,735
(iii) Cash and cash equivalents	58,53,080	58,53,080	58,53,080
(iv) Other financial assets	1,58,24,852	1,58,24,852	1,58,24,852
Total Financial Assets	9,64,28,212	9,64,28,212	9,64,28,212
(a) Financial Liabilities			
(i) Borrowings	26,75,70,534	26,75,70,534	26,75,70,534
(ii) Trade and other payables	26,52,965	26,52,965	26,52,965
(iii) Other financial liabilities	1,84,25,794	1,84,25,794	1,84,25,794
Total Financial Liabilities	28,86,49,293	28,86,49,293	28,86,49,293

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As on 31.03.2017

Particulars	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Investments	6,14,69,076	6,14,69,076	6,14,69,076
(ii) Trade receivables	43,00,093	43,00,093	43,00,093
(iii) Cash and cash equivalents	7,53,158	7,53,158	7,53,158
(iv) Other financial assets	1,58,24,852	1,58,24,852	1,58,24,852
Total Financial Assets	8,23,47,179	8,23,47,179	8,23,47,179
(a) Financial Liabilities			
(i) Borrowings	18,73,22,761	18,73,22,761	18,73,22,761
(ii) Trade and other payables	34,81,389	34,81,389	34,81,389
(iii) Other financial liabilities	1,34,37,170	1,34,37,170	1,34,37,170
Total Financial Liabilities	20,42,41,320	20,42,41,320	20,42,41,320

As on 01.04.2016

Particulars	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Investments	6,16,68,008	6,16,68,008	6,16,68,008
(ii) Trade receivables	68,46,130	68,46,130	68,46,130
(iii) Cash and cash equivalents	53,75,437	53,75,437	53,75,437
(iv) Other financial assets	9,46,650	9,46,650	9,46,650
Total Financial Assets	7,48,36,225	7,48,36,225	7,48,36,225
(a) Financial Liabilities			
(i) Borrowings	20,00,09,536	20,00,09,536	20,00,09,536
(ii) Trade and other payables	1,43,13,675	1,43,13,675	1,43,13,675
(iii) Other financial liabilities	76,36,212	76,36,212	76,36,212
Total Financial Liabilities	22,19,59,423	22,19,59,423	22,19,59,423

A. Capital Requirements

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents

Particulars	31-Mar-18 (in Rs.)	31-Mar-17 (in Rs.)	01-Apr-16 (in Rs.)
Borrowings (long-term and short-term, including current maturities of long term borrowings)	26,75,70,534	18,73,22,761	20,00,09,536
Trade payables	26,52,965	34,81,389	1,43,13,675
Other payables (current and non-current, excluding current maturities of long term borrowings)	1,84,25,794	1,34,37,170	76,36,212
Less: Cash and cash equivalents	(58,53,080)	(7,53,158)	(53,75,437)
Net debt	28,27,96,213	20,34,88,162	21,65,83,986
Equity share capital	1,00,00,000	1,00,00,000	1,00,000
Other equity	(53,82,446)	(60,74,024)	(47,05,314)
Total Capital	46,17,554	39,25,976	(46,05,314)
Gearing ratio	**0.02**	**0.02**	**(0.02)**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

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31 Disclosure of Financial Instruments

Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and loans and advances and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

<u>Market risk:</u>

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuatebecause of changes in market prices. Market risk comprises two types of risk: interest rate riskand other price risk, such as equity price risk and commodity/ real estate risk. The Company has not entered into any foreign exchange or commodity derivative contracts. Accordingly, there is no significant exposure to the market risk other than interest risk.

(i) <u>Interest rate risk</u>

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 the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Most of the borrowings of the Company are unsecured and at fixed rates. The Company has only one cash credit account which is linked to the Prime Bank Lending Rate. The Company does not enter into any interest rate swaps.

(ii) <u>Price risk</u>

The Company has not made any investments for trading purposes. The surpluses have been deployed in bank deposits as explained above.

<u>Credit risk</u>

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

<u>Trade receivables</u>

Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

Receivables resulting from other than sale of properties: Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company's credit period generally ranges from 30-60 days.

The ageing of trade receivables are as follows:

Particulars	**As on 31.03.2018**	**As on 31.03.2017**	**As on 01.04.2016**
More than 6 months	-	-	-
Others	1,30,68,735	43,00,093	68,46,130

<u>Deposits with banks and financial institutions</u>

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Board. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2017 and 2016 is the carrying amounts.

<u>Liquidity Risk</u>

The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. In case of short term requirements, it obtains short-term loans from its Bankers.

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RDB Mumbai Infrastructures Private Limited

Assessment Year : 2018-2019
Closing Inventory Working as on 31st March 2018

	Balance B/f	Addition during the year	Total
Amoghsidhha CHS Ltd	2,50,713	15,737	2,66,450
Bhojraj Bhavan	60,74,473	4,32,084	65,06,557
Ganga Niwas	6,15,50,793	4,18,02,841	10,33,53,633
Girnar CHS Ltd	2,05,614	12,906	2,18,520
Hema Niwas	9,51,43,140	2,84,53,044	12,35,96,184
Khetan CHS Ltd	1,40,098	45,991	1,86,089
Land at Bandra	7,44,47,762	48,02,869	7,92,50,631
Land at Santracruz(West)	5,28,30,901	34,44,930	5,62,75,832
Laxmi Niwas	71,146	1,16,455	1,87,601
Parvati Villa	67,021	2,26,693	2,93,715
Shiv CHS Ltd	33,38,679	2,09,567	35,48,246
Shyam Gokul CHS Ltd	2,53,391	68,287	3,21,678
Sulchana Niwas	21,811	4,24,670	4,46,481
Sushil CHS Ltd	10,310.94	1,64,832	1,75,143
Less: Cost of Sale Hema Niwas	(1,71,82,800.00)	(6,03,33,224)	(7,75,16,024)
Less: Cost of Sale Ganga Niwas	-	(1,46,66,441)	(1,46,66,441)
	27,72,23,053	52,21,241	28,24,44,294

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RDB Mumbai Infrastructures Private Limited

Annexture to Notes to Financial Statement
Balance Sheet as at 31st March 2018

Investments		
Regent Associates (51% PSR)	6,16,81,546	6,16,81,546
Trade Receivables		
Aruna Rakesh Jain 1201	1,57,300	
Shanshak Shetty - 1202	2,14,000	
Vinod Kothari - 701	1,35,250	
Provisions for Debtors	1,25,62,185	1,30,68,735
Bank Accounts		
Bank of Baroda - 1054	77,566	
Bank of Baroda - 1354	20,165	
Bank of Baroda FFD A/c	1,25,000	
ICICI Bank	4,552	
KMBL Hema Coll. A/c 3294	35,00,000	
KMBL Hema RERA A/c 3270	21,05,294	
Oriental Bank of Commerce	12,047	
Cash-in-hand	8,456	58,53,080
Deposits (Asset)		
Ganga Niwas CHS Ltd	1,50,46,651	
Hema Niwas CHS Ltd	3,78,200	
Dinesh Jain	4,00,001	1,58,24,852
Balance with Revenue Authority		
Income Tax paid (AY 2014-15)	37,42,225	
Refund of Income Tax AY 2016-17	(2,92,870)	
TDS Receivable (AY 15-16)	33,933	
TDS Receivable (AY 16-17)	3,28,940	
TDS Receivable (AY 17-18)	2,16,904	
TDS Receivable (AY 18-19)	5,36,336	45,65,468
Adavnce to Sundry Creditors		
Creditors - Girnar CHSL		
Harsha A Shah (Gir)	54,600	
Mohamad Adil Chowdhari (GIR)	1,98,250	
Pratap N Sanghabi (Gir)	1,025	
Pravin J Rathod (GIR)	8,425	
Rajaldevi S Kothari (Gir)	1,025	
Ramesh D Medatiya (Gir)	12,500	
Saroj S Agrahari (Gir)	86,650	
Shankarbhai R Solanki (Gir)	7,850	
Surendra S Kothari (Gir)	14,325	
Taraben M Mamtora (Gir)	9,750	3,94,400
Other Current Assets		
GST Credit	15,09,904	
CENVAT Credit	1,14,013	16,23,917
Prepaid Expenses		
Hema Niwas CHSL - Rent	10,89,800	
Ganga Niwas CHSL - Rent	17,06,915	27,96,715

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RDB Mumbai Infrastructures Private Limited

Annexture to Notes to Financial Statement
Balance Sheet as at 31st March 2018

Loans & Advances (Asset)		
Amogh Co Op Hsg Soc Ltd	5,00,000	
Bhojraj Ammex CHS	51,000	
Bhojraj Annex EMD	1,00,000	
Girnar Premise Co-Op Limited	2,00,000	
Khetan CHS Ltd	5,00,000	
Laxmi CHS Ltd	7,50,000	
Parvati Villa CHS Ltd	7,50,000	
Shiv CHSL	5,00,000	
Shyam Gokul CHS Ltd	10,00,000	
Sushil CHS Ltd EMD	2,00,000	
Advance to staff	49,000	
YMS Finance Limited	6,02,531	
City Life Realty Pvt Ltd	1,03,16,410	
Ahuja Housing Developemnt	1,77,00,000	3,32,18,941
Loan From Related Party		
Kiran P Mali	6,30,31,000	
Waseem Javed Khan	1,20,00,000	
Vikash Jhanwar	2,75,00,000	
Khatrd Investments & Finace Ltd	96,11,165.00	
Loka Property Pvt Ltd	64,50,000.00	
NTC Indutries Ltd	6,00,00,000.00	
RDB Rasayan Ltd	6,50,00,000.00	24,35,92,165
Other Current Liability		
Interest payble on loan		
Khatrd Investments & Finace Ltd	12,92,482	
Loka Property Pvt Ltd	18,57,785	
NTC Indutries Ltd	78,79,970	
RDB Rasayan Ltd	56,55,201	1,66,85,438
Trade Payable		
Sundry Creditors for Material		
A G Construction	12,02,480	
Deepak Electric & Harware Stores	2,18,029	
Genius Corporation	10,620	
Neelam Corporation	17,253	
New World Paints Pvt Ltd	1,66,209	
Rajesh Enterprises	367	
Sagar Pipe Corporations	37,583	
Shree Mahavir Ceramics	3,28,586	
Sundry Creditors - Societies		
Sheoratan Deoratan Bohra (GN)	12,788	
Dungaram Mali 1301/1302	98,650	
Vanita J Vora Flat No 403 (HN)	5,60,400	26,52,965
Duties & Taxes		
Service Tax Payable	21,618	
Professional Tax Payable	16,200	
TDS on Brokrage 94H	1,350	
TDS on Contractor(194-C)	39,418	
TDS on Interest	12,25,918	
TDS on Profesional Fees(194-J)	43,357	
TDS on Rent(194-I)	31,280	

Vineet Khetan & Associates
Kolkata
Chartered Accountants

RDB Mumbai Infrastructures Private Limited

Annexture to Notes to Financial Statement
Balance Sheet as at 31st March 2018

Other Liability		
Apex Stationers & Printers	3,130	
Knight Detative & Security Services Pvt Ltd	1,39,811	
Kolkata Muncipal Corporation	1,950	
Ninty Nine Travels Pvt Ltd	23,100	
S D Shirke	84,240	
Talati & Talati	30,240	
Vineet Khaitan & Associates	28,500	
Fast Supplier Pvt Ltd	5,943	
Loka Properties Pvt Ltd	44,301	17,40,356
Adv Against Flat Booking		
Adv Against Flat Booking - Ganga Niwas		
Abhjeet Bohra GN 1202	2,01,500	
Alka Hemant Potnis GN 104	6,82,000	
Animesh Gupta GN 201	4,72,500	
Javerchand Rathod GN 204-404	38,58,345	
Jayshree A Daugliya GN 402	5,73,498	
Kesarben K Shah	84,000	
Lavish Pholchand Bhandari GN 304	4,92,500	
Laxmi Salien GN 101 / 601	8,09,771	
Liladhari L Gala GN 1001	34,38,425	
Mandar B More GN 702/703	24,57,079	
Mayur Singhi GN 1102	29,22,909	
Sanjay Patil GN 802	2,79,000	
Sheoratan Bohra GN 1201	1,62,827	
Suresh M Chowdhari Flat No 1101 (HN)	1,59,43,753	
Vikas A Singhi GN 801/1101	3,38,442	
Welset Extrusion GN 502	24,48,999	
Adv Against Flat Booking - Hema Niwas		
Akshay N Seth HN 600	93,36,630	
Amit Lalit Jain Flat No 202(HN)	1,06,08,206	
Ankit Lalit Jain 203 (HN)	70,26,102	
Chetan Surya Flat No 503 (HN)	33,28,370	
Jayant Shetty Flat No 601 (HN)	19,03,950	
Laxmi M Haria Flat No 502 (HN)	15,85,923	
Nathuram Chaudhary - HN	61,29,440	
Nithesh Shetty Flat No 602 (HN)	70,00,000	
Pushpa & Sumitra Jain Flat No 800/900 (HN)	60,31,309	
P V Vinodkumar HN	13,50,000	
Radha Unnithan Flat No 701 (HN)	12,38,507	
Rinkal C Seth HN 201	93,36,630	
Sonal Nilesh Pagariya HN 801	1,00,00,000	
BFM Industires Ltd	1,72,00,000	
Rikzen Contra Pvt Ltd	4,52,00,000	
Pancham Vanjiya Pvt Ltd	4,20,00,000	
Veekay Apartments Pvt Ltd	(45,000)	21,43,95,615
Less: Adv. From Customers- Hema Niwas		(8,38,62,313)
		13,05,33,302

Vineet Khetan & Associates * Chartered Accountants * Kolkata

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BHAGWATI PLASTOWORKS PRIVATE LIMITED

We have audited the accompanying standalone financial statements (herein referred to as financial statement in this report) of **BHAGWATI PLASTOWORKS PRIVATE LIMITED**, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss, Cash Flow Statement and the Statement of Changes in Equity for the year then ended, for the year ended, and also a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

M. K. SURANA & CO. Calcutta 700001 Chartered Accountants

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its **profit,** its cash flows and its statements of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us, we set out a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

1.) The company does not have any fixed assets hence the clause is not applicable.

2.) a) The inventory has been physically verified by the management at regular intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them.

b) In our opinion and according to the information's and explanations given to us, the procedures of physical verification of inventories 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 examinations of records of the inventory, in our opinion, the company is maintaining proper records of inventory except in respect of work-in-progress. As in earlier years, work-in-progress has been determined by the management on the basis of physical verification. The discrepancies ascertained on physical verification between the physical stock and the book records of inventory were not material in relation to the operations of the Company.

3.) The company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Hence clause is not applicable.

4.) According to the records of the company examined by us and according to the information and explanations given to us, in our opinion the company has neither given any guarantees or security nor has made any investments nor given a loan covered under the provisions of section 185 and 186 of the Companies Act, 2013.

5.) The company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under are not applicable.

6.) The rules regarding maintenance of cost records which have been specified by the central government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company.

7.) a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues with the appropriate

M. K. CHANANA & CO. Calcutta 700001 Chartered Accountants authorities and there is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the records of the company examined by us and according to information and explanations given to us, there are no dues in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute.

8.) According to the records of the Company examined by us and the information and explanations given to us, the Company does not have any outstanding from any banks, financial institutions or government nor has it any outstanding debenture; hence the clause is not applicable.

9.) In our opinion, and according to the information's and explanations given to us, there was no money raised by way of initial public offer or further public offer (including debt instruments) and the term loan has been applied, on an overall basis, for the purpose for which they were obtained.

10.) According to the information and explanations given to us, we report that neither any fraud by the company nor on the company by its officers / employees has been noticed or reported during the year.

11.) As examined by us, the company has not paid remuneration to any managerial personnel during the period in accordance, hence clause is not applicable.

12.) The company is not a nidhi company. Hence clause is not applicable. .

13.) According to the information and explanations given to us, we are of the opinion that all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.

14.) According to the information and explanations given to us, we report that the company has neither made any preferential allotment or private placement of shares nor fully or partly convertible debentures during the year under review. Hence clause is not applicable.

15.) According to the information and explanations given to us, we report that the company has not entered into any non-cash transactions with directors or persons connected with them. Hence clause is not applicable.

16.) According to the information and explanations given to us, we report that company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

1. 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.

2. 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.

3. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of charges in equity dealt with by this Report are in agreement with the books of account.

M. K. ... Chartered Accountants Calcutta 700001

4. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

6. With respect to the adequacy of the internal financial controls over financials reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure A.

7. 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:

   (a) The company does not have any pending litigation.

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

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

For **M K Surana & Co.**
Chartered Accountants
Firm Registration No.

M.K. SURANA & CO. Calcutta 700001 Chartered Accountants

Kirti Kumar Surana
(Partner)
20, Synagogue Street,2nd Floor, Kolkata - 700 001.
Date: The 29th day of May 2018

20, SYNAGOGUE STREET
2nd FLOOR, KOLKATA-700 001
TELE. : 2210-3203/3235

TO THE MEMBERS OF BHAGWATI PLASTOWORKS PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of **BHAGWATI PLASTOWORKS PRIVATE LIMITED** as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

M. K. Surana & Co. Calcutta 700001 Chartered Accountants

(I) Pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(II) 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.

(III) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M K Surana & Co.**
Chartered Accountants
Firm Registration No.

Kirti Kumar Surana
(Partner)
20, Synagogue Street,2nd Floor, Kolkata - 700 001.
Date: The 29th day of May 2018

Bhagwati Plastoworks Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U25209WB1998PTC088083

Balance Sheet as on 31.03.2018

Particulars	Note	As at 31.03.18	As at 31.03.17	As at 01.04.16
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	1	-	-	-
(b) Intangible	2	-	-	-
(c) Financial Assets				
(i) Investment	3	360,000	360,000	360,000
(ii) Other Financial Assets	4	126,571	126,571	126,571
Total Non - Current Assets		**486,571**	**486,571**	**486,571**
Current assets				
(a) Inventories	5	125,445,600	122,857,944	118,971,077
(b) Financial Assets				
(i) Trade receivables	6	7,022,730	8,904,228	8,291,432
(ii) Cash and cash equivalents	7	6,595,721	2,708,417	3,612,778
(iii) Other financial assets	8	7,351,897	7,334,897	7,090,151
(c) Current Tax Assets	9	1,088,836	1,233,693	1,657,224
(d) Other current assets	10	157,532	317,401	132,413
Total Current Assets		**147,662,316**	**143,356,580**	**139,755,075**
Total Assets		**148,148,887**	**143,843,151**	**140,241,646**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	11	11,036,000	11,036,000	11,036,000
(b) Other Equity	12	69,605,508	63,323,793	56,152,548
Total equity		**80,641,508**	**74,359,793**	**67,188,548**
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Other financial liabilities	13	31,292,843	34,121,093	34,928,562
Total non-current liabilities		**31,292,843**	**34,121,093**	**34,928,562**
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	4,978,197	6,488,239	9,502,184
(ii) Trade and other payables	15	1,727,689	1,742,977	1,348,305
(iii) Other financial liabilities	16	119,827	109,354	241,351
(b) Other current liabilities	17	27,808,822	24,932,195	24,014,217
(c) Provisions	18	1,580,000	2,089,500	3,018,479
Total Current Liabilities		**36,214,535**	**35,362,265**	**38,124,536**
Total liabilities		**67,507,378**	**69,483,358**	**73,053,098**
Total Equity & Liabilities		**148,148,887**	**143,843,151**	**140,241,646**

This is the Balance Sheet referred to in our report of even date.

For M.K.SURANA & CO
Chartered Accountants

Kirti Kumar Surana

Kirti Kumar Surana
Partner
Membership No.061605
20, Synagogue Street,2nd Floor,
Kolkata - 700 001.
The 29th day of May 2018

M. K. SURANA & CO. Calcutta 700001 Chartered Accountants

For and on behalf of the Board
BHAGWATI PLASTO WORKS PVT. LTD.
Gyan Chand Mangotra
Director
Director

BHAGWATI PLASTO WORKS PVT. LTD.
Pradeep Hirawat

Director
Director

Bhagwati Plastoworks Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U25209WB1998PTC088083

Statement of profit and loss for the year ended 31.03.2018

Particulars	Note	Year ended 31.03.18	Year ended 31.03.17
Revenue			
Revenue from operations	19	478,680	478,680
Other income	20	8,820,906	10,425,720
Total Revenue		**9,299,586**	**10,904,400**
Expenses			
Construction Activity Expenses	21	2,587,656	3,886,867
Changes in inventories of work-in-progress	22	(2,587,656)	(3,886,867)
Employee benefit expense	23	325,219	331,198
Depreciation and amortisation expense	2	-	-
Finance costs	24	862,028	1,203,666
Other expenses	25	305,977	94,762
Total expenses		**1,493,224**	**1,629,626**
Profit before tax		**7,806,362**	**9,274,774**
Less: Income tax expenses			
- Current tax		1,580,000	2,089,500
- Tax Adjustment For Earlier Year		(55,353)	14,029
Total tax expense		**1,524,647**	**2,103,529**
Profit after tax		**6,281,715**	**7,171,245**
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss			
(i) Equity Instruments through Other Comprehensive Income		-	-
(ii) Remeasurements of the defined benefit plans		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**6,281,715**	**7,171,245**
Earnings per equity share			
Profit available for Equity Shareholders		6,281,715	7,171,245
Weighted average number of Equity Shares outstanding		1,103,600	1,103,600
Basic earnings per share		5.69	6.50
Diluted earnings per share		5.69	6.50

This is the Statement of Profit & Loss referred to in our report of even date.

For and on behalf of the Board

For M.K.SURANA & CO
Chartered Accountants

M. K. SURANA & CO. Calcutta 700001 Chartered Accountants

BHAGWATI PLASTO WORKS PVT. LTD.
Gyan Chand Manpuria
Director
Director

Kirti Kumar Surana

Kirti Kumar Surana
Partner
Membership No.061605
20, Synagogue Street,2nd Floor,
Kolkata - 700 001.
The 29th day of May 2018

BHAGWATI PLASTO WORKS PVT. LTD.
Pradeep Hirawat
Director
Director

Bhagwati Plastoworks Private Limited

Cash Flow Statement for the year ended 31st March, 2018

Cash Flow Statement	For the year ended 31st March,2018 (Amount in `)		For the year ended 31st March,2017 (Amount in `)	
A. Cash flow from operating activities :				
Net profit before tax as per Statement of Profit and Loss		7,806,362		9,274,774
Adjustments for				
Depreciation & Amortisation	-		-	
Sundry Balances written off (net)	160,613		2,500	
Notional Interest on Security Deposits	171,750		152,531	
Interest Paid	690,278	1,022,641	1,050,840	1,205,871
Operating Profit Before Working Capital Changes		**8,829,003**		**10,480,645**
(Increase) / Decrease in Inventories	(2,587,656)		(3,886,867)	
(Increase) / Decrease in Trade receivables	1,881,498		(612,796)	
(Increase) / Decrease of Advances	(17,000)		(244,746)	
(Increase) / Decrease of Other Current Assets	(744)		(187,488)	
Increase / (Decrease) in Trade Payables	(15,288)		394,672	
Increase / (Decrease) of Other financial liabilities	(2,989,527)		(1,091,997)	
Increase / (Decrease) of Other Current Liabilities	2,876,627	(852,090)	917,978	(4,711,244)
Cash generated from operations		**7,976,913**		**5,769,401**
Less: Direct taxes paid/ (Refunds) including Interest (Net)		1,889,290		2,608,977
Cash Flow before Exceptional Items		6,087,623		3,160,424
Net cash Generated/(used) from operating activities		**6,087,623**		**3,160,424**
B. Cash Flow from Investing Activities :				
Investment in Fixed Deposits		(2,389,827)		(199,108)
Net cash from investing activities		**(2,389,827)**		**(199,108)**
C. Cash flow from financing activities :				
Interest Paid	(690,278)		(1,050,840)	
Proceeds / (Repayment) of Short Term Borrowings	(1,510,042)	(2,200,320)	(3,013,945)	(4,064,785)
Net cash generated/(used) in financing activities		**(2,200,320)**		**(4,064,785)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**1,497,476**		**(1,103,469)**
Cash and cash equivalents -Opening balance		292,599		1,396,068
		1,790,076		**292,599**
Cash and cash equivalents -Closing balance				
CASH AND CASH EQUIVALENTS :				
Balances with Banks		1,744,233		278,025
Cash on hand (As certified by the management)		45,843		14,574
		1,790,076		**292,599**

This is the Cash Flow Statement referred to in our report of even date.

For M.K.SURANA & CO
Chartered Accountants

Kirti Kumar Surana

Kirti Kumar Surana
Partner
Membership No.061605
20, Synagogue Street,2nd Floor,
Kolkata - 700 001.
The 29th day of May 2018

M.K.SURANA & CO. Calcutta 700001 Chartered Accountants

For and on behalf of the Board

BHAGWATI PLASTO WORKS PVT. LTD.
Pradeep Hirawat
Director

BHAGWATI PLASTO WORKS PVT. LTD.
Gyan Chand Mahipal

Director Director Director

Bhagwati Plastoworks Private Limited
1st Floor, Bikaner Building, 8/1, Lal Bazar Street, Kolkata - 700001
CIN: U25209WB1998PTC088083

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 3 Financial Assets (Investment)			
Investment in Equity Instruments (At Cost, fully Paid)			
Equity Shares, Unquoted (Face Value Rs.10/- each)			
Dalton Kunj Private Limited (Qty - 40,000 Shares)	80,000	80,000	80,000
Manavata Vyapaar Private Limited (Qty - 50,000 Shares)	100,000	100,000	100,000
Perci Fashion Private Limited (Qty - 90,000 Shares)	180,000	180,000	180,000
	360,000	**360,000**	**360,000**
Note 4 Financial Assets (Other Financial Assets)			
Unsecured, Considered Good			
Security Deposits	126,571	126,571	126,571
TOTAL	**126,571**	**126,571**	**126,571**
Note 5 Inventories			
(At lower of cost or Net Realisable value)			
Work in process	125,445,600	122,857,944	118,971,077
Total Inventories	**125,445,600**	**122,857,944**	**118,971,077**
Note 6 Financial Assets (Trade receivables)			
Trade receivables	7,022,730	8,904,228	8,291,432
Receivables from related parties	-	-	-
Less: Allowance for doubtful debts	-	-	-
	7,022,730	**8,904,228**	**8,291,432**
Break up of security details:			
Trade receivables			
(a) Secured, considered good	-	-	-
(b) Unsecured, considered good	7,022,730	8,904,228	8,291,432
(c) Doubtful	-	-	-
Less: Allowance for doubtful debts	-	-	-
Total	**7,022,730**	**8,904,228**	**8,291,432**
Note 7 Financial Assets (Cash and Cash Equivalents)			
(a) Balances with banks (Unrestricted in Current Account)	1,744,233	278,025	1,262,957
(b) Cheques, drafts on hand	-	-	-
(c) Cash in hand	45,843	14,574	133,111
(d) Others			
-Term Deposits	4,805,645	2,415,818	2,216,710
(pledged with Bank against credit facilities availed)			
Cash and cash equivalents as per balance sheet	**6,595,721**	**2,708,417**	**3,612,778**

Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 8 Financial Assets (Other financial assets)			
Unsecured, considered good			
Other Advances	7,351,897	7,334,897	7,090,151
TOTAL	**7,351,897**	**7,334,897**	**7,090,151**
Note 9 Current tax assets and liabilities			
Current tax assets			
Advance Income Tax and TDS	1,088,836	1,233,693	1,657,224
TOTAL	**1,088,836**	**1,233,693**	**1,657,224**
Note 10 Other current assets			
Prepaid Expenses	157,532	158,825	-
Balance with Statutory Authorities	-	158,576	132,413
TOTAL	**157,532**	**317,401**	**132,413**

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Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 11 Equity Share Capital			
(Equity Shares of Rs.10/- each)			
a) Authorised Share Capital			
Number of Shares	1,250,000	1,250,000	1,250,000
Total Amount	12,500,000	12,500,000	12,500,000
b) Issued, subscribed and fully paid Share Capital			
Number of Shares	1,103,600	1,103,600	1,103,600
Total Amount	11,036,000	11,036,000	11,036,000
c) Reconciliation of Number of Equity Shares Outstanding			
As at the beginning & end of the year	1,103,600	1,103,600	1,103,600
No shares have either been issued, nor bought back, forfeited			
d) Details of Shareholders holding more than 5% shares with voting right			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	562,870	562,870	562,870
Percentage of total shares held	51.00%	51.00%	51.00%
Raj KumarJaiswal			
Number of Shares	104,500	104,500	104,500
Percentage of total shares held	9.47%	9.47%	9.47%
Ram Gopal Manpuria (HUF)			
Number of Shares	80,000	80,000	80,000
Percentage of total shares held	7.25%	7.25%	7.25%
Shree Prakash Manpuria (HUF)			
Number of Shares	74,000	74,000	74,000
Percentage of total shares held	6.71%	6.71%	6.71%
Arjun Patra (HUF)			
Number of Shares	61,800	61,800	61,800
Percentage of total shares held	5.60%	5.60%	5.60%

e) The rights, preferences & restrictions attaching to shares and restrictions on distribution of dividend and repayment of capital

The Company has only one class of equity shares having par value value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

	As at 31.03.18	As at 31.03.17	As at 01.04.16
g) Shares held by holding, ultimate holding, or subidiaries or associates of holding			
Name of Equity Shareholders			
RDB Realty & Infrastructure Ltd			
Number of Shares	562,870	562,870	562,870
Percentage of total shares held	51.00%	51.00%	51.00%
g) Shares are reserved for issue under options or contracts.			
Number of Shares	-	-	-
Total Amount	-	-	-

h) Shares issued for consideration other than cash or bonus to shareholders or bought back from shareholders within the period of 5 years

No such shares have been issued nor there has been any buy-back

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Notes to the financial statements as on	As at 31.03.18	As at 31.03.17	As at 01.04.16
Note 12 Other equity			
Reserve & Surplus			
Surplus from Statement of Profit & Loss			
As at the beginning of the year	53,355,793	46,184,548	43,124,075
Add: Profit for the year	6,281,715	7,171,245	-
Add: Ind AS Adjustments	-	-	3,060,473
As at the end of the year	59,637,508	53,355,793	46,184,548
Securities Premium			
As at the beginning of the year	9,968,000	9,968,000	9,968,000
Add: Charges during the year	-	-	-
As at the end of the year	9,968,000	9,968,000	9,968,000
Other Comprehensive Income			
Equity Instruments through other comprehensive income	-	-	-
Other items of Other Comprehensive Income	-	-	-
Total	**69,605,508**	**63,323,793**	**56,152,548**

Note 13 Financial Liability (Other Financial Liability)			
Advance against Properties	29,758,000	32,758,000	33,718,000
Security Deposits	1,534,843	1,363,093	1,210,562
Total	**31,292,843**	**34,121,093**	**34,928,562**

Note 14 financial liabilities - Borrowings			
(Unsecured, repayable on Demand, including interest accrued)			
From Related Parties	767,973	150,766	2,553,907
From other than Related Parties	4,210,224	6,337,473	6,948,277
Total	**4,978,197**	**6,488,239**	**9,502,184**

Note 15 financial liabilities - Trade and other payables			
outstanding dues of micro & small entreprises	-	-	-
Other than above	1,727,689	1,742,977	1,348,305
Total	**1,727,689**	**1,742,977**	**1,348,305**

Note 16 financial liabilities - Other Financial Liabilities			
Other Liabiltiies	119,827	109,354	241,351
Total	**119,827**	**109,354**	**241,351**

Note 17 Other Current Liabilities			
Advances from Customer and Others	27,808,822	24,932,195	24,014,217
Total	**27,808,822**	**24,932,195**	**24,014,217**

Note 18 Provisions			
Provision for Income Tax	1,580,000	2,089,500	3,018,479
Total	**1,580,000**	**2,089,500**	**3,018,479**

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Notes to the financial statements	**Year ended 31.03.18**	**Year ended 31.03.17**
Note 19 Revenue from Operations		
Maintenance & Other Charges	478,680	478,680
TOTAL	**478,680**	**478,680**
Note 20 Other Income		
Rental Income	8,528,044	10,014,090
Interest Income	292,862	218,265
Sundry Balances written back (net)	-	193,365
Total	**8,820,906**	**10,425,720**
Note 21 Construction Activity Expenses		
Labour Charges	179,568	210,647
Other Construction Expenses	2,408,088	3,676,220
Consumption	**2,587,656**	**3,886,867**
Note 22 Changes in inventories of work-in-progress		
Opening Inventory of Work in Progress	122,857,944	118,971,077
Less : Closing Inventory of Work in Progress	125,445,600	122,857,944
(Increase)/decrease in inventories (A-B)	**(2,587,656)**	**(3,886,867)**
Note 23 Employee Benefits Expense		
Salaries, Wages and incentives	325,219	331,198
Total	**325,219**	**331,198**
Note 24 Finance Cost		
Interest on Borrowed fund	690,278	1,050,840
Other Borrowing Cost		
Notional Interest on Security Deposits	171,750	152,531
Finance Charges	-	295
Total	**862,028**	**1,203,666**
Note 25 Others Expenses		
Rates & Taxes	8,882	4,350
Sundry Balances written off (net)	160,613	2,500
Advertisement & Publicity Expenses	---	8,000
Bank Charges	7,052	29,448
Conveyance	17,516	14,207
Filing Fees	2,215	2,176
General Expenses	5,817	2,330
Postage & Telegram	2,852	2,782
Printing & Stationery	38,330	21,469
Professional Charges	55,200	---
Auditor's Remuneration		
Statutory Audit Fees	5,000	5,000
Tax Audit Fees	2,500	2,500
Total	**305,977**	**94,762**

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Notes to the financial statements

A. Share Capital

Particulars	Amount (Rs.)
Equity Share Capital as on 01.04.2016	11,036,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2017	11,036,000
Add: Addition/(Deletion) during the year	-
Equity Share Capital as on 31.03.2018	11,036,000

B. Other Equity
Other Equity

Reserves and surplus attributable to Equity Share holders of the Company	Surplus from Statement of Profit & Loss	Securities Premium	Other Comprehensive Income	Amount (Rs.)
Balance at 1 April 2016	46,184,548	9,968,000	-	**56,152,548**
Transfers	-	-	-	-
Profit for the year	7,171,245	-	-	7,171,245
Add:IND AS adjustmnents	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	53,355,793	9,968,000	-	**63,323,793**
Balance at 31 March 2017	53,355,793	9,968,000	-	**63,323,793**
Transfers	-	-	-	-
Profit for the Year	6,281,715	-	-	6,281,715
Add:IND AS adjustmnents	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	59,637,508	9,968,000	-	**69,605,508**
Balance at 31 March 2018	59,637,508	9,968,000	-	**69,605,508**

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Notes to the financial statements as on

Note 2 Property, Plant and Equipment

Particulars	Tangible		Intangible
Gross carrying amount			
Deemed cost as at 01.04.16	-		-
Additions	-		-
Disposals	-		-
Closing gross carrying amount as on 31.03.17	-		-
Additions	-		-
Disposals	-		-
Closing gross carrying amount as on 31.03.18	-		-
Accumulated depreciation as at 01.04.16	-		-
Depreciation charge during the year	-		-
Disposals	-		-
Closing accumulated depreciation as on 31.03.17	-		-
Depreciation charge during the year	-		-
Disposals	-		-
Closing accumulated depreciation as on 31.03.18	-		-
Net carrying amount as at 01.04.16 as per IND AS	-		-
Net carrying amount as at 31.03.17	-		-
Net carrying amount as at 31.03.18	-		-

27 **Reconciliation of Effective Tax Rate**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31.03.18	Year ended 31.03.17
Profit before tax	7,806,362	40,059,380
Income tax expense calculated @ 25.75% (2017: 29.87%)	2,010,138	11,965,737
Other differences	(430,138)	(9,876,237)
Total	1,580,000	2,089,500
Adjustments recognised in the current year in relation to the current tax of prior years	(55,353)	14,029
Income tax recognised in profit or loss	1,524,647	2,103,529

The tax rate used for the year 2016-17 and 2017-18 reconciliations above is the corporate tax payable on taxable profits under the Income Tax Act, 1961.

28 **Related Party Disclosure**

Related Party Relationship

Enterprises where control exists - RDB Realty & Infrastructure Ltd – Holding

Transactions & Balanaces :

No related party transactions nor any balances have been reported by the management.

29 In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realised in ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary. There is no contingent liability except stated and informed by the Management.

30 **Contingent Liabilities:-** Nil (P. Y. Nil)

31 **First Time Adoption of Ind AS**

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance withInd AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2016 (the transition date) by:

(a) recognising all assets and liabilities whose recognition is required by Ind AS,

(b) not recognising items of assets or liabilities which are not permitted by Ind AS,

(c) reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and

(d) applyingInd AS in measurement of recognised assets and liabilities.

29.1 **Ind AS optional exemptions**

Deemed Cost of Property, Plant and Equipment

The company did not had any Property, Plant and Equipment as at the date of transition.

Deemed Cost of Investment in Subsidiaries, Associates and Joint Ventures

The company did not had any Investment in Subsidiaries, Associates and Joint Ventures as at the date of transition

29.2 **Ind AS mandatory exemptions**

Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP. Ind AS estimates at 1st April, 2016 are consistent with the estimates as at the same date made with conformity with previous GAAP.

De-recognition of Financial Assets and Liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition retrospectively from a date of entity's choosing.

The entity has elected to apply the de-recognition provisions prospectively from the date of transition.

Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification and measurement of assets on the basis of facts and circumstances that exist at the date of transition to Ind AS. The entity has applied this exception.

Fair Valuation of Investments

Under the previous GAAP, investments were classified as long term investments or current investments based on the intended holding period and realisability. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of

these investments have been recognised in retained earnings as at the date of transition.

29.3 **Transition to Ind AS – Reconciliations**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS:

Reconciliation of Other Equity

Particulars	**As on 31.03.2018**	**As on 31.03.2017**	**As on 01.04.2016**
Reserves and Surplus as per IGAAP	**56,901,316**	**50,447,851**	**43,124,075**
Add: Fair valuation of Security Deposits Received	2,736,192	2,907,942	3,060,473
Other Equity as per Ind AS	**59,637,508**	**53,355,793**	**46,184,548**

Notes:

(i) Under Indian GAAP, there are certain security deposits received which are carried at nominal value. Ind AS requires the measurement of these assets at fair value at inception and subsequently these assets are measured at amortized cost. At inception date, Company recognises difference between deposit fair value and nominal value as income/expensesand the Company recognises notional interest income/expenses on these deposits over the lease term.

(ii) Indian GAAP required deferred tax accounting using the income statement approach, which focusses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. In addition, the various transitional adjustments lead to different temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(iii) The Company has undertaken a detailed exercise to determine the manner of allocation of expenses to inventory in context of Ind AS and accordingly realignedallocation of expenses and income to comply with Ind AS requirements.

Impact of Ind AS adoption on the Cash Flow Statement for the year ended 31st March, 2017

There are no differences between the Cash Flow Statement presented under Ind AS and the Previous GAAP.

30 Financial Instruments and Related Disclosures As on 31.03.2018

Particulars at	**Carrying Value**	**Amortised Cost**	**Fair Value**
(a) Financial Assets			
(i) Investments	360,000	360,000	360,000
(ii) Trade receivables	7,022,730	7,022,730	7,022,730
(iii) Cash and cash equivalents	6,595,721	6,595,721	6,595,721
(iv) Other financial assets	7,478,468	7,478,468	7,478,468
Total Financial Assets	21,456,919	21,456,919	21,456,919
(a) Financial Liabilities			
(i) Borrowings	4,978,197	4,978,197	4,978,197
(ii) Trade and other payables	1,727,689	1,727,689	1,727,689
(iii) Other financial liabilities	31,412,670	31,412,670	31,412,670
Total Financial Liabilities	38,118,556	38,118,556	38,118,556

As on 31.03.2017

Particulars	**Carrying Value**	**Amortised Cost**	**Fair Value**
(a) Financial Assets			
(i) Investments	360,000	360,000	360,000
(ii) Trade receivables	8,904,228	8,904,228	8,904,228
(iii) Cash and cash equivalents	2,708,417	2,708,417	2,708,417
(iv) Other financial assets	7,461,468	7,461,468	7,461,468
Total Financial Assets	19,434,113	19,434,113	19,434,113
(a) Financial Liabilities			
(i) Borrowings	6,488,239	6,488,239	6,488,239
(ii) Trade and other payables	1,742,977	1,742,977	1,742,977
(iii) Other financial liabilities	34,230,447	34,230,447	34,230,447
Total Financial Liabilities	42,461,663	42,461,663	42,461,663

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As on 01.04.2016

Particulars	Carrying Value	Amortised Cost	Fair Value
(a) Financial Assets			
(i) Investments	360,000	360,000	360,000
(ii) Trade receivables	8,291,432	8,291,432	8,291,432
(iii) Cash and cash equivalents	3,612,778	3,612,778	3,612,778
(iv) Other financial assets	7,216,722	7,216,722	7,216,722
Total Financial Assets	19,480,932	19,480,932	19,480,932
(a) Financial Liabilities			
(i) Borrowings	9,502,184	9,502,184	9,502,184
(ii) Trade and other payables	1,348,305	1,348,305	1,348,305
(iii) Other financial liabilities	35,169,913	35,169,913	35,169,913
Total Financial Liabilities	46,020,402	46,020,402	46,020,402

A. **Capital Requirements**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents

Particulars	31-Mar-18 (in Rs.)	31-Mar-17 (in Rs.)	01-Apr-16 (in Rs.)
Borrowings (long-term and short-term, including current maturities of long term borrowings)	4,978,197	6,488,239	9,502,184
Trade payables	1,727,689	1,742,977	1,348,305
Other payables (current and non-current, excluding current maturities of long term borrowings)	31,412,670	34,230,447	35,169,913
Less: Cash and cash equivalents	(6,595,721)	(2,708,417)	(3,612,778)
Net debt	31,522,835	39,753,246	42,407,624
Equity share capital	11,036,000	11,036,000	11,036,000
Other equity	69,605,508	63,323,793	56,152,548
Total Capital	80,641,508	74,359,793	67,188,548
Gearing ratio	**2.56**	**1.87**	**1.58**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

31 Disclosure of Financial Instruments

Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and loans and advances and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuatebecause of changes in market prices. Market risk comprises two types of risk: interest rate riskand other price risk, such as equity price risk and commodity/ real estate risk. The Company has not entered into any foreign exchange or commodity derivative contracts. Accordingly, there is no significant exposure to the market risk other than interest risk.

(i) 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 the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Most of the borrowings of the Company are unsecured and at fixed rates. The Company has only one cash credit account which is linked to the Prime Bank Lending Rate. The Company does not enter into any interest rate swaps.

(ii) Price risk

The Company has not made any investments for trading purposes. The surpluses have been deployed in bank deposits as explained above.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

Receivables resulting from other than sale of properties: Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company's credit period generally ranges from 30-60 days.

The ageing of trade receivables are as follows:

Particulars	As on 31.03.2018	As on 31.03.2017	As on 01.04.2016
More than 6 months	7,022,730	8,904,228	8,291,432
Others	-	-	-

Deposits with banks and financial institutions

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Board. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2017 and 2016 is the carrying amounts.

Liquidity Risk

The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. In case of short term requirements, it obtains short-term loans from its Bankers.

BHAGWATI PLASTO WORKS PVT. LTD.

Gyan Chand Mantri

Director

BHAGWATI PLASTO WORKS PVT. LTD.

Pradeep Hirawat

Director

26. NOTES TO THE FINANCIAL STATEMENTS

A. Corporate Information

Bhagwati Plastoworks Private Limited (The Company) is a deemed Public limited company, private company being a subsidiary of Listed Public Company domiciled and incorporated in India. It is a part of a group leading in real estate activities in Eastern India. The registered office of the Company is situated at 8/1, Lalbazar Street, Bikaner Building, 1 Floor, Room No.10, Kolkata-700001. The principle business activity of the company is Real Estate Development.

B. Summary of Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements (Separate financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards(Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013. For all periods up to and including the year ended 31 March 2017, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules,2014 (previous GAAP).

These financial statements for the year ended 31 March 2018 are the first the company has prepared in accordance with Ind AS. Refer to note29 for an explanation of how the transition from previous GAAP to Ind AS has effected presentation of company's financial position, financial performance and cash flows.

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

All the assets and liabilities have been classified as current and non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013.The normal operating cycle of the company has been considered as 12 months.

b) Use of estimates and management judgments :

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

i) Key estimates and assumptions :

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

ii) **Revenue recognition, contract costs and valuation of unbilled revenue**

The Company uses the percentage of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

For revenue recognition for projects executed through joint development arrangements, refer clause (ii) below as regards estimates and assumptions involved.

iii) **Estimation of net realisable value for inventory property (including land advance)**

Inventory property is stated at the lower of cost and net realisable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

c) **Revenue Recognition-**

Revenue is recognized as follows:

i. Revenue from own construction projects are recognised on Percentage Completion Method. Revenue recognition starts when 25 % of estimated project cost excluding land and marketing cost is incurred, atleast 25% of the saleable project area is secured by contracts or agreements with buyers and Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

ii. Revenue from Construction Contracts are recognised on "Percentage of Completion Method" measured by reference to the survey of works done up to the reporting date and certified by the client before finalisation of projects accounts.

iii. Real Estate: Sales is exclusive of service tax, if any, net of sales return.

iv. Revenue from services are recognised on rendering of services to customers except otherwise stated

v. Rental income from assets is recognised for an accrual basis except in case where ultimate collection is considered doubtful. Rental income is exclusive of service tax

vi. Income from interest is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

d) **Borrowing Costs**

Borrowing costs attributable to the acquisition or construction of a qualifying asset are carried as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the year they are incurred.

e) **Impairment of Non-Financial Assets**

The management periodically assesses using external and internal sources, whether there is an indication that both tangible and intangible asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

f) **Inventories**

Constructed properties, shown as work in progress, includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development costs, construction costs, overheads, borrowing costs, construction materials including material lying at respective sites, finance and administrative expenses which contribute to bring the inventory to their present location and condition and is valued at lower of cost/ estimated cost and net realizable value.

On completion of projects, unsold stocks are transferred to project finished stock under the head "Inventory" and the same is carried at cost or net realizable value, whichever is less.

Finished Goods – Flats: Valued at cost and net realizable value.

Land Inventory: Valued at lower of cost and net realizable value.

Provision for obsolescence in inventories is made, wherever required.

g) **Retirement Benefits**

No such benefits are payable to any employee.

h) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if the company has a present obligation as a result of past event and the amount of obligation can be reliably estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Possible future or present obligations that may but will probably not require outflow of resources or where the same can not be reliably estimated is disclosed as contingent liability in the financial statement.

i) **Taxes on Income**

i. Tax expense comprises both current and deferred tax. Current tax is determined in respect of taxable income for the year based on applicable tax rates and laws.

ii. Deferred tax Asset/liability is recognized, subject to consideration of prudence, on timing differences being the differences between taxable incomes and accounting income that originates in one year and is capable of reversal in one or more subsequent year and measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each Balance Sheet date to reassess their reliability.

iii. Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at

each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

j) **Segment Reporting**

The company has identified that its operating activity is a single primary business segment viz. Real Estate Development and Services carried out in India. Accordingly, whole of India has been considered as one geographical segment

k) **Earnings Per Share**

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

l) **Cash & Cash Equivalents**

Cash and cash equivalents comprise cash & cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management and that are readily convertible to known amounts of cash to be cash equivalents.

m) **Financial Instruments**

➢ **Financial Instruments - Initial recognition and measurement**

Financial assets and financial liabilities are recognized in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➢ **Financial assets –Subsequent measurement**

The Subsequent measurement of financial assets depends on their classification which is as follows:

- <u>Financial assets at fair value through profit or loss</u>
  Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.
- <u>Financial assets measured at amortized cost</u>
  Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.
  Debt instruments at amortised cost:
  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
  i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

M. K. [illegible] & Co. Calcutta 700001 Chartered Accountants

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
ii. The asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

- Financial assets at fair value through OCI

All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument by instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable. If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

- **Financial assets –Derecognition**

The company derecognizes a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. Upon derecognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

- **Financial liabilities –**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The Subsequent measurement of financial liabilities depends on their classification which is as follows:

- Financial liabilities at fair value through profit or loss
  Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any, and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
  Gains or losses on liabilities held for trading are recognised in the profit or loss.

- Financial liabilities measured at amortized cost
  Interest bearing loans and borrowings including debentures issued by the company are subsequently measured at amortized cost using the effective interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortized is included in finance costs in the statement of profit and loss.

- **Financial liabilities –Derecognition**
  A financial liability is derecognized when the obligation under the liability is discharged or expires.

n) **Fair Value measurement**

The company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

o) **Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

M. K. SUKANA & CO. Chartered Accountants Calcutta 700001

BHAGWATI PLASTO WORKS PVT. LTD.
Pradeep Hirawat
Director

BHAGWATI PLASTO WORKS PVT. LTD.
Gyan Chand Manpuria
Director