

RAJASTHAN LAND HOLDINGS LIMITED

FINANCIAL STATEMENTS

2016-2017

S. Bhandari & Co.

Chartered Accountants

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P-7, Tilak Marg,

C-Scheme,

Jaipur - 302 005

India

INDEPENDENT AUDITORS' REPORT

To,
The Members
Rajasthan Land Holdings Limited
LIC Jeevan Nidhi Building, Ambedkar Circle,
Bhawani Singh Marg
Jaipur-302005

Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of Rajasthan Land Holdings Limited ("the Company"), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

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 state of affairs (financial position), profit or loss (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 rule issued thereunder

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



Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention Note 2.3, 5 and Note 15 of these Ind AS financial statements, which describe the principal estimations involved in respect of Recognition of Deferred Tax Asset on unused Tax Losses and Impairment testing for Investment in subsidiaries.

Our Opinion is not qualified in respect of this matter.

Report on other Legal and Regulatory Requirements

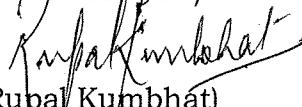
1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government, in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the **Annexure I** a statement on the matters specified in the Para 3 and 4 of the said Order, to the extent applicable.



2. As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
- e) On the basis of written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure II**"; and
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 28.1 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 9.1 to the Ind AS financial statements.

For S Bhandari & Co.
Chartered Accountants
(FRN: 000560C)


(Rupal Kumbhat)
Partner



Membership No. 401084

Date: 5th May, 2017

Place: Jaipur

S. Bhandari & Co.

Chartered Accountants

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ANNEXURE I TO INDEPENDENT AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT" OF OUR REPORT ON IND-AS FINANCIAL STATEMENTS OF M/S RAJASTHAN LAND HOLDINGS LIMITED, FOR THE YEAR ENDED 31ST MARCH 2017.

(i) (a) According to the information and explanations given to us, we are of the opinion that since the company is not having any fixed assets, this clause is not applicable..

(b) In view of (a) above, the provisions of clause (i) (b) &(c) of the said order are not applicable to the company.

(ii) As explained to us, the inventory/ project work in progress have been physically verified by the management at the year end, which in our opinion is reasonable. On the basis of our examination of the records of inventory/ project WIP, we are of the opinion that the company is maintaining proper records of inventory/ inventory WIP. However it is observed that certain land are under encroachment/unauthorized occupation refer Note no. 28.1 of the Ind AS financial statements. Necessary action is being taken to evict the occupant from land and building under encroachment/unauthorized occupation. According to the information and explanations given to us no material discrepancies were noticed on physical verification between physical inventory/ inventory WIP and book records.

(iii) According to the information and explanations given to us, the Company has not granted any secured or unsecured loan to the companies, firms or other parties covered under the register maintained u/s 189 of the Companies Act 2013.

In view of above, the provisions of clause (iii) (a) ,(b) and (c)of the said order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company is engaged in the business of providing infrastructural facilities as defined in Schedule VI of the Companies Act, 2013 .The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.



(v) The Company has not accepted deposits, so provisions of 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 and the rules framed there under are not applicable to the Company.

(vi) The Central Government has not prescribed maintenance of cost records under Sub-Section(1) of section 148 of the Companies Act 2013 hence this clause is not applicable.

(vii) (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including, Income Tax, Service tax, Duty of excise, cess and other applicable statutory dues with the appropriate authorities. As per the information and explanations given to us there are no undisputed statutory dues outstanding as at 31.03.2017 for a period more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company as examined by us, there are no disputed statutory dues pending as on 31st March 2017.

(viii) In our opinion and according to the information and explanations given to us, company has not taken any loan nor has any dues outstanding of any bank or financial institution during the year ended 31st March 2017.

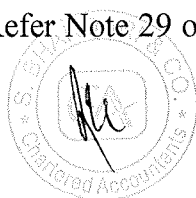
(ix) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans and hence the said clause of the Order is not applicable to the company.

(x) Based in audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the year, nor we have been informed of any such case by the Management.

(xi) As per the Information and explanation provided to us by the management, no remuneration has been paid or provided for, in respect of the directors of the company and hence the said clause is not applicable to the Company.

(xii) The Company is in the business of real estate development and is not a Nidhi Company; hence this clause is not applicable.

(xiii) As per the Information and explanation provided to us by the management, there are no transactions covered by section 188 of Companies Act 2013 with the related parties as defined under section 2(76) of the Companies Act 2013 during the year ended 31st March 2017 . Further, due compliance in respect of AS-18 "Related Party Disclosures" have been made in the Ind AS financial statements -Refer Note 29 of the Notes to the Ind AS Financial Statements.



According to the information and explanations given to us, the Audit Committee of the Company was constituted on 30.3.2017 and has not held any meeting in FY 16-17.

(xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the said clause of the Order is not applicable.

(xv) The company has not entered into any non-cash transactions with directors or persons connected with him and hence the said clause of the Order is not applicable to the company.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as the company is in the business of real estate development and is not a NBFC and hence the said clause of the Order is not applicable to the company.

For S Bhandari & Co.
Chartered Accountants
(FRN: 000560C)

Rupal Kumbhat

(Rupal Kumbhat)

Partner

Membership No. 401084



Date: 5th May, 2017

Place: Jaipur

S. Bhandari & Co.

Chartered Accountants

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ANNEXURE II TO INDEPENDENT AUDITOR'S REPORT

REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT" OF OUR REPORT ON IND AS FINANCIAL STATEMENTS OF RAJASTHAN LAND HOLDINGS LIMITED, FOR THE YEAR ENDED 31ST MARCH 2017.

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

We have audited the internal financial controls over financial reporting of **Rajasthan Land Holdings Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

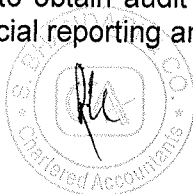
Management's Responsibility for Internal Financial Controls

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

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



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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and those receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

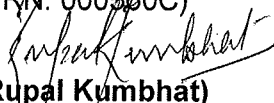
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S Bhandari & Co.

Chartered Accountants

(FRN: 000560C)


(Rupal Kumbhat)

Partner

Membership No. 401084

Date: 5th May 2017



RAJASTHAN LAND HOLDINGS LIMITED

| Balance sheet at March 31,2017 | | | | | | | |
|--|-----------|--------------------------------|-----------------------|--------------------------------|-----------------------|-------------------------------|-----------------------|
| | Notes | As at March 31, 2017 Rs. | | As at March 31, 2016 Rs. | | As at April 1, 2015 Rs. | |
| ASSETS | | | | | | | |
| Non-current Assets | | | | | | | |
| (a) Financial assets | | | | | | | |
| (i) Investments | | | | | | | |
| a) Investments in subsidiaries | 5 | 9,53,39,701 | - | 9,53,39,701 | - | 9,53,39,701 | - |
| b) Other investments | | - | 9,53,39,701 | - | 9,53,39,701 | - | 9,53,39,701 |
| (ii) Loans | 6A | - | 4,63,62,005 | - | 1,51,50,000 | - | 3,12,12,005 |
| (iii) Other financial assets | 7A | - | 29,17,81,299 | - | 24,34,05,171 | - | 21,68,58,221 |
| (b) Tax assets | | | | | | | |
| (i) Deferred Tax Asset (net) | 15 | 8,72,15,798 | - | 6,40,19,619 | - | 5,30,13,876 | - |
| (ii) Current Tax Asset (Net) | 19 | 16,98,411 | 8,89,14,209 | 17,95,375 | 6,58,14,994 | 1,901 | 5,30,15,777 |
| Total Non-current Assets | | | 52,23,97,214 | | 41,97,09,866 | | 39,64,25,704 |
| Current Assets | | | | | | | |
| (a) Inventories | | | | | | | |
| | 8 | | 21,23,44,110 | | 18,80,46,501 | | 16,87,80,178 |
| (b) Financial assets | | | | | | | |
| (i) Cash and cash equivalents | 9 | 4,80,199 | - | 6,68,776 | - | 12,40,767 | - |
| (ii) Loans | 6B | 52,00,00,000 | - | 3,12,12,005 | - | 1,30,00,000 | - |
| (iii) Other financial assets | 7B | 1,48,09,315 | 53,52,89,514 | 1,01,17,062 | 4,19,97,843 | 34,94,139 | 1,77,34,906 |
| (c) Other current assets | | | | | | | |
| | 10 | | 31,85,800 | | 31,85,800 | | 31,85,800 |
| | | | 75,08,19,424 | | 23,32,30,144 | | 18,97,00,884 |
| Total Current Assets | | | 75,08,19,424 | | 23,32,30,144 | | 18,97,00,884 |
| Total Assets | | | 1,27,32,16,638 | | 65,29,40,010 | | 58,61,26,588 |
| EQUITY AND LIABILITIES | | | | | | | |
| Equity | | | | | | | |
| (a) Equity share capital | 11 | 2,00,00,000 | - | 2,00,00,000 | - | 2,00,00,000 | - |
| (b) Other Equity | SOCE,12 | (13,63,66,048) | - | (13,46,32,520) | - | (12,10,94,127) | - |
| Equity attributable to owners of the Company | | | (11,63,66,048) | | (11,46,32,520) | | (10,10,94,127) |
| Total Equity | | | (11,63,66,048) | | (11,46,32,520) | | (10,10,94,127) |
| LIABILITIES | | | | | | | |
| Non-current Liabilities | | | | | | | |
| (a) Financial Liabilities | | | | | | | |
| (i) Borrowings | 13 | 65,34,00,000 | - | 60,73,00,000 | - | 4,09,00,000 | - |
| (ii) Other financial liabilities | 14A | 10,86,18,755 | 76,20,18,755 | 2,63,35,349 | 63,36,35,349 | 69,76,139 | 4,78,76,139 |
| Total Non-current Liabilities | | | 76,20,18,755 | | 63,36,35,349 | | 4,78,76,139 |
| Current liabilities | | | | | | | |
| (a) Financial liabilities | | | | | | | |
| (i) Borrowings | 17 | - | - | - | - | 5,00,00,000 | - |
| (ii) Trade payables | 18 | 30,98,338 | - | 9,14,516 | - | 7,73,775 | - |
| (iii) Other financial liabilities | 14B | 62,01,72,577 | 62,32,70,915 | 12,94,90,719 | 13,04,05,235 | 58,81,37,560 | 63,89,11,335 |
| (b) Other current liabilities | | | | | | | |
| | 16 | | 42,93,016 | | 35,31,946 | | 4,33,241 |
| | | | 62,75,63,931 | | 13,39,37,181 | | 63,93,44,576 |
| Total Current Liabilities | | | 62,75,63,931 | | 13,39,37,181 | | 63,93,44,576 |
| Total Liabilities | | | 1,38,95,82,686 | | 76,75,72,530 | | 68,72,20,715 |
| Total Equity and Liabilities | | | 1,27,32,16,638 | | 65,29,40,010 | | 58,61,26,588 |

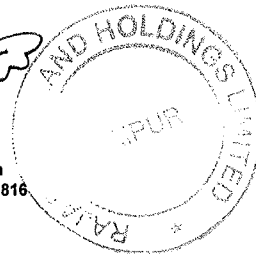
Significant Accounting Policies 1-4
Notes 1 to 29 forms part of the Financial Statements

In terms of our Report of even date attached
As per our report attached
For S. Bhandari & Co.,
Chartered Accountants
FRN : 000560C
Rupal Kumbhat
Partner
M No. 401084
Date : 5th May, 2017
Place : Jaipur

For and on behalf of the Board

Director
Shaivali Parekh
DIN: 03612820

Director
Gautam Lath
DIN : 02735816



| Statement of profit and loss for the period ended March 31, 2017 | | | |
|---|-------|--|--|
| | Notes | For the year ended March 31, 2017 Rs | For the year ended March 31, 2016 Rs |
| Other income | 20 | 5,50,91,379 | 3,49,63,946 |
| Total Income | | 5,50,91,379 | 3,49,63,946 |
| Expenses | | | |
| Finance costs | 21 | 7,92,40,082 | 5,88,60,314 |
| Other expenses | 22 | 7,81,004 | 6,47,768 |
| Total expenses | | 8,00,21,086 | 5,95,08,082 |
| Profit before exceptional items and tax | | (2,49,29,707) | (2,45,44,136) |
| Add: Exceptional items | | - | - |
| Profit before tax | | (2,49,29,707) | (2,45,44,136) |
| Less: Tax expense | | | |
| (1) Current tax | | - | - |
| (2) Deferred tax | 23 | (2,31,96,179) | (1,10,05,743) |
| | | (2,31,96,179) | (1,10,05,743) |
| Profit for the period from continuing operations | | (17,33,528) | (1,35,38,393) |
| Profit for the period | | (17,33,528) | (1,35,38,393) |
| Other Comprehensive Income | | | |
| A (i) Items that will not be reclassified to profit or loss | | - | - |
| A (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| B (i) Items that may be reclassified to profit or loss | | - | - |
| B (ii) Income tax relating to items that may be reclassified to profit or loss | | - | - |
| Total other comprehensive income | | - | - |
| Total comprehensive income for the period | | (17,33,528) | (1,35,38,393) |
| Profit for the period attributable to: | | | |
| - Owners of the Company | | (17,33,528) | (1,35,38,393) |
| | | (17,33,528) | (1,35,38,393) |
| Total comprehensive income for the period attributable to: | | | |
| - Owners of the Company | | (17,33,528) | (1,35,38,393) |
| | | (17,33,528) | (1,35,38,393) |
| Earnings per equity share (for continuing operation): | 24 | | |
| (1) Basic/ Diluted (in Rs.) | | (0.87) | (6.77) |
| Earnings per equity share (for discontinued and continuing operation): | | | |
| (1) Basic/ Diluted (in Rs.) | | (0.87) | (6.77) |

Significant Accounting Policies
Notes 1 to 29 forms part of the Financial Statements

1-4

In terms of our Report of even date attached

As per our report attached

For S. Bhandari & Co.,

Chartered Accountants

FRN : 000560C

Rupal Kumbhat

Rupal Kumbhat

Partner

M No. 401084

Date : 5th May, 2017

Place : Jaipur



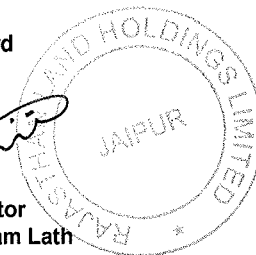
For and on behalf of the Board

Shaivali Parekh

Director
Shaivali Parekh
DIN: 03612820

Gautam Lath

Director
Gautam Lath
DIN : 02735816



RAJASTHAN LAND HOLDINGS LIMITED
Statement of cash flows for the year ended March 31,2017

| | For the year ended March 31, 2017 Rs | For the year ended March 31, 2016 Rs |
|---|--|--|
| Cash flows from operating activities | | |
| Profit for the period | (17,33,528) | (1,35,38,393) |
| Adjustments for: | | |
| Income tax expense recognised in profit or loss (continuing and discontinued operations) | (2,31,96,179) | (1,10,05,743) |
| Finance costs recognised in profit or loss | 7,92,40,082 | 5,88,60,314 |
| Investment income recognised in profit or loss | (5,48,47,577) | (3,49,63,857) |
| | (5,37,202) | (6,47,679) |
| Increase / Decrease in liabilities (current and non current) | | (5,00,00,000) |
| (Increase)/decrease in inventories | (2,42,97,609) | (1,92,66,322) |
| Increase/ (Decrease) in trade and other payables | 21,83,822 | 1,40,741 |
| Increase/(Decrease) in other liabilities | 7,61,070 | 30,98,705 |
| | (2,13,52,717) | (6,60,26,876) |
| Cash generated from operations | (2,18,89,919) | (6,66,74,555) |
| Income taxes (paid)/ Refund received | 96,964 | (17,93,474) |
| Net cash generated by operating activities | (2,17,92,955) | (6,84,68,029) |
| Cash flows from investing activities | | |
| Interest received | 3,50,38,489 | 3,49,63,857 |
| Long term loans given | (55,32,59,293) | (2,98,97,521) |
| Net cash (used in)/generated by investing activities | (51,82,20,804) | 50,66,336 |
| Cash flows from financing activities | | |
| Proceeds from long term borrowings | 52,88,00,000 | 33,65,00,000 |
| Interest paid (Finance cost paid) | 1,10,25,182 | (27,36,70,298) |
| Net (used in)/ generated in financing activities | 53,98,25,182 | 6,28,29,702 |
| Net increase/ (decrease) in cash and cash equivalents | (1,88,577) | (5,71,991) |
| Cash and cash equivalents at the beginning of the period | 6,68,776 | 12,40,767 |
| Cash and cash equivalents at the end of the period | 4,80,199 | 6,68,776 |

As per our report attached

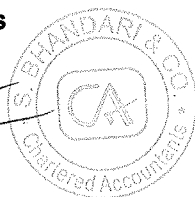
For S. Bhandari & Co.,
Chartered Accountants
FRN : 000560C

Rupal Kumbhat
Partner

M No. 401084

Date : 5th May, 2017

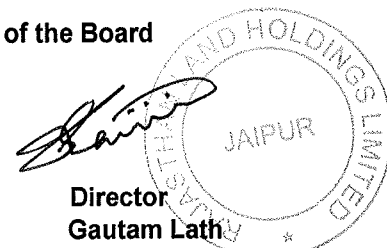
Place : Jaipur



For and on behalf of the Board

Shaivali Parekh

Director
Shaivali Parekh
DIN: 03612820



Gautam Lath

Director
Gautam Lath
DIN : 02735816

Statement of changes in equity for the year ended March 31, 2017

| | Reserves and surplus | | | Items of other comprehensive income | | | | | Total | | | | | |
|--|----------------------------|-----------------|-------------------------|-------------------------------------|---|---|--------------------------------------|---------------------|-------|-------------------------|---|------------------------------|--------------------------------------|---------------------------|
| | Securities premium reserve | General reserve | Cash Flow Hedge Reserve | Retained earnings | Debt instrument through other comprehensive | Equity instrument through other comprehensive | Effective portion of cash flow hedge | Revaluation surplus | | Cash Flow Hedge Reserve | Other items of other comprehensive income (Specify) | Money received against share | Attributable to owners of the parent | Non-controlling interests |
| Balance as at April 1, 2016 | - | - | - | (13,46,32,520) | - | - | - | - | - | - | - | (13,46,32,520) | - | (13,46,32,520) |
| Profit for the year | - | - | - | (17,33,528) | - | - | - | - | - | - | - | (17,33,528) | - | (17,33,528) |
| Other comprehensive income for the period, net of income tax | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | (17,33,528) | - | - | - | - | - | - | - | (17,33,528) | - | (17,33,528) |
| Payment of dividends | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Additional non-controlling interests arising on acquisition | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Disposal of partial interest in subsidiary | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Securities Premium Received | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Share issue costs | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Income tax relating to transactions with owners | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at March 31, 2017 | - | - | - | (13,63,66,048) | - | - | - | - | - | - | - | (13,63,66,048) | - | (13,63,66,048) |

Statement of changes in equity for the period March 31, 2016

| | Reserves and surplus | | | Items of other comprehensive income | | | | | Total | | | | | |
|--|----------------------------|-----------------|-------------------------|-------------------------------------|---|---|--------------------------------------|---------------------|-------|-------------------------|---|------------------------------|--------------------------------------|---------------------------|
| | Securities premium reserve | General reserve | Cash Flow Hedge Reserve | Retained earnings | Debt instrument through other comprehensive | Equity instrument through other comprehensive | Effective portion of cash flow hedge | Revaluation surplus | | Cash Flow Hedge Reserve | Other items of other comprehensive income (Specify) | Money received against share | Attributable to owners of the parent | Non-controlling interests |
| Balance as at April 1, 2015 | - | - | - | (12,10,94,127) | - | - | - | - | - | - | - | (12,10,94,127) | - | (12,10,94,127) |
| Profit for the period | - | - | - | (1,35,38,393) | - | - | - | - | - | - | - | (1,35,38,393) | - | (1,35,38,393) |
| Other comprehensive income for the period, net of income tax | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | (1,35,38,393) | - | - | - | - | - | - | - | (1,35,38,393) | - | (1,35,38,393) |
| Payment of dividends | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Additional non-controlling interests arising on acquisition | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Disposal of partial interest in subsidiary | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Securities Premium Received | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Share issue costs | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Income tax relating to transactions with owners | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at March 31, 2016 | - | - | - | (13,46,32,520) | - | - | - | - | - | - | - | (13,46,32,520) | - | (13,46,32,520) |

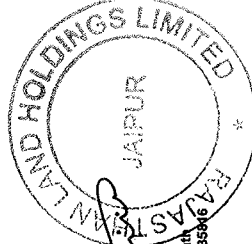
In terms of our Report of even date attached

As per our report attached
For S. Bhandari & Co.
Chartered Accountants
FRN / 000560C

Rupali Kumbhkar
Partner
M No. 401094
Date : 5th May 2017
Place : Jaipur

For and on behalf of the Board
Shrawan Parekh
Director
DIN: 03612820

Gautam Lath
Director
DIN : 02738946



FORM NO. AOC.1**Statement containing salient features of the financial statement of**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Part "A": Subsidiaries)

Amt Rs

| S. No. | Particulars | Subsidiary 1 | Subsidiary 2 | Subsidiary 3 |
|--------|--|------------------------------------|-----------------------------|------------------------------|
| 1 | Name of the subsidiary | Chirayu Kath Real Estate Pvt. Ltd. | Flamingo Landbase Pvt. Ltd. | Devika Buildestate Pvt. Ltd. |
| 2 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA | NA | NA |
| 3 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | NA | NA | NA |
| 4 | Share capital | 1,00,000 | 1,00,000 | 1,00,000 |
| 5 | Reserves & surplus | 4,87,54,857 | 2,19,44,846 | 1,00,03,726 |
| 6 | Total assets | 28,25,85,542 | 11,67,36,395 | 8,02,56,771 |
| 7 | Total Liabilities | 28,25,85,542 | 11,67,36,395 | 8,02,56,771 |
| 8 | Investments | - | - | - |
| 9 | Turnover | - | - | - |
| 10 | Profit before taxation | (1,50,898) | (1,38,770) | (1,64,300) |
| 11 | Provision for taxation | 70,41,019 | 31,44,827 | 13,80,468 |
| 12 | Profit after taxation | (71,91,917) | (32,83,597) | (15,44,768) |
| 13 | Proposed Dividend | - | - | - |
| 14 | % of shareholding | 100.00% | 100.00% | 100.00% |

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations : NA
- Names of subsidiaries which have been liquidated or sold during the year : NA

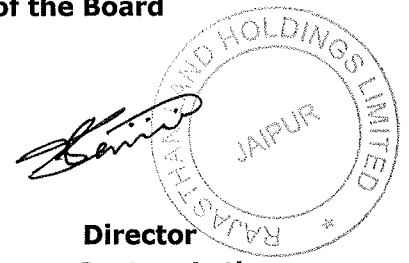
As per our report attached

For S. Bhandari & Co.,
Chartered Accountants
FRN : 000560C

Rupal Kumbhat
Rupal Kumbhat
Partner
M No. 401084

**For and on behalf of the Board**

Shaivali Parekh
Director
Shaivali Parekh
DIN: 03612820



Gautam Lath
Director
Gautam Lath
DIN : 02735816

Date : 5th May, 2017

Place : Jaipur

Rajasthan Land Holdings Limited

General Information & Significant Accounting Policies

1. General information

Rajasthan Land Holdings Limited (the Company) is a limited company domicile and incorporated in India. Its parent company is IL&FS Transportation Networks Limited and ultimate holding company is IL&FS Limited. It has three wholly owned subsidiaries M/s Chirayu Kath Real Estate Private Limited' (CKREPL), 'M/s DevikaBuildestate Private Limited'(DBPL) and 'M/s Flamingo Landbase Private Limited'(FLPL)

The address of its registered office and principal place of business is LIC JeevanNidhi Building, First Floor Ambedkar Circle, Jaipur. The company is engaged in the business of Real-estate Development in the State of Rajasthan. The Management has/intends to accumulate lands/plots which are along project site or with in the vicinity of the Mega Highway Project executed by M/s Road Infrastructure Development Company of Rajasthan Limited and utilize the same in projects like buildings, colonies, hotels, resorts, industrial parks, special economic zone, industrial development area, way side amenities, restaurants, real estates or interest therein and any rights over or connected with them or any other project which the Company can undertake as permissible under its object clause, either through itself or through a joint development model.

The company has following upcoming projects alongwith its subsidiaries namely residential township at Alwar land which is under possession of RLHL & CKREPL and the other project is for development of Industrial Park and/or Residential apartments/commercial Units at Kishangarh land which is held by RLHL DBPL & FLPL for which draft Memorandum of Understanding is being executed with ITUAL (IL&FS township & Urban Assets limited)

2. Significant accounting policies

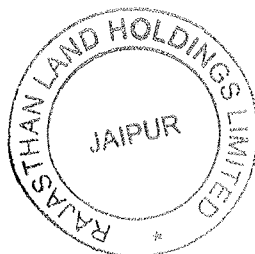
The principal accounting policies are set out below:

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind ASs") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

Upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

These are Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.



The company has prepared the Comparative Ind AS financial statements to establish the financial position (balance sheet), income (including results of operations and Other Comprehensive Income) and cash flows of the company necessary to provide the comparative financial information to be included in this company's first complete set of Ind AS financial statements as at 31st march, 2017. The comparative Ind-AS financial statements do not themselves include comparative financial information for the prior period.

Refer Note 4.1 for the details of first-time adoption exemptions availed by the Company and refer Note 4.2 for reconciliation with IGAAP figures.

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

2.2 Basis of preparation and presentation

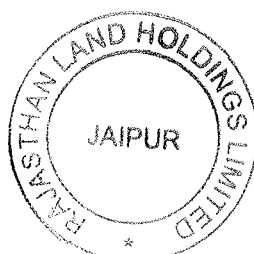
The financial statements have been prepared in accordance with Indian Accounting Standards (IndAS) under the historical cost basis, except certain financial instruments measured at fair values, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on this basis.

The company has prepared only separate financial statements in accordance with Para 4(a) of Ind AS 110-Consolidated Financial Statement. The consolidated Ind AS financial statement have been prepared by ultimate holding company, ITNL (listed entity) whose principal place of business is in Maharashtra and the same will be available in public domain.

2.3 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The principal accounting estimates are set out below:



2.3.1 The estimation used and basis on which impairment testing done in respect of Investment in Subsidiaries carried at Deemed Cost, is described below;

The recoverable amount of RLHL Group (considering the synergies of business combinations) has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial plans as prepared by ITUAL (land developer) and approved by the Directors, covering a Seven-year period and a discount rate of 13.87%. Management believes that any reasonably possible change in the key assumptions on which RLHL Group's recoverable amount is based would not cause RLHL Group's carrying amount to exceed its recoverable amount.

The financial plan is based on certain key assumptions which are given as under:

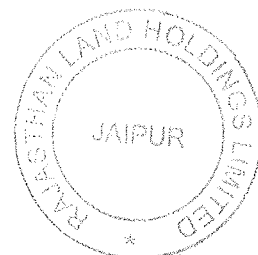
- ❖ Project Start has been taken from FY 2018 considering the fact that land-conversion and land consolidation activities undertaken for lands situated at Alwar and Kishangarh are still under process.
- ❖ Pre-tax discount rate of 13.87% has been applied in determining the recoverable amount of CGU which was estimated based on weighted average cost of capital of RLHL
- ❖ Selling price per sqft has been increased @5% p.a.
- ❖ Construction cost per sqft has been increased @5% p.a.

The assumptions as mentioned above have been taken as per the prevalent market for the respective projects. In case of any changes due to board observations/discussions, finalization of JV commercial & other terms and external factors, the projection figures and timelines may undergo changes, however any reasonably possible change in the key assumptions would not cause RLHL Group's carrying amount to exceed its recoverable amount.

Management has taken projections for a period longer than five years since it is expected to take seven years time to develop and sell land parcels and residential complexes.

2.3.2 Taxes

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.



2.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, liabilities incurred (including contingent liabilities representing present obligation) and the equity interests issued by the company in exchange of control of the acquired entity. Acquisition-related costs are generally recognized in profit or loss as incurred.

However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

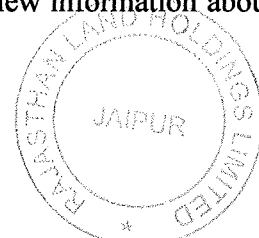
Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognizing a gain in respect thereof, the company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Company reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognizes any additional assets or liabilities that are identified in that reassessment. The Company then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Company recognizes it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognizes the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts



and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

2.5 Goodwill

Goodwill arising on acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses if any. For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or company's of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

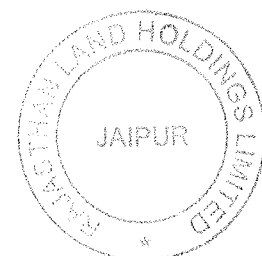
On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained

2.6 Borrowing costs

Borrowing costs are recognised in the period to which they relate, regardless of how the funds have been utilised, except where it relates to the financing of construction of development of assets requiring a substantial period of time to prepare for their intended future use. Interest is capitalised up to the date when the asset is ready for its intended use. The amount of interest capitalised (gross of tax) for the period is determined by applying the interest rate applicable to appropriate borrowings outstanding during the period to the average amount of accumulated expenditure for the assets during the period.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.



2.7 Non-current assets held for sale

Non-current assets and disposal companies are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal company) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal company) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Company will retain a non-controlling interest in its former subsidiary after the sale.

When the Company is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Company discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Company discontinues the use of the equity method at the time of disposal when the disposal results in the Company losing significant influence over the associate or joint venture.

After the disposal takes place, the Company accounts for any retained interest in the associate or joint venture in accordance with Ind AS 109 unless the retained interest continues to be an associate or a joint venture, in which case the Company uses the equity method (see the accounting policy regarding investments in associates or joint ventures above).

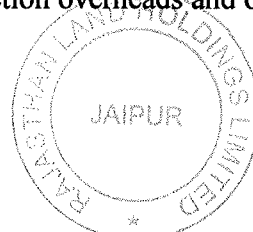
Non-current assets (and disposal companies) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.8 Inventories

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and NRV.

Cost includes:

- ❖ Freehold and leasehold rights for land
- ❖ Amounts paid to contractors for construction
- ❖ Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other



related costs

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are expensed when paid.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less costs to completion and the estimated costs of sale.

The cost of inventory property recognised in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

2.9 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in most of the revenue arrangements, it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

2.9.1 Sale of completed property

A property is regarded as sold when the significant risks and returns have been transferred to the buyer, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognised only when all the significant conditions are satisfied.

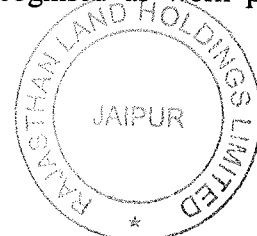
2.9.2 Sales of property under development

Where property is under development and agreement has been reached to sell such property when construction is complete, the directors consider whether the contract comprises:

- A contract to construct a property Or
- A contract for the sale of a completed property

Where a contract is judged to be for the construction of a property, revenue is recognised using the percentage-of-completion method as construction progresses.

Where the contract is judged to be for the sale of a completed property, revenue is recognised when the significant risks and rewards of ownership of the real estate have been transferred to the buyer. If, however, the legal terms of the contract are such that the construction represents the continuous transfer of work in progress to the purchaser, the percentage-of-completion method of revenue recognition is applied and revenue is recognised as work progresses.



Continuous transfer of work in progress is applied when:

- The buyer controls the work in progress, typically when the land on which the development takes place is owned by the final customer
- All significant risks and rewards of ownership of the work in progress in its present state are transferred to the buyer as construction progresses, typically, when buyer cannot put the incomplete property back to the Group

In such situations, the percentage of work completed is measured based on the costs incurred up until the end of the reporting period as a proportion of total costs expected to be incurred.

2.9.3 Finance income

Finance income is recognised as it accrues using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Finance income is included in finance income in the income statement.

2.10 Property, plant and equipment

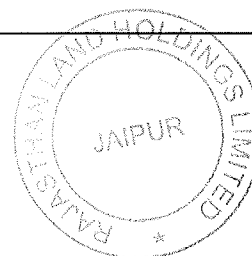
Property, plant and equipment acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition cost includes the purchase price (excluding refundable taxes) and expenses, such as delivery and handling costs, installation, legal services and consultancy services, directly attributable to bringing the asset to the site and in working condition for its intended use.

Where the construction or development of any asset requiring a substantial period of time to set up for its intended use is funded by borrowings, the corresponding borrowing costs are capitalised up to the date when the asset is ready for its intended use.

Depreciation on property, plant and equipment is computed as under:

| Asset | Useful life based on SLM |
|---|---------------------------------|
| Premises | 60 Years |
| Computers and Data Processing Equipment (other than Server & Networking) | 3 Years |
| Office Equipment | 5 Years |
| Furniture and Fixtures | 10 Years |
| Plant & Machinery | 15 Years |



| | |
|--|---|
| Electrical Installation | 10 Years |
| Data Processing Equipment (Server & Networking) | 4 |
| Mobile Phones and I pad / Tablets | Fully depreciated in the year of purchase |
| Specialised office equipment's | 3 |
| Vehicles | 5 |
| Assets provided to employees | 3 |
| Leasehold improvement costs | Amortised over Primary period of Lease |
| All categories of assets costing less than Rs.5,000/- each | Fully depreciated in the year of purchase |

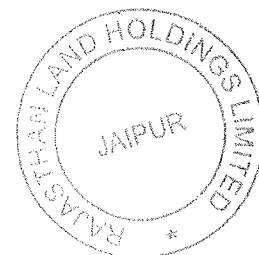
Leased assets

| Type of Lease | Capitalisation | Depreciation Policy |
|---|--|---|
| Operating Lease | At Cost including incidental expenses to bring the asset to its working condition for its intended use | Straight Line Method at the rates provided under Schedule II to the Companies Act, 2013 |
| Capital Expenditure on renovation / Improvements to Lease-hold Premises | At Cost | Amortised over the primary period of the leasehold premises |

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying of the asset and is



recognised in profit or loss.

2.11 Intangible assets

Intangible assets are reported at acquisition cost with deductions for accumulated amortisation and impairment losses, if any.

Acquired intangible assets are reported separately from goodwill if they fulfil the criteria for qualifying as an asset, implying they can be separated or they are based on contractual or other legal rights and that their market value can be established in a reliable manner.

An impairment test of such intangible assets is conducted annually or more often if there is an indication of a decrease in value. The impairment loss, if any, is reported in the Statement of Profit and Loss.

Intangible assets are amortised on a “straight line” basis over their estimated useful lives. The estimated useful life of software is four years.

2.12 Financial instruments

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

Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

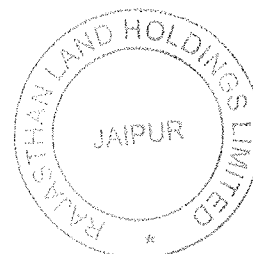
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss (“FVTPL”) are recognised immediately in the statement of profit and loss.

2.13 Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet 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 the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset 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 by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising 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:

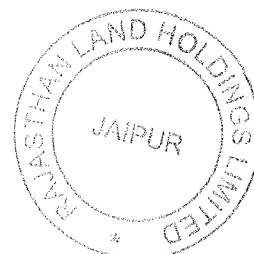
- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest 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.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.



This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes to financial statements.

2.14 Impairment

(i) Impairment of financial assets

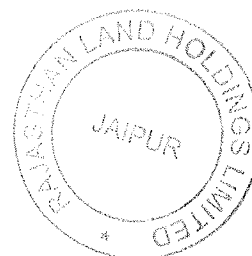
In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Lease receivables under Ind AS 17
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
- d) Loan commitments which are not measured as at FVTPL
- e) Financial guarantee contracts which are not measured as at FVTPL

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. In cases where the amounts are expected to be realized upto one year from the date of the invoice, loss for the time value of money is not recognised, since the same is not considered to be material.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.



(ii) Tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, [the Company] the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discount rate.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, or whenever there is an indication that the asset may be impaired.

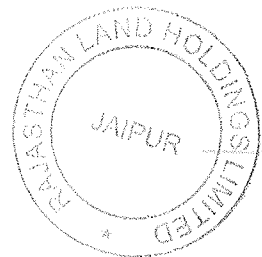
Recoverable amount is the higher of fair value less costs of disposal and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Goodwill is tested for impairment annually as at year end and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or company of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.



2.15 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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.

2.15.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

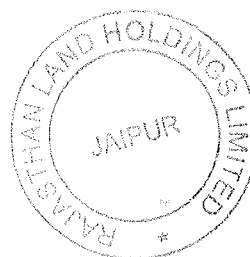
2.16 Taxation

2.16.1 Current tax

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

2.16.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.



Deferred tax liabilities are generally recognised for all taxable temporary differences except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets (including unused tax credits such as MAT credit and unused tax losses such as carried forward business loss and unabsorbed depreciation) are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

2.16.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.17 Employee benefits

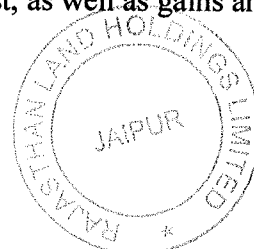
2.17.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on



- curtailments and
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

2.17.2 Short-term and other long-term employee benefits

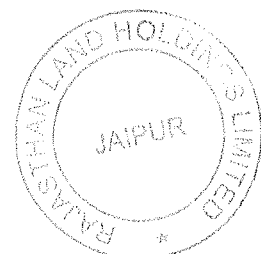
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.18 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.



2.18.1 Classification of financial assets – debt instruments

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cashflows;
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVOCI") (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other debt instruments are subsequently measured at fair value.

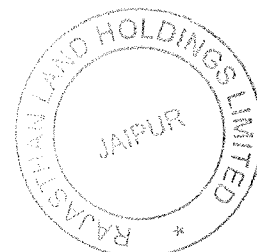
2.18.2 Amortised cost and Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.18.3 Investments in equity instruments at FVOCI:

On initial recognition, the Company makes an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.



Changes in the carrying amount of investments in equity instruments at FVOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

Dividends on these equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

2.18.4 Investment in Subsidiaries:

In case of Investments in subsidiaries, the Company shall account for investments at Cost as per IND-AS 27, 'Consolidated and Separate Financial Statements', and test the same for impairment as per Ind AS 36 "Impairment of Assets".

2.18.5 Financial assets at FVTPL

Investments in equity instruments (*other than investment in subsidiary*) are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in FVOCI for equity instruments which are not held for trading.

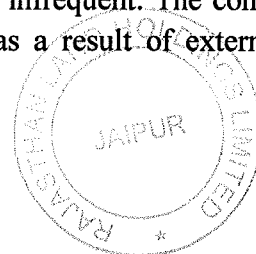
Debt instruments that do not meet the amortised cost or FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost or FVOCI criteria but are designated as at FVTPL are measured at FVTPL.

A debt instrument that meets the amortised cost or FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.]

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the "Other income" line item.

2.18.6 Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal



changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

2.18.7 Offsetting of financial instruments

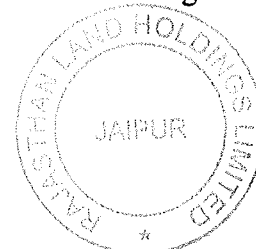
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities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

2.18.8 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If [the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises acollateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other



comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.18.9 Modification of Cash Flows of financial assets and revision in estimates of Cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset in accordance with Ind AS 109, the Company recalculates the gross carrying amount of the financial asset and recognises a modification gain or loss in profit or loss. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred are adjusted to the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If the Company revises its estimates of payments or receipts (excluding modifications and changes in estimates of expected credit losses), it adjusts the gross carrying amount of the financial asset or amortised cost of a financial liability to reflect actual and revised estimated contractual cash flows. The Company recalculates the gross carrying amount of the financial asset or amortised cost of the financial liability as the present value of the estimated future contractual cash flows that are discounted at the financial instrument's original effective interest rate. The adjustment is recognised in profit or loss as income or expense.

2.19 Financial liabilities and equity instruments

2.19.1 Classification as debt or equity

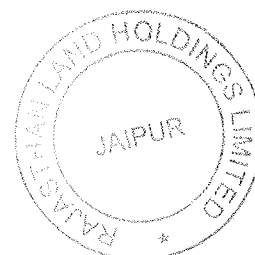
Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.19.2 Compound instruments

The components of compound instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by issue of fixed number of the Company's own equity instruments in exchange of a fixed amount of cash or another financial asset is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the



liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

2.19.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

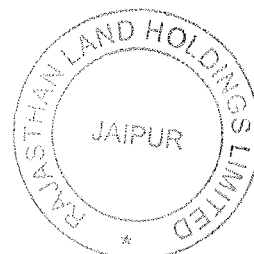
2.19.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.19.3.2 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms



Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

2.19.3.3 Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. Recent accounting pronouncements

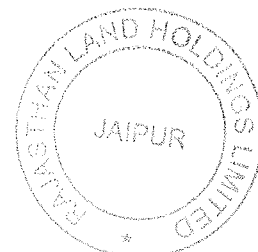
3.1 Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments in respect of Cash Flow Statement are applicable to the company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.



4 First-time adoption

4.1 Optional exemptions

4.1.1 Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

4.1.2 Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

4.1.3 Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortized cost criteria or the FVOCI criteria based on the facts and circumstances that existed as of the transition date.

4.1.4 Impairment of financial assets

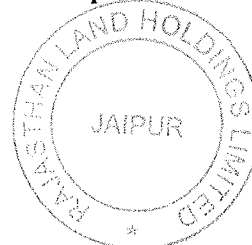
The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

4.1.5 Past business combinations

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2015.

Consequently,

- the Company has kept the same classification for the past business combinations as in its previous GAAP consolidated financial statements;
- the Company has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the balance sheet of the acquirer and would also not



qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree; the Company has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under IndAS;

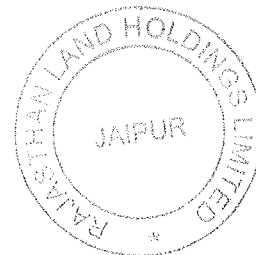
- the Company has tested the goodwill for impairment at the transition date based on the conditions as of the transition date;
- the effects of the above adjustments have been given to the measurement of non-controlling interests and deferred tax.

4.1.6 Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

4.1.7 Investments in Subsidiaries, Joint Ventures and associates

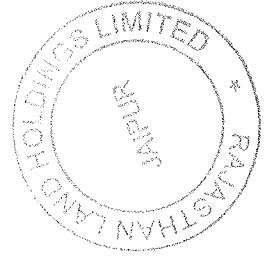
In its separate financial statements, the Company has measured these investments at deemed cost i.e. the previous GAAP carrying amount at the date of transition.



4.2) Reconciliation of Balance Sheet

Amt Rs

| Particulars | As at March 31, 2016 | | As at April 1, 2015 | |
|---------------------------------|--|--------------------------------|----------------------|--------------------------------|
| | (End of last period presented under previous GAAP) | | (Date of transition) | |
| | Previous GAAP | Effect of transition to Ind AS | Previous GAAP | Effect of transition to Ind AS |
| | | | | |
| | | | | As per Ind AS balance sheet |
| Non-current assets | | | | |
| (a) Financial assets | | | | |
| (i) Investments | 9,53,39,701 | - | 9,53,39,701 | - |
| (ii) Loans | 1,51,50,000 | - | 1,51,50,000 | 3,12,12,005 |
| (iii) Other financial assets | 39,99,78,067 | (15,65,72,896) | 24,34,05,171 | (15,00,73,885) |
| (b) Tax assets | | | | |
| (i) Deferred Tax Asset (net) | - | 6,40,19,619 | 6,40,19,619 | 5,30,13,876 |
| (ii) Current Tax Asset (Net) | 17,95,375 | - | 17,95,375 | 1,901 |
| Total non-current assets | 51,22,63,143 | (9,25,53,277) | 41,97,09,866 | (9,70,60,009) |
| Current assets | | | | |
| (a) Inventories | 18,93,94,373 | (13,47,872) | 18,80,46,501 | (29,72,697) |
| (b) Financial assets | | | | |
| (i) Cash and cash equivalents | 6,68,776 | - | 6,68,776 | 12,40,767 |
| (ii) Loans | 3,12,12,005 | - | 3,12,12,005 | 1,30,00,000 |
| (iii) Other financial assets | 1,02,76,815 | (1,59,753) | 1,01,17,062 | 36,47,904 |
| (c) Other current assets | 31,85,800 | - | 31,85,800 | - |
| Total current assets | 23,47,37,769 | (15,07,625) | 23,32,30,144 | (31,26,462) |
| Total Assets | 74,70,00,912 | (9,40,60,902) | 65,29,40,010 | (10,01,86,471) |
| | | | 68,63,13,059 | 58,61,26,588 |



| Particulars | As at March 31, 2016 (End of last period presented under previous GAAP) | | | As at April 1, 2015 (Date of transition) | | |
|---|--|--------------------------------|-----------------------------|---|--------------------------------|-----------------------------|
| | Previous GAAP | Effect of transition to Ind AS | As per Ind AS balance sheet | Previous GAAP | Effect of transition to Ind AS | As per Ind AS balance sheet |
| Equity | | | | | | |
| (a) Equity share capital | 2,00,00,000 | - | 2,00,00,000 | 2,00,00,000 | - | 2,00,00,000 |
| (b) Other Equity | (4,55,78,560) | (8,90,53,960) | (13,46,32,520) | (3,29,53,542) | (8,81,40,585) | (12,10,94,127) |
| Equity attributable to owners of the Company | (2,55,78,560) | (8,90,53,960) | (11,46,32,520) | (1,29,53,542) | (8,81,40,585) | (10,10,94,127) |
| Total equity | (2,55,78,560) | (8,90,53,960) | (11,46,32,520) | (1,29,53,542) | (8,81,40,585) | (10,10,94,127) |
| Non-current liabilities | | | | | | |
| Financial liabilities | | | | | | |
| (i) Borrowings | 60,73,00,000 | | 60,73,00,000 | 4,09,00,000 | | 4,09,00,000 |
| (ii) Other financial liabilities | 3,09,53,125 | (46,17,776) | 2,63,35,349 | 75,24,956 | (5,48,817) | 69,76,139 |
| Total non-current liabilities | 63,82,53,125 | (46,17,776) | 63,36,35,349 | 4,84,24,956 | (5,48,817) | 4,78,76,139 |
| Current liabilities | | | | | | |
| Financial liabilities | | | | | | |
| (i) Borrowings | | | | 5,00,00,000 | | 5,00,00,000 |
| (ii) Trade and other payables | 9,14,516 | - | 9,14,516 | 7,73,775 | | 7,73,775 |
| (iii) Other financial liabilities | 12,98,79,885 | (3,89,166) | 12,94,90,719 | 59,96,34,629 | (1,14,97,069) | 58,81,37,560 |
| Other current liabilities | 35,31,946 | | 35,31,946 | 4,33,241 | | 4,33,241 |
| | 13,43,26,347 | (3,89,166) | 13,39,37,181 | 65,08,41,645 | (1,14,97,069) | 63,93,44,576 |
| Liabilities directly associated with assets classified as held for sale | | | | | | |
| Total current liabilities | 13,43,26,347 | (3,89,166) | 13,39,37,181 | 65,08,41,645 | (1,14,97,069) | 63,93,44,576 |
| Total liabilities | 77,25,79,472 | (50,06,942) | 76,75,72,530 | 69,92,66,601 | (1,20,45,886) | 68,72,20,715 |
| Total equity and liabilities | 74,70,00,912 | (9,40,60,902) | 65,29,40,010 | 68,63,13,059 | (10,01,86,471) | 58,61,26,588 |

Other Equity April 01, 2015

The advances given to subsidiaries not being on normal commercial terms, the substance of below market advance element has been ascertained and segregated from advance amount using DCF method and using the weighted average borrowing cost for normal commercial term loans for similar tenure, as discount rate. The below market element being the difference between the carrying amount and value determined using DCF method and residual being the advance element on normal commercial terms. The below market element so determined amounting to Rs. 9,90,51,244 (included in Rs-8,81,40,585 above) has been charged to 'Other Equity net of tax. Since there is no relevant Standard, the reference is made to the general concepts in the Conceptual Framework in order to reflect the substance of this part of the loan. The residual advance element has been accounted for as per Ind AS 109-Financial Instruments.

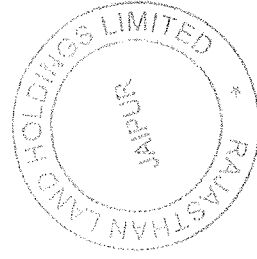


4.3) Reconciliation of total equity

| Particulars | As at March 31, 2016 | | As at April 1, 2015 | |
|---|--|---------------|--|---------------|
| | (End of last period presented under previous GAAP) | (2,55,78,560) | (End of comparable interim period presented under previous GAAP) | (1,29,53,542) |
| Total equity / shareholders' funds under previous GAAP | | | | |
| Adjustments: | | | | |
| EIR Adjustment | (15,30,73,579) | | (14,11,54,461) | |
| Deferred Tax | 6,40,19,619 | | 5,30,13,876 | |
| Total adjustment to equity | (8,90,53,960) | | (8,81,40,585) | |
| Total equity under Ind AS | (11,46,32,520) | | (10,10,94,127) | |

4.4) Effect of Ind AS adoption on the statement of profit and loss

| Particulars | Year ended March 31, 2016 | | |
|---|---|--------------------------------|----------------------|
| | (Latest period presented under previous GAAP) | Effect of transition to Ind AS | Ind AS |
| | Previous GAAP | | |
| Revenue from Operations | | | - |
| Other income | 4,14,68,945 | (65,04,999) | 3,49,63,946 |
| Total Revenue | 4,14,68,945 | (65,04,999) | 3,49,63,946 |
| Expenses | | | |
| Finance costs | 5,34,46,195 | 54,14,119 | 5,88,60,314 |
| Other expenses | 6,47,768 | | 6,47,768 |
| Total expenses | 5,40,93,963 | 54,14,119 | 5,95,08,082 |
| Profit before exceptional items and tax | (1,26,25,018) | (1,19,19,118) | (2,45,44,136) |
| Add: Exceptional items | | | |
| Profit before tax | (1,26,25,018) | (1,19,19,118) | (2,45,44,136) |
| Less: Tax expense | | | |
| (2) Deferred tax | - | (1,10,05,743) | (1,10,05,743) |
| Profit for the period from continuing operations (I) | (1,26,25,018) | (9,13,375) | (1,35,38,393) |
| Profit for the period (IV=I-II-III) | (1,26,25,018) | (9,13,375) | (1,35,38,393) |
| Total comprehensive income for the period (IV+V) | (1,26,25,018) | (9,13,375) | (1,35,38,393) |



4.4.1) Reconciliation of total comprehensive income

| Particulars | Year ended March 31, |
|--|---|
| | 2016 |
| | (Latest period presented under previous GAAP) |
| Profit as per previous GAAP | (1,26,25,018) |
| Adjustments: | |
| EIR Adjustment | (1,19,19,118) |
| Deferred Tax | 1,10,05,743 |
| Total adjustments | (9,13,375) |
| Total comprehensive income under Ind AS | (1,35,38,393) |

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

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

| Particulars | Year ended March 31, 2016 | | |
|--|---|--------------------------------|-------------------|
| | (Latest period presented under previous GAAP) | | |
| | Previous GAAP | Effect of transition to Ind AS | |
| | | Ind AS | |
| Net cash flows from operating activities | (10,08,68,329) | 3,24,00,300 | (6,84,68,029) |
| Net cash flows from investing activities | 3,93,18,856 | (3,42,52,520) | 50,66,336 |
| Net cash flows from financing activities | 6,09,77,482 | 18,52,220 | 6,28,29,702 |
| Net increase (decrease) in cash and cash equivalents | (5,71,991) | - | (5,71,991) |
| Cash and cash equivalents at the beginning of the period | 12,40,767 | - | 12,40,767 |
| Effects of exchange rate changes on the balance of cash held in foreign currencies | - | - | - |
| Cash and cash equivalents at the end of the period | 6,68,776 | - | 6,68,776 |

4.5.1) Analysis of cash and cash equivalents as at March 31, 2016 and as at April 1, 2015 for the purpose of statement of cash flows under Ind AS

| Particulars | As at March 31, 2016 | As at April 1, 2015 |
|--|--|--|
| | (End of last period presented under previous GAAP) | (End of last period presented under previous GAAP) |
| Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP | 6,68,776 | 12,40,767 |
| Cash and cash equivalents for the purpose of statement of cash flows under Ind AS | 6,68,776 | 12,40,767 |



Notes to the financial statements - continued

5. Break-up of investments in Subsidiaries

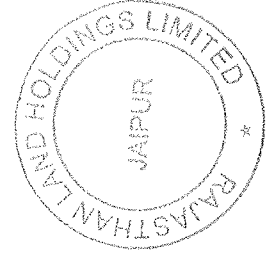
| Particulars | As at March 31, 2017 | | As at March 31, 2016 | | As at April 1, 2015 | |
|--|----------------------|--------------------|----------------------|--------------------|---------------------|--------------------|
| | Qty | Amount | Qty | Amount | Qty | Amount |
| Unquoted Investments (all fully paid) | | | | | | |
| Investments in Equity Instruments | | | | | | |
| Chirayu Kath Real Estate Pvt. Ltd. | 10,000 | 7,18,93,054 | 10,000 | 7,18,93,054 | 10,000 | 7,18,93,054 |
| Flamingo Landbase Pvt. Ltd. | 10,000 | 30,00,000 | 10,000 | 30,00,000 | 10,000 | 30,00,000 |
| Devika Buildestate Pvt. Ltd. | 10,000 | 2,04,46,647 | 10,000 | 2,04,46,647 | 10,000 | 2,04,46,647 |
| TOTAL INVESTMENTS | | 9,53,39,701 | | 9,53,39,701 | | 9,53,39,701 |
| TOTAL INVESTMENTS CARRYING VALUE | | 9,53,39,701 | | 9,53,39,701 | | 9,53,39,701 |

Note

> Investment in equity shares of the wholly owned subsidiaries have been carried at cost and same has been tested for impairment as well. Since Recoverable amount is more than carrying amount, no impairment loss has been booked during the period.

> The recoverable amount has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial plans as prepared by ITJAL (land developer) and approved by the Directors, covering a Seven-year period and a discount rate of 13.22 per cent.

> While preparing the projections, certain assumptions have been taken as per the prevalent market for the respective projects. In case of any changes due to board observations/discussions, finalisation of JV commercial & other terms and external factors, the projection figures and timelines may undergo changes, however any reasonably possible change in the key assumptions would not cause carrying amount of investments to exceed its recoverable amount.



Notes to the financial statements - continued
6. Loans

6A. Loans - Non Current

| Particulars | Amt. Rs | | | |
|--|----------------------|----------------------|---------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 | As at April 1, 2015 |
| a) Loans to related parties * (Refer note below) | | | | |
| -Unsecured, considered good | | | | |
| -Chirayu Kathi Real Estate Private Limited | 2,44,88,005 | 1,41,75,000 | 1,03,13,005 | |
| -Devika Buildestate Private Limited | 1,84,26,000 | 5,50,000 | 1,78,76,000 | |
| -Flamingo Landbase Private Limited | 34,48,000 | 4,25,000 | 30,23,000 | |
| Total | 4,63,62,005 | 1,51,50,000 | 3,12,12,005 | |

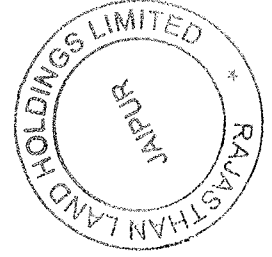
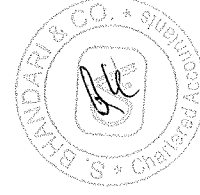
* Above loans pertain to the private companies with common director

| Name of Borrower | As at March 31, 2017 | | As at March 31, 2016 | | As at April 01, 2015 | |
|--|----------------------|--------|----------------------|--------|----------------------|----------------|
| | Loan amount | ROI | Repayment Date | ROI | Loan amount | Repayment Date |
| Chirayu Kath Real Estate Private Limited | 1,30,00,000 | 13.50% | 03-01-2019 | 13.50% | 1,30,00,000 | 03-01-2019 |
| | 1,00,00,000 | 13.75% | 14-05-2019 | 13.75% | 1,175,000 | 05-10-2018 |
| | 3,13,005 | 13.15% | 15-12-2019 | 13.15% | 3,13,005 | 15-12-2016 |
| | 11,75,000 | 13.75% | 05-10-2018 | | | |
| | 98,00,000 | 13.55% | 25-04-2019 | 13.75% | 5,50,000 | 05-10-2018 |
| Devika Buildestate Private Limited | 80,76,000 | 13.50% | 14-03-2020 | | 80,76,000 | 26-04-2016 |
| | 5,50,000 | 13.75% | 05-10-2018 | | 80,76,000 | 14-03-2017 |
| Flamingo Landbase Private Limited | 30,23,000 | 13.55% | 25-04-2019 | 13.75% | 4,25,000 | 05-10-2018 |
| | 4,25,000 | 13.75% | 05-10-2018 | | 30,23,000 | 26-04-2016 |

6B. Loans -Current

| Particulars | Amt. Rs | | | |
|---|----------------------|----------------------|---------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 | As at April 1, 2015 |
| a) Loans to related parties-unsecured, considered good * | | | | |
| Current maturities of Loans and Advances to Related Parties | | | | |
| -Chirayu Kathi Real Estate Private Limited | - | 1,03,13,005 | 1,30,00,000 | |
| -Devika Buildestate Private Limited | - | 1,78,76,000 | - | |
| -Flamingo Landbase Private Limited | - | 30,23,000 | - | |
| subtotal (a) | | 3,12,12,005 | 1,30,00,000 | |
| b) Loans to other parties- unsecured, considered good | | | | |
| subtotal (b) | 52,00,00,000 | | | |
| Total (a+b) | 52,00,00,000 | 3,12,12,005 | 1,30,00,000 | |

* Above loans pertain to the private companies with common director.



Notes to the financial statements - continued
7. Other financial assets

7A. Other financial assets - Non current

| Particulars | Amt Rs | | |
|--|----------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
| Others - | | | |
| Advances to Related Parties-unsecured, considered good * | | | |
| -Chirayu Kath Real Estate Private Limited | 16,26,15,917 | 14,27,23,473 | 12,81,31,518 |
| -Devika Buildestate Private Limited | 3,61,96,542 | 3,17,34,239 | 2,80,39,061 |
| -Flamingo Landbase Private Limited | 7,31,19,419 | 6,41,74,873 | 5,87,14,485 |
| Interest accrued but not due on loans given | 1,98,89,421 | 47,72,586 | 59,73,157 |
| Total | 29,17,81,299 | 24,34,05,171 | 21,68,56,221 |

* Above advances pertain to the private companies with common director.

7B. Other financial assets - Current

| Particulars | Amt Rs | | |
|---|----------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
| Others | | | |
| Interest accrued but not due on loans given | 1,48,09,315 | 1,01,17,062 | 34,94,139 |
| Total | 1,48,09,315 | 1,01,17,062 | 34,94,139 |

8. Inventories

| Particulars | Amt Rs | | |
|--|------------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
| Inventories (lower of cost and net realisable value) | | | |
| Work-in-progress | 21,23,44,110 | 18,80,46,501 | 16,87,80,178 |
| Total | 21,23,44,110.00 | 18,80,46,501 | 16,87,80,178 |

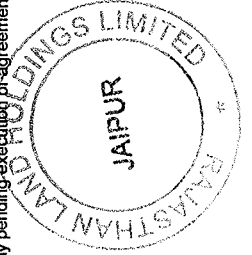
Inventories of Rs.21,23,44,110 (as at March 31, 2016: Rs.18,80,46,501) are expected to be recovered after more than twelve months.

Cost of inventories in progress includes cost of land, development expenses, borrowing cost and other overhead relating to projects. Considering the management's intention of the ultimate usage of the lands for upcoming project these have been classified under "Inventories in progress" under the head "Inventories".

Inventories (Work-in-progress) are valued at cost since the finished product in which they will be incorporated are expected to be sold at or above cost.

Inventories include certain parcels of land which are under unauthorised occupation, in respect of which the company is under litigation. For details refer note 28.1 (a) (ii)

During the year, substantial administrative and technical activities were being undertaken in respect of land PWIP, such as liaising with Government authorities in connection with land use conversion and government allotment for development, appointment of Architect and consultant, construction of boundary wall etc. RLHL has been incurring expenses for Land Use Conversion. However, cost of Rs 1,05,08,299 in respect of above mentioned activities have been incurred by ITUAL for which no amount has been booked as liability by the company pending execution of agreement with ITUAL.



Notes to the financial statements - continued

9. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

| Particulars | Amt Rs | |
|----------------------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at April 1, 2015 |
| Balances with Banks | 4,79,850 | 12,40,075 |
| Cash on hand | 349 | 692 |
| Cash and cash equivalents | 4,80,199 | 12,40,767 |

9.1) DISCLOSURE ON SPECIFIED BANK NOTES (SBNS)

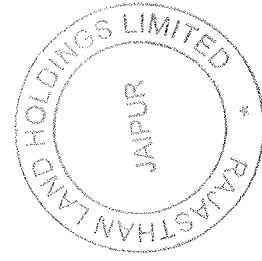
The details of specified bank notes and other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017, held and transacted during the period from November 8, 2016 to December, 30 2016, is given below:

| | Amt Rs | |
|--|--------------------------|------------|
| | Other Denomination Notes | Total |
| Closing cash in hand as on 08.11.2016 | 437 | 437 |
| (+) Permitted receipts | 0 | 0 |
| (-) Permitted payments | 44 | 44 |
| -) Amount deposited in Banks | 0 | 0 |
| Closing cash in hand as on 30.12.2016 | 393 | 393 |

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

10. Other assets - Current

| Particulars | Amt Rs | |
|--|----------------------|---------------------|
| | As at March 31, 2017 | As at April 1, 2015 |
| Others - | | |
| - Preconstruction and Mobilisation advances paid to contractors and other advances | 31,85,800 | 31,85,800 |
| Total | 31,85,800 | 31,85,800 |



Starbaldone Pvt. Ltd.
Notes to the financial statements - continued
11. Equity Share Capital

| Particulars | Amt Rs | |
|--|----------------------|---------------------|
| | As at March 31, 2017 | As at April 1, 2015 |
| Equity share capital | 2,00,00,000 | 2,00,00,000 |
| Total | 2,00,00,000 | 2,00,00,000 |
| Authorised Share capital : 20,00,000 equity shares of Rs. 10 each | 2,00,00,000 | 2,00,00,000 |
| Issued and subscribed capital comprises: | | |
| 20,00,000 fully paid equity shares of Rs. 10 each (as at March 31, 2016: 20,00,000; as at April 1, 2015: 20,00,000) | 2,00,00,000 | 2,00,00,000 |

11.1 Movement during the period

| Particulars | For the Year ended March 31, 2017 | | For the Year ended March 31, 2016 | | For the Year ended April 1, 2015 | |
|------------------------------------|-----------------------------------|------------------------|-----------------------------------|------------------------|----------------------------------|------------------------|
| | Number of shares | Share capital (Amount) | Number of shares | Share capital (Amount) | Number of shares | Share capital (Amount) |
| Balance at the start of the period | 20,00,000 | 2,00,00,000 | 20,00,000 | 2,00,00,000 | 20,00,000 | 2,00,00,000 |
| Movements | | | | | | |
| Balance at the end of the period | 20,00,000 | 2,00,00,000 | 20,00,000 | 2,00,00,000 | 20,00,000 | 2,00,00,000 |

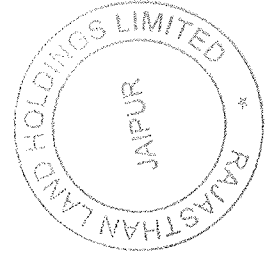
Fully paid equity shares, which have a par value of Rs.10, carry one vote per share and carry a right to dividends.

11.2 Details of shares held by the holding company, their subsidiaries and associates

| Particulars | As at March 31, 2017 | | As at March 31, 2016 | | As at April 1, 2015 | |
|---|-----------------------|----------------------------------|-----------------------|----------------------------------|-----------------------|----------------------------------|
| | Number of shares held | % holding in the class of shares | Number of shares held | % holding in the class of shares | Number of shares held | % holding in the class of shares |
| IL&FS Transportation Networks Limited (ITNL) | 20,00,000 | 100% | 20,00,000 | 100% | - | 0% |
| Road Infrastructure Development Company of Rajasthan Limited (RIDCOR) | - | 0% | - | 0% | 20,00,000 | 100% |
| Total | 20,00,000 | 100% | 20,00,000 | 100% | 20,00,000 | 100% |

11.3 Details of shares held by each shareholder holding more than 5% shares

| Particulars | As at March 31, 2017 | | As at March 31, 2016 | | As at April 1, 2015 | |
|---|-----------------------|----------------------------------|-----------------------|----------------------------------|-----------------------|----------------------------------|
| | Number of shares held | % holding in the class of shares | Number of shares held | % holding in the class of shares | Number of shares held | % holding in the class of shares |
| Fully paid equity shares | 20,00,000 | 100% | 20,00,000 | 100% | - | 0% |
| IL&FS Transportation Networks Limited (ITNL) | 20,00,000 | 100% | 20,00,000 | 100% | 20,00,000 | 100% |
| Road Infrastructure Development Company of Rajasthan Limited (RIDCOR) | - | 0% | - | 0% | - | 0% |
| Total | 20,00,000 | 100% | 20,00,000 | 100% | 20,00,000 | 100% |



Notes to the financial statements - continued

Note no. 12-Other Equity

March 2017

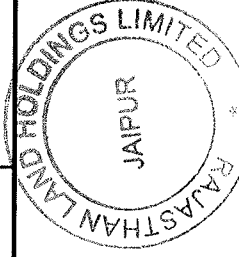
Amt Rs

| Other equity | Reserves and surplus | | | Total | Attributable to owners of the parent | Non-controlling interests | Total |
|--|-----------------------|-----------------------|--|-----------------------|--------------------------------------|---------------------------|-----------------------|
| | Retained earnings | Total | | | | | |
| Balance as at April 1, 2016 | (13,46,32,520) | (13,46,32,520) | | (13,46,32,520) | | - | (13,46,32,520) |
| Profit for the year | (17,33,528) | (17,33,528) | | (17,33,528) | | - | (17,33,528) |
| Other comprehensive income for the period, net of income tax | - | - | | - | | - | - |
| Total comprehensive income for the period | (17,33,528) | (17,33,528) | | (17,33,528) | | - | (17,33,528) |
| Balance as at March 31, 2017 | (13,63,66,048) | (13,63,66,048) | | (13,63,66,048) | | - | (13,63,66,048) |

March 2016

Amt Rs

| Other equity | Reserves and surplus | | | Total | Attributable to owners of the parent | Non-controlling interests | Total |
|--|-----------------------|-----------------------|--|-----------------------|--------------------------------------|---------------------------|-----------------------|
| | Retained earnings | Total | | | | | |
| Balance as at April 1, 2015 | (12,10,94,127) | (12,10,94,127) | | (12,10,94,127) | | - | (12,10,94,127) |
| Profit for the period | (1,35,38,393) | (1,35,38,393) | | (1,35,38,393) | | - | (1,35,38,393) |
| Other comprehensive income for the period, net of income tax | - | - | | - | | - | - |
| Total comprehensive income for the period | (1,35,38,393) | (1,35,38,393) | | (1,35,38,393) | | - | (1,35,38,393) |
| Balance as at March 31, 2016 | (13,46,32,520) | (13,46,32,520) | | (13,46,32,520) | | - | (13,46,32,520) |



Notes to the financial statements - continued

13. Non-current Borrowings

| Particulars | Amt Rs | | |
|---|----------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
| Unsecured – at amortised cost | | | |
| (i) Loans from related parties - IL&FS Transportation Networks Limited | 65,34,00,000 | 60,73,00,000 | 4,09,00,000 |
| Total Non-current borrowings | 65,34,00,000 | 60,73,00,000 | 4,09,00,000 |

13.1 Summary of borrowing arrangements

(i) Amounts repayable to related parties of the Company. Loan- wise details are given below:

| Loan amount | As at March 31, 2017 | | | As at March 31, 2016 | | | As at April 01, 2015 | | |
|--------------|----------------------|----------------|--------------|----------------------|----------------|-------------|----------------------|----------------|--|
| | ROI | Repayment Date | Loan amount | ROI | Repayment Date | Loan amount | ROI | Repayment Date | |
| 25,00,000 | 13.35% | 02-10-2019 | 18,00,000 | 13.30% | 03-10-2017 | 1,50,00,000 | 13.05% | 24/4/2016 | |
| 58,65,00,000 | 13.15% | 29-11-2018 | 58,65,00,000 | 13.15% | 29/11/2018 | 75,00,000 | 12.90% | 13/05/2016 | |
| 1,50,00,000 | 13.25% | 03-01-2019 | 1,50,00,000 | 13.25% | 03-01-2019 | 31,00,000 | 12.90% | 27/05/2016 | |
| 33,00,000 | 13.30% | 28-04-2019 | 40,00,000 | 13.25% | 23/01/2019 | 15,00,000 | 13.15% | 05-01-2017 | |
| 30,00,000 | 13.65% | 06-07-2019 | | | | 1,20,00,000 | 13.15% | 13-03-2017 | |
| 1,50,00,000 | 13.30% | 24-04-2019 | | | | 18,00,000 | 13.30% | 03-10-2017 | |
| 75,00,000 | 13.50% | 13-05-2019 | | | | | | | |
| 31,00,000 | 13.50% | 27-05-2019 | | | | | | | |
| 40,00,000 | 13.25% | 23-01-2019 | | | | | | | |
| 15,00,000 | 13.25% | 05-01-2020 | | | | | | | |
| 1,20,00,000 | 13.25% | 13-03-2020 | | | | | | | |



Notes to the financial statements - continued

13.2 Age-wise analysis and Repayment terms of the Company's Long term Borrowings are as below:

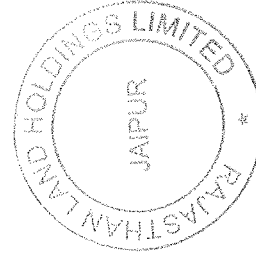
| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at April 01, 2015 | As at March 31, 2017 | As at March 31, 2016 | As at April 01, 2015 | As at March 31, 2016 | As at April 01, 2015 |
|--------------|----------------------|----------------------|----------------------|-------------------------|----------------------|----------------------|-------------------------|-------------------------|
| | Amt Rs | Amt Rs | Amt Rs | Frequency of Repayment* | Amt Rs | Amt Rs | Frequency of Repayment* | Frequency of Repayment* |
| 1-2 Years | 60,55,00,000 | 18,00,000 | 3,91,00,000 | B | | | B | B |
| 2-3 Years | 4,79,00,000 | 60,55,00,000 | 18,00,000 | B | | | B | B |
| 3-4 Years | | | | | | | | |
| 4-5 Years | | | | | | | | |
| 5-6 Years | | | | | | | | |
| Total | 65,34,00,000 | 60,73,00,000 | 4,09,00,000 | | | | | |

QT = Quarterly, Y = Yearly and B = Bullet repayment

14. Other financial liabilities

14A. Other financial liabilities - Non Current

| Particulars | Amt Rs | |
|---------------------------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at April 1, 2015 |
| Interest accrued but not due on loans | 10,86,18,755 | 69,76,139 |
| Total | 10,86,18,755 | 69,76,139 |



Notes to the financial statements - continued
14B. Other financial liabilities - Current

| Particulars | Amt Rs | | | |
|--|-------------------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at April 1, 2015 |
| (a) Current maturities of long-term debt - Unsecured | | | | |
| -Related parties | 56,43,00,000 | 8,16,00,000 | 25,00,00,000 | 6,15,00,000 |
| -Other than related parties | 5,58,72,577 | 4,78,90,719 | 27,66,37,560 | 58,81,37,560 |
| Total | 62,01,72,577 | 12,94,90,719 | 52,66,37,560 | 58,81,37,560 |

15. Deferred tax balances

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

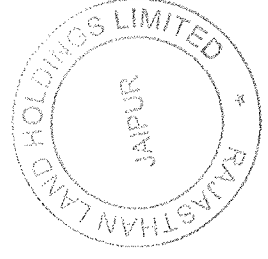
| Particulars | Amt Rs | | | |
|--------------------------|-------------------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at April 1, 2015 |
| Deferred tax assets | 9,14,71,239 | 6,55,66,764 | 5,67,36,055 | 5,67,36,055 |
| Deferred tax liabilities | (42,55,441) | (15,47,145) | (37,22,179) | (37,22,179) |
| Net | 8,72,15,798 | 6,40,19,619 | 5,30,13,876 | 5,30,13,876 |

During the period Company has recognized Deferred Tax Asset/liability as per details given below.

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

Deferred Tax Asset in respect of Unabsorbed Business Loss has been recognized to the extent reversals are available, considering reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized, supported by business plan and considering past records and projected future taxable income.

Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making the above assessments. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

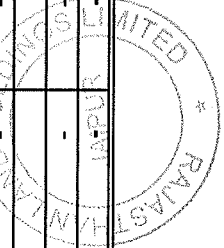


Notes to the financial statements - continued
Year ended March 31, 2017

| Particulars | Amt Rs | | | | | | |
|---|--------------------|------------------------------|--|-------------------------------|--|-------------------------|--------------------|
| | Opening balance | Recognised in profit or loss | Recognised in other comprehensive income | Recognised directly in equity | Reclassified from equity to profit or loss | Acquisitions /disposals | Closing balance |
| Deferred tax (liabilities)/ assets in relation to: | | | | | | | |
| Financial Assets | 5,18,51,994 | 1,77,06,418 | - | - | - | - | 6,95,58,412 |
| Financial Liabilities | (15,47,145) | (27,08,296) | - | - | - | - | (42,55,441) |
| Others [Project Inventory] | 4,16,492 | 6,61,916 | - | - | - | - | 10,78,408 |
| (A) | 5,07,21,341 | 1,56,60,038 | - | - | - | - | 6,63,81,379 |
| Tax losses | 1,32,98,278 | 75,36,141 | - | - | - | - | 2,08,34,419 |
| Others | - | - | - | - | - | - | - |
| (B) | 1,32,98,278 | 75,36,141 | - | - | - | - | 2,08,34,419 |
| Total (A+B) | 6,40,19,619 | 2,31,96,179 | - | - | - | - | 8,72,15,798 |

Year ended March 31, 2016

| Particulars | Amt Rs | | | | | | |
|--|--------------------|------------------------------|--|-------------------------------|--|-------------------------|--------------------|
| | Opening balance | Recognised in profit or loss | Recognised in other comprehensive income | Recognised directly in equity | Reclassified from equity to profit or loss | Acquisitions /disposals | Closing balance |
| Deferred tax (liabilities)/assets in relation to: | | | | | | | |
| Financial Assets | 4,64,20,344 | 54,31,650 | - | - | - | - | 5,18,51,994 |
| Financial Liabilities | (37,22,179) | 21,75,034 | - | - | - | - | (15,47,145) |
| Others [Project Inventory] | 9,18,563 | (5,02,071) | - | - | - | - | 4,16,492 |
| (A) | 4,36,16,728 | 71,04,613 | - | - | - | - | 5,07,21,341 |
| Tax losses | 93,97,148 | 39,01,130 | - | - | - | - | 1,32,98,278 |
| (B) | 93,97,148 | 39,01,130 | - | - | - | - | 1,32,98,278 |
| Total (A+B) | 5,30,13,876 | 1,10,05,743 | - | - | - | - | 6,40,19,619 |



Notes to the financial statements - continued

16. Other current liabilities

| Particulars | Amt Rs | | |
|-----------------|----------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
| Others | | | |
| -Statutory dues | 39,09,924 | 33,35,089 | 3,60,768 |
| -Other Payables | 3,83,092 | 1,96,857 | 72,473 |
| Total | 42,93,016 | 35,31,946 | 4,33,241 |

17. Current Borrowings

| Particulars | Amt Rs | | |
|--|----------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
| Unsecured - at amortised cost | | | |
| Loans from related parties | | | |
| - Road Infrastructure Development Company of Rajasthan Limited | - | - | 5,00,00,000 |
| Total | - | - | 5,00,00,000 |

18. Trade payables - Current

| Particulars | Amt Rs | | |
|--|----------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
| Total O/s dues of Creditors other than Micro and Small Enterprises | 30,98,338 | 9,14,516 | 7,73,775 |
| Total | 30,98,338 | 9,14,516 | 7,73,775 |



Notes to the financial statements - continued

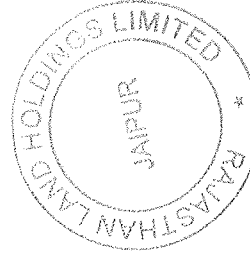
On the basis of the information available with the Company and intimations received from suppliers (Trade payable and Other Payables) regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the disclosure U/s 22 of the Act is as follows:

| Particulars | For the Year Ended | For the Year Ended | For the Year Ended |
|--|--------------------|--------------------|--------------------|
| | 31-Mar-17 | 31-Mar-16 | 01-Apr-15 |
| | Rs | Rs | Rs |
| (i) Principal amount remaining unpaid to suppliers as on March 31, 2017: | - | - | - |
| (ii) Amount of interest paid U/s 16 along with the amount of the payment made to the supplier beyond the appointed day during the year: | - | - | - |
| (iii) Amount of interest due and remaining unpaid as on March 31, 2017: | - | - | - |
| (iv) Amount of interest accrued and remaining unpaid as on March 31, 2017: | - | - | - |
| (v) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act: | - | - | - |
| (vi) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise: | - | - | - |

The Company has compiled the above information based on the current information in its possession as at March 31, 2017 and the same has been relied upon by the Auditors.

19. Current tax assets and liabilities

| Particulars | Amt Rs | | |
|--|----------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
| Current tax assets | | | |
| Tax refund receivable | 16,98,411 | 17,95,375 | 1,901 |
| Others - Advance Payment of taxes | 16,98,411 | 17,95,375 | 1,901 |
| Current tax liabilities | | | |
| Income tax payable | - | - | - |
| Current Tax Assets (current portion) | - | - | - |
| Current Tax Assets (non-current portion) | 16,98,411 | 17,95,375 | 1,901 |



Notes to the financial statements - continued

20. Other Income

a) Interest Income

| Particulars | Amt Rs | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2017 | Year ended March 31, 2016 |
| Interest income earned on financial assets that are not designated as at fair value through profit or loss | 1,64,54,795 | - |
| Interest on loans & advances given to subsidiaries | 3,83,11,997 | 3,49,63,857 |
| Interest Income on IT Refund | 80,785 | 89 |
| Total (a) | 5,48,47,577 | 3,49,63,946 |

b) Other Non-Operating Income (Net of expenses directly attributable to such income)

| Particulars | Amt Rs | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2017 | Year ended March 31, 2016 |
| Others (aggregate of immaterial items) | | |
| - Miscellaneous income | 2,43,802 | - |
| Total (b) | 2,43,802 | - |

| | | |
|--------------------|--------------------|--------------------|
| Total (a+b) | 5,50,91,379 | 3,49,63,946 |
|--------------------|--------------------|--------------------|

21. Finance costs

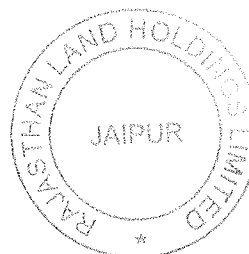
| Particulars | Amt Rs | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2017 | Year ended March 31, 2016 |
| Interest costs :- | | |
| Interest on loans & advances given to subsidiaries | 4,86,64,745 | 3,49,63,857 |
| Total interest expense for financial liabilities not classified as at FVTPL | 5,38,03,852 | 4,31,62,780 |
| Less: amounts included in the cost of qualifying assets | 2,32,28,515 | 1,92,66,323 |
| Total | 7,92,40,082 | 5,88,60,314 |

22. Other expenses

| Particulars | Amt Rs | |
|-----------------------------|------------------------------|------------------------------|
| | Year ended March 31, 2017 | Year ended March 31, 2016 |
| Legal and consultation fees | 3,60,225 | 3,48,154 |
| Directors Fees | 63,816 | 75,903 |
| Auditors' Remuneration | 1,82,975 | 1,96,116 |
| Internal Audit Fees | 1,72,500 | 27,420 |
| Miscellaneous expenses | 1,488 | 175 |
| Total | 7,81,004 | 6,47,768 |

| Particulars | Amt Rs | |
|-----------------------------|------------------------------|------------------------------|
| | Year ended March 31, 2017 | Year ended March 31, 2016 |
| Payments to auditors | | |
| a) For audit * | 1,07,500 | 90,000 |
| b) For taxation matters | 21,000 | 21,000 |
| c) For other services | 30,000 | 60,000 |
| d) Service tax on Above | 24,475 | 25,116 |
| Total | 1,82,975 | 1,96,116 |

* Includes Professional fees for IFC Audit and Audit of IND-AS transition for FY 16-17



Notes to the financial statements - continued

23. Income taxes relating to continuing operations

23.1 Income tax recognised in profit or loss

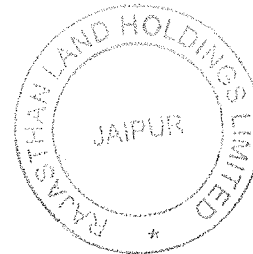
Amt Rs

| Particulars | Year ended March 31, 2017 | Year ended March 31, 2016 |
|--|------------------------------|------------------------------|
| Deferred tax | | |
| In respect of the current period | (1,35,93,236) | (1,10,05,743) |
| Adjustments to deferred tax attributable to changes in tax rates and laws | (96,02,943) | |
| | (2,31,96,179) | (1,10,05,743) |
| Total income tax expense recognised in the current period relating to continuing Operations | (2,31,96,179) | (1,10,05,743) |

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

Amt Rs

| Particulars | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|------------------------------|------------------------------|
| Profit before tax from continuing operations | (2,49,29,707) | (2,45,44,136) |
| Substantively Enacted Tax Rate (%) | 35.535 | 30.900 |
| Accounting Profit/(Loss) multiplied by Tax Rate | (88,58,771) | (75,84,138) |
| Effect on deferred tax balances due to the change in income tax rate from 30.9% to 35.535% (substantively enacted) | (96,02,943) | - |
| Effect of fair valuation of advance given to subsidiaries | (47,34,465) | (34,21,605) |
| Total Adjustments | (1,43,37,408) | (34,21,605) |
| Adjustments recognised in the current year in relation to the current tax of prior years | - | - |
| Income tax expense recognised in profit or loss (relating to continuing operations) | (2,31,96,179) | (1,10,05,743) |



Standalone Ind AS
Notes to the financial statements - continued

24. Earnings per share

| Particulars | Year ended March 31, 2017 | Year ended March 31, 2016 |
|-----------------------------------|------------------------------|------------------------------|
| From Continuing operations | Rs. per share | Rs. per share |
| Basic earnings per share | (0.87) | (6.77) |
| Diluted earnings per share | (0.87) | (6.77) |

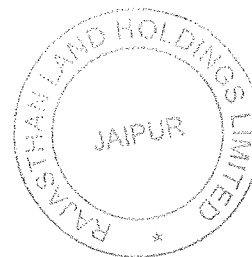
24.1 Basic/ Diluted Earnings per share

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

| Particulars | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|------------------------------|------------------------------|
| Profit for the period attributable to owners of the Company (A) | (17,33,528) | (1,35,38,393) |
| Weighted average number of equity shares for the purposes of basic earnings per share (B) | 20,00,000 | 20,00,000 |
| Basic Earnings per share (A/B) | (0.87) | (6.77) |
| Diluted Earnings per share (A/B) | (0.87) | (6.77) |

25. Employee benefit plans

The Company does not have any employee on its payroll as on March 31, 2017, March 31, 2016 and April 01, 2015. Disclosure under the Ind AS-19, "Employees Benefits" is not required to be given for the respective years.



Notes to the financial statements - continued

26. Financial instruments

26.1 Capital management

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders

The capital structure of the company consists of net debt (borrowings offset by cash and bank balances including accrued interest) and total equity of the Company (comprising issued capital, reserves, retained earnings).

The company is presently direct subsidiary of ITNL (IL&FS Transportation Networks Limited (ITNL, IL&FS Group) (previously subsidiary of RIDCOR Ltd., IL&FS Group) and ITNL/RIDCOR has/had been extending financial support to the company towards implementation and execution of its upcoming ventures and meeting cash flow crunch during this project development phase. The funds infused by the parent company (ITNL) would be paid only if surplus cash flow is available and in absence of required cash flow, the loans shall be rolled over.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2017, 31 March 2016 and 01 April 2015.

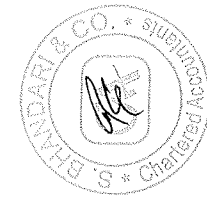
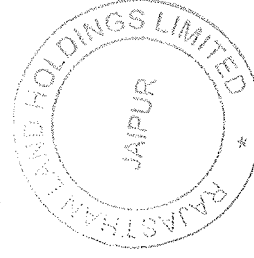
26.1.1 Gearing ratio

The gearing ratio at end of the reporting period was as follows.

| Particulars | Amt Rs | | |
|-----------------------------------|----------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
| Debt | 1,38,21,91,332 | 76,31,26,068 | 68,60,13,699 |
| Less: Cash and bank balances | 4,80,199 | 6,68,776 | 12,40,767 |
| Net debt (i) | 1,38,17,11,133 | 76,24,57,292 | 68,47,72,932 |
| Total Equity (ii) | (11,63,66,048) | (11,46,32,520) | (10,10,94,127) |
| Net debt to equity ratio (i)/(ii) | -11.87 | -6.65 | -6.77 |

26.2 Categories of financial instruments

| Particulars | Amt Rs | | |
|--|----------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
| Financial assets | | | |
| Financial Assets measured at amortised cost | | | |
| Cash and bank balances | 4,80,199 | 6,68,776 | 12,40,767 |
| Loans & Advances | 87,29,52,619 | 29,98,84,238 | 26,45,64,365 |
| Others | 0 | 0 | 0 |
| Financial liabilities | | | |
| Financial Liabilities measured at amortised cost | | | |
| Borrowings (including Interest Accrued) | 1,38,21,91,332 | 76,31,26,068 | 68,60,13,699 |
| Trade Payables | 30,98,338 | 9,14,516 | 7,73,775 |
| Others | 0 | 0 | 0 |



Notes to the financial statements - continued

26.3 Financial risk management objectives

The company's financial risks mainly include market risk (interest rate risk), credit risk and liquidity risk.

26.4 Market risk

The company's activities expose it primarily to the financial risks of changes in interest rates.

There has been no change to the company's exposure to market risks or the manner in which these risks are managed and measured.

26.5 Interest rate risk management

The company is exposed to interest rate risk because it borrows funds primarily at floating interest rates. However, the interest rates are dependent on weighted average cost of borrowing of sponsor which are not expected to change very frequently and the estimate of the management is that these will not have a significant upward trend.

The company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

26.5.1 Interest rate sensitivity analysis

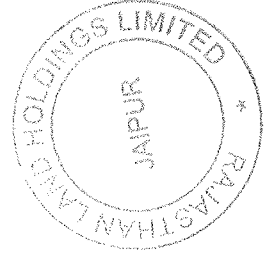
The sensitivity analysis below has been determined based on the exposure to interest rates for borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the company's:

- i) loss for the year ended March 31, 2017 would have increased/decreased by Rs.3,83,954 (March 31, 2016: increase/ decrease by Rs.2,87,640).

26.6 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company believes that the credit risk is not material since loans and advances have been given only to wholly owned subsidiaries which are under common control.



Notes to the financial statements - continued

26.7 Liquidity risk management

The company manages liquidity risk by maintaining adequate reserves and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial liabilities. Promoters of the company have been providing funds for land purchase and working capital requirements which are extendable for further period on mutual agreement

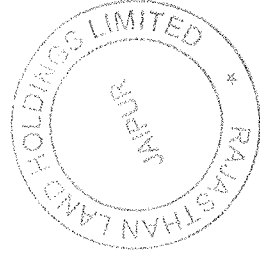
The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

| Particulars | March 31, 2017 | | | March 31, 2016 | | | April 1, 2015 | | |
|--------------------|----------------------|------------------------------------|---------------------------------|----------------------|------------------------------------|---------------------------------|----------------------|------------------------------------|---------------------------------|
| | Non-interest bearing | Variable interest rate instruments | Fixed interest rate instruments | Non-interest bearing | Variable interest rate instruments | Fixed interest rate instruments | Non-interest bearing | Variable interest rate instruments | Fixed interest rate instruments |
| Less than 3 month | 51,750 | - | - | 2,34,196 | - | - | 1,08,455 | - | - |
| 3 months to 1 year | 30,46,588 | - | - | 6,80,320 | - | - | 6,55,320 | - | - |
| 1-2 years | - | - | - | - | - | - | - | - | - |
| 2-3 years | - | - | - | - | - | - | - | - | - |
| 3-4 years | - | - | - | - | - | - | - | - | - |
| 4-5 years | - | - | - | - | - | - | - | - | - |
| 5+ years | - | 2,03,97,66,532 | - | - | 1,49,55,87,410 | - | - | 1,24,19,16,535 | - |
| Total | 30,98,338 | 2,03,97,66,532 | - | 9,14,516 | 1,49,55,87,410 | - | 7,73,775 | 1,24,19,16,535 | - |

Amt. Rs

The amounts included above for variable interest rate instruments is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

The above figures are in respect of term loans from promoters which are extendable for further period on mutual agreement



Notes to the financial statements - continued
26.8 Fair value measurements

This note provides information about how the company determines fair values of various financial assets and financial liabilities.

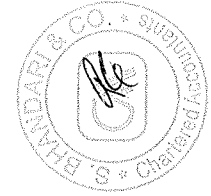
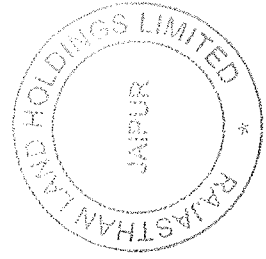
26.8.1 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Company assessed the fair value of the cash and cash equivalents, trade payable, other financial assets /liabilities approximate their carrying amount largely due to short term maturity of these instruments.

| | As at March 31, 2017 | | As at March 31, 2016 | | As at April 1, 2015 | |
|---|----------------------|----------------|----------------------|--------------|---------------------|--------------|
| | Carrying amount | Fair value | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets | | | | | | |
| Financial assets at amortised cost: | 87,34,32,818 | 87,00,81,079 | 30,05,53,014 | 29,91,86,452 | 26,58,05,132 | 26,40,75,587 |
| - Loans & Advances | 87,29,52,619 | 86,96,00,880 | 29,98,84,238 | 29,85,17,676 | 26,45,64,365 | 26,28,34,820 |
| - Cash and cash equivalents | 4,80,199 | 4,80,199 | 6,68,776 | 6,68,776 | 12,40,767 | 12,40,767 |
| - Other financial assets | - | - | - | - | - | - |
| Financial liabilities | | | | | | |
| Financial liabilities held at amortised cost: | 1,38,52,89,670 | 1,36,75,10,104 | 76,40,40,584 | 74,36,09,071 | 68,67,87,474 | 67,39,81,763 |
| Borrowings (including Interest Accrued) | 1,38,21,91,332 | 1,36,44,11,766 | 76,31,26,068 | 74,26,94,555 | 68,60,13,699 | 67,32,07,988 |
| Trade Payables | 30,98,338 | 30,98,338 | 9,14,516 | 9,14,516 | 7,73,775 | 7,73,775 |
| Others financial liabilities | - | - | - | - | - | - |

Except for cash and cash equivalents, trade payable, fair value of which approximate their carrying amount, All other instruments are fair valued using level 3 hierarchy

The fair values of the financial assets and financial liabilities included in the level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis.



Stand alone Ind AS
Notes to the financial statements - continued

27. Commitments for expenditure

| Particulars | Amt Rs | | |
|--|----------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
| (a) Other commitments | 60,13,463 | 60,13,463 | 60,13,463 |
| (i) Other Works (Net of advance given) | | | |
| Total | 60,13,463 | 60,13,463 | 60,13,463 |

28. Contingent liabilities and contingent assets

28.1 Contingent liabilities

(a) Other money for which the company is contingently liable:

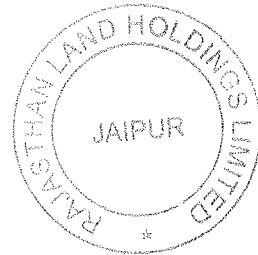
(i) As per the draft MOU, to be executed between RLHL (LOC), Chirayu Kath Real Estate Pvt. Ltd.(LOC), Devika Buildestate Pvt. Ltd. (LOC), Flamingo Landbase Pvt. Ltd. (LOC) and IL&FS Township & Urban Assets Ltd. {ITUAL (Developer)}, in respect of Alwar Land and Kishangarh land, ITUAL has incurred certain expenses/going to incur certain expenses till the execution of the joint Development Agreement, relating to land conversion, deployment of security guards, appointment of designers, architects, other consultants, construction of boundary wall, litigations etc. and the LOC's agrees to reimburse the same to Developer along with the applicable taxes and interest in case of non-execution of Development Agreement.

As on 31.03.2017, the Development Agreement had not been executed and ITUAL had incurred Rs 1,05,08,299 (As at Mar 31 2016- Rs 94,65,276) being project related expenses in relation to land held with the Company.

(ii) A suit has been filed with SDM, Alwar by the Company against Mrs. Sunita Jain for encroachment and building wall on certain khasra of lands at Alwar, held under Inventory WIP, in the financial statements. Matter is referred for Government survey which is being conducted at present.

28.2 Contingent assets

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
|-------------|----------------------|----------------------|---------------------|
| Nil | | - | - |



29. Related Party Disclosures

As at March 31, 2017

(a) Name of the Related Parties and Description of Relationship:

| Nature of Relationship | Name of Entity | Abbreviation used |
|----------------------------------|--|------------------------|
| Ultimate Holding Company | Infrastructure Leasing and Financial Services Ltd | IL&FS |
| Holding Company | IL&FS Transportation Networks Limited | ITNL |
| Subsidiaries - Direct | Chirayu Kath Real Estate Private Limited Devika Build Estate Private Limited Flamingo Landbase Private Limited | CKREPL DBPL FLPL |
| Mmember of Group | IL&FS Township & Urban Assets Ltd. | ITUAL |
| Key Management Personnel ("KMP") | Ram Walase Shaivali Parekh Gautam Lath | |

As at March 31, 2016

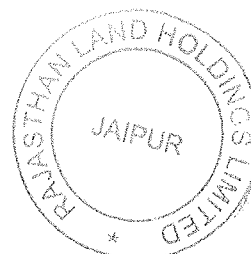
(a) Name of the Related Parties and Description of Relationship:

| Nature of Relationship | Name of Entity | Abbreviation used |
|----------------------------------|--|------------------------|
| Ultimate Holding Company | Infrastructure Leasing and Financial Services Ltd | IL&FS |
| Holding Company | IL&FS Transportation Networks Limited | ITNL |
| Subsidiaries - Direct | Chirayu Kath Real Estate Private Limited Devika Build Estate Private Limited Flamingo Landbase Private Limited | CKREPL DBPL FLPL |
| Mmember of Group | IL&FS Township & Urban Assets Ltd. | ITUAL |
| Key Management Personnel ("KMP") | Ram Walase Shaivali Parekh Gautam Lath | |

As at April 01, 2015

(a) Name of the Related Parties and Description of Relationship:

| Nature of Relationship | Name of Entity | Abbreviation used |
|----------------------------------|--|------------------------|
| Ultimate Holding Company | Infrastructure Leasing and Financial Services Ltd | IL&FS |
| Joint Venturer of Holding co. | IL&FS Transportation Networks Limited | ITNL |
| Holding Company | Road Infrastructure Development Company of Rajasthan Limited | RIDCOR |
| Subsidiaries - Direct | Chirayu Kath Real Estate Private Limited Devika Build Estate Private Limited Flamingo Landbase Private Limited | CKREPL DBPL FLPL |
| Key Management Personnel ("KMP") | Ram Walase Shaivali Parekh Gautam Lath | |



Standalone Ind AS
Notes to the financial statements - continued

Related Party Disclosures (contd.)

Year ended March 31, 2017

(b) transactions/ balances with above mentioned related parties

| Particulars | Amt Rs | | | | | | | | | |
|---|--|---------------------------------------|---|--|--|------------|-----------------|-------------|---|--|
| | Road Infrastructure Development Company of Rajasthan Limited | IL&FS Transportation Networks Limited | Chirayu Kath Real Estate Private Limited (CKREPL) | Devika Build Estate Private Limited (DBPL) | Flamingo Landbase Private Limited (FLPL) | Ram Walase | Shaivali Parekh | Gautam Lath | IL&FS Township & Urban Assets Ltd (ITUAL) | |
| Balance | | | | | | | | | | |
| Unsecured Loan taken/ given | | 121 77 00 000 | 2 44 88 005 | 1 84 26 000 | 34 48 000 | | | | | |
| Interest accrued but not due | | 16 44 91 332 | 1 12 23 681 | 74 40 766 | 12 24 974 | | | | | |
| Advance given (including interest net of TDS) | | | 16 26 15 917 | 3 61 56 542 | 7 31 19 419 | | | | | |
| Transactions | | | | | | | | | | |
| Unsecured Loan taken/ given | | 52 88 00 000 | | | | | | | | |
| Interest on Loans and advance taken/ given | | 10 07 81 692 | 2 28 71 358 | 61 34 675 | 93 05 964 | | | | | |
| Sitting Fee | | | | | | 11,112 | 22,224 | 22,224 | | |

As per the draft MOU, to be executed between RLHL (LOC), Chirayu Kath Real Estate Pvt. Ltd. (LOC), Devika Buildestate Pvt. Ltd. (LOC), Flamingo Landbase Pvt. Ltd. (LOC) and IL&FS Township & Urban Assets Ltd. (ITUAL (Developer)), in respect of Alwar Land and Kishangarh land, ITUAL has incurred certain expenses/going to incur certain expenses till the execution of the joint Development Agreement, relating to land conversion, deployment of security guards, appointment of designers, architects, other consultants, construction of boundary wall, litigations etc.

As on 31.03.2017, the Development Agreement had not been executed and ITUAL had incurred Rs 1,05,08,299 being project related expenses in relation to land held with the Company.

Year ended March 31, 2016

(b) transactions/ balances with above mentioned related parties

| Particulars | Amt Rs | | | | | | | | | |
|---|--|---------------------------------------|---|--|--|------------|-----------------|-------------|---|--|
| | Road Infrastructure Development Company of Rajasthan Limited | IL&FS Transportation Networks Limited | Chirayu Kath Real Estate Private Limited (CKREPL) | Devika Build Estate Private Limited (DBPL) | Flamingo Landbase Private Limited (FLPL) | Ram Walase | Shaivali Parekh | Gautam Lath | IL&FS Township & Urban Assets Ltd (ITUAL) | |
| Balance | | | | | | | | | | |
| Unsecured Loan taken/ given | | 68 89 00 000 | 2 44 88 005 | 1 84 26 000 | 34 48 000 | | | | | |
| Interest accrued but not due | | 7 42 26 068 | 82 76 130 | 57 36 883 | 8 76 635 | | | | | |
| Advance given (including interest net of TDS) | | | 14 27 23 474 | 3 17 34 238 | 6 41 74 873 | | | | | |
| Transactions | | | | | | | | | | |
| Unsecured Loan taken/ given | | | 11 75 000 | 5 50 000 | 4 25 000 | | | | | |
| Interest on Loans and advance taken/ given | | 4 21 46 032 | 2 02 51 615 | 64 01 453 | 83 10 789 | | | | | |
| Sitting Fee | | | | | | 22 224 | 22 224 | 22 224 | | |

refer note below



As per the draft MOU, to be executed between RLHL (LOC), Chirayu Kath Real Estate Pvt. Ltd. (LOC), Devika Buildestate Pvt. Ltd. (LOC), Flamingo Landbase Pvt. Ltd. (LOC) and IL&FS Township & Urban Assets Ltd. (ITUAL (Developer)), in respect of Alwar Land and Kishangarh land, ITUAL has incurred certain expenses/going to incur certain expenses till the execution of the joint Development Agreement, relating to land conversion, deployment of security guards, appointment of designers, architects, other consultants, construction of boundary wall, litigations etc.

As on 31.03.2016, the Development Agreement had not been executed and ITUAL had incurred Rs 94,65,276 being project related expenses in relation to land held with the Company.

Year ended April 01, 2015

(b) balances with above mentioned related parties

| Particulars | Amt Rs | | | | |
|---|--|---------------------------------------|---|--|--|
| | Road Infrastructure Development Company of Rajasthan Limited | IL&FS Transportation Networks Limited | Chirayu Kath Real Estate Private Limited (CKREPL) | Devika Build Estate Private Limited (DBPL) | Flamingo Landbase Private Limited (FLPL) |
| Balance | | | | | |
| Unsecured Loan taken/ given | 30,00,00,000 | 10,24,00,000 | 2,33,13,005 | 1,78,76,000 | 30,23,000 |
| Interest accrued but not due | 24,14,00,582 | 4,22,13,117 | 56,72,351 | 33,42,948 | 4,51,997 |
| Advance given (including interest net of TDS) | | | 12,61,31,518 | 2,80,39,061 | 5,67,14,485 |

As per our report attached

For S. Bhandari & Co.,

Chartered Accountants

FRN: 000560C

Rupal Kumbhat

Partner

M No. 401084

Date: 5th May, 2017

Place: Jaipur

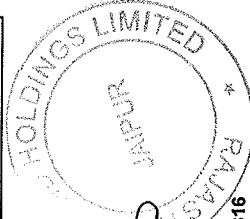
For and on behalf of the Board

Sandip Parekh

Director

Shailvi Parekh

DIN: 03612820



Gautam Lath

Director

Gautam Lath

DIN: 02735816