ICONIC REALTORS LIMITED

Directors' Report

Your Directors are pleased to present the Tenth Annual Report and the audited accounts for the year ended 31st March, 2017.

Financial Summary:

Amount in Rs.

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Total Income	**43,610**	525
Total Expenditure including Depreciation	**725,178**	30,640,618
Profit/(Loss) before tax	**(681,568)**	(30,640,093)
Less:		
Income Tax of earlier years	**--**	3,806
Deferred Tax/(Credit)	**12,385**	(9,403,372)
Profit/(Loss) after tax	**(693,953)**	(21,240,527)
Total Comprehensive Income	**(693,953)**	(21,240,527)

The change in the nature of business, if any:

There was no change in the nature of business of the Company during the year or subsequently.

State of the Company's Affairs:

During the year under review, your Company has incurred a loss of Rs.693,953/- (Rupees Six lacs Ninety Three Thousand Nine Hundred and Fifty Three only) as compared to the loss of Rs.21,240,527/- (Rupees Two Crore Twelve Lacs Forty Thousand Five Hundred and Twenty Seven Only) for the previous year.

Further, your Company has issued and allotted 1,500 Unsecured 0% Optionally Fully Convertible Debentures of Rs.1000/- each at par to holding Company, Jai Corp Limited in tranches during the year under review.

Amount proposed to be carried to general reserve and recommended to be paid by way of dividend:

In view of the loss for the year, your Directors do not recommend any dividend.

Extract of Annual Return:

Extract of Annual Return as provided under Section 92(3) of Companies Act, 2013 is given at **Annexure-1.**

Number of meetings of the Board:

7 meetings of the Board of Directors of the Company were held during the financial year 2016-17.

Details of Directors or Key Managerial Personnel who were appointed or have resigned during the year:

During the year under review, no Directors or Key Managerial Personnel were appointed.

Shri Subodh Agrawal (DIN 01993001) retires by rotation and, being eligible, has offered himself for the re-appointment at the ensuing Annual General Meeting.

Directors' Responsibility Statement:

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, it is hereby stated that:

(a) in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013 have been followed along with proper explanation relating to material departure(s).

(b) appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year at 31st March, 2017 and of the loss of the Company for that period.

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) the annual accounts for the financial year ended 31st March, 2017 have been prepared on a 'going concern' basis.

(e) internal financial controls have been laid down to be followed by the Company. The internal financial controls are adequate and are operating effectively.

(f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Statement on declaration given by Independent Directors under Sub-section (6) of Section 149:

The Independent Director has given respective declaration under Section 149(6) of the Companies Act, 2013.

Auditors and Auditors' Reports:

M/s Pathak H. D. & Associates, Chartered Accountants, Mumbai, hold office as statutory auditors of the Company until the conclusion of the ensuing Annual General Meeting.

There are no qualifications, reservations, or adverse remarks or disclaimers made by the Auditors, in their report.

M/s Pathak H. D. & Associates, Chartered Accountants, Mumbai expressed their unwillingness to continue as statutory auditors of the Company from the conclusion of ensuing Annual General Meeting vide their letter dated 12th May 2017.

It is now proposed to appoint M/s D T S and Associates, Chartered Accountants, Mumbai having registration number 142412W as a statutory auditors of the Company in place of M/s Pathak H. D. & Associates, Chartered Accountants from the conclusion of ensuing annual general meeting till the conclusion of 6th annual general meeting thereafter.

Your Company has received a certificate from M/s D T S and Associates, Chartered Accountants confirming their eligibility for appointment pursuant to the provisions of Section 139 read with section 141 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014.

Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013:

The Company has not given any loans, guarantees or investments under Section 186 of the Companies Act, 2013 during the financial year 2016-17.

Particulars of contracts or arrangements with Related Parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013:

There are no such contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report:

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and date of this Report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

NIL

Statement indicating development and implementation of a Risk Management Policy for the Company including identification therein of elements of risk, if any, which in the opinion of the board may threaten the existence of the Company:

In the opinion of the Board, the elements of risk threating the Company's existence are very minimal.

The names of Companies which have become or ceased to be Subsidiaries, Joint Ventures or Associate Companies during the year:

NIL

Details relating to deposits covered under Chapter V of the Act and deposits which are not in compliance with the requirements of Chapter V of the Act:

Company has not accepted any deposit covered under Chapter V of the Companies Act, 2013 of any deposit not in compliance with the requirements of Chapter V of the Companies Act, 2013.

The details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future:

No order was passed by any Regulator, Court or Tribunal impacting the going concern status and the Company's operations in future.

The details in respect of adequacy of internal financial controls with reference to the financial statements:

The Company has in place adequate internal control with reference to the financial statements. During the year such controls were put to test and were found to be adequate.

Employee related disclosures:

There is no employee on the pay roll of the Company.

Issue of Equity Shares with differential rights, sweat equity, employee stock option:

The Company has not issued any share with differential rights, sweat equity or as employee stock option.

Acknowledgement:

Your Directors express their grateful appreciation for the assistance and co-operation received from banks, Government authorities, customers, vendors and shareholders during the year under review.

For and on behalf of the Board of Directors

Subodh Agrawal
Director
(DIN 01993001)

Place : Mumbai
Date : 16.08.2017

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2017

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

I. Registration and Other Details:

i)	CIN	**U70102MH2007PLC173249**
ii)	Registration Date	**20.08.2007**
iii)	Name of the Company	**Iconic Realtors Ltd.**
iv)	Category / Sub-Category of the Company	**Public Company, Limited by Shares/Indian Non Government Company**
v)	Address of the Registered office and contact details	**11-B, Mittal Tower, Free Press Journal Marg, Nariman Point, Mumbai 400021**
vi)	Whether listed company Yes / No	**NO**
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	**NA**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

REAL ESTATE BUSSINESS ACTIVITY

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Real Estate	6810	NA

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name and Address of The company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1.	**Jai Corp Limited** Regd. Off: A-3, MIDC Industrial Area, Nanded, Maharashtra, 431603. Corporate Off: 11-B, Mittal Tower, Free Press Journal Marg, Nariman Point, Mumbai 400021	L17120MH1985PLC036500	Holding Company	100%	2 (46)

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

i) Category-wise Share Holding :

Category of Shareholders	**No. of Shares held at the beginning of the year (01.04.2016)**				**No. of Shares held at the end of the year (31.03.2017)**				**% Change During the year**
	Demat	**Physical**	**Total**	**% of Total**	**Demat**	**Physical**	**Total**	**% of Total**	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	75000	75000	100		75000	75000	100	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other…	0	0	0	0	0	0	0	0	0
Sub-Total (A) (1)		**75000**	**75000**	**100**		**75000**	**75000**	**100**	
(2) Foreign									
a) NRIs-Individuals									
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other…	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	0	**75000**	**75000**	**100**	0	**75000**	**75000**	**100**	0
B. **Public Shareholding**									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B) (1)	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0

ii) Overseas	0	0	0	0	0	0	0	0	0
b) **Individuals**									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2)	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
1. **Shares held by Custodian for GDRs & ADRs**	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	**75000**	**75000**	**100**	0	**75000**	**75000**	**100**	0

(ii) **Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2016)			Shareholding at the end of the year (As on 31.03.2017)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share Holding during the year
1.	Jai Corp Ltd.	0	0		75000	100	0	0
	Total	**75000**	**100**	**0**	**75000**	**100**	**0**	**0**

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

Sr. No.		Shareholding at the beginning of the year. (As on 01.04.2016)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the Company
1.	Jai Corp Ltd.				
	Opening Balance	75000	100	75000	100
	Date wise increase/(decrease)			0	0
	Closing Balance			**75000**	**100**

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

Sr. No.		Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year	
	For each of the top 10 shareholders	**No. of Shares**	**% of total Shares of the company**	**No. of Shares**	**% of total Shares of the Company**
	At the beginning of the year	**NIL**			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	**NIL**			
	At the end of the year (or on the date of separation, if separated during the year)	**NIL**			

(v) Shareholding of Directors and Key Managerial Personnel:

Sr.No.		Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	**No. of Shares**	**% of total Shares of the company**	**No. of Shares**	**% of total Shares of the Company**
	At the beginning of the year	**NIL**			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	**NIL**			
	At the end of the year (or on the date of separation, if separated during the year)	**NIL**			

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	**Unsecured Loans**	**Deposits**	**Total**
Indebtedness at the beginning of the financial year				
i) Principal Amount				
Jai Corp Ltd.(JCL) Loan	--	--	--	--
JCL Debentures	--	1191550000	--	1191550000
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	**--**	**1191550000**	**--**	**1191550000**
Change in Indebtedness during the financial year				
Additions				
Jai Corp Ltd. (JCL) Loan	--	--	--	--
JCL Debentures	--	1500000	--	1500000
Interest Due	--	--	--	--
Total Additions	**--**	**1500000**	**--**	**1500000**
Reductions	--	--	--	--
Total Reductions	**--**	**--**	**--**	**--**
Net Change	**--**	**1193050000**	**--**	**1193050000**
Indebtedness at the end of the financial year				
i) Principal Amount	--	--	--	--
Debentures	--	**1193050000**	--	--
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	**--**	**1193050000**	**--**	**--**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A: Remuneration to Managing Director, Whole Time Directors and/or Manager :NIL

Sr.No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act,1961	NIL				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961					
2.	Stock Option					
3.	Sweat Equity					
4.	Commission :- - as % of profit					
	- others, specify…					
5.	Others, please specify…					
	Total (A)	NIL				
	Ceiling as per the Act:- Since there is no profit, Part II Section II (A) of Schedule V is applicable.					60,00,000

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Name of the Directors		Total Amount
1.	**Independent Directors**			
	Fee for attending board / committee meetings	**NIL**		**NIL**
	Commission			
	Others, please specify			
	Total (1)			
2	**Other Non-Executive Directors**			
	Fee for attending board / committee meetings			
	Commission			
	Others, please specify			
	Total (2)	**NIL**		
	Total B= (1) + (2)	**NIL**		**NIL**
	Total Managerial Remuneration			**NIL**
	Overall Ceiling as per the Act :- Since there is no profit, Part II Section II (A) of Schedule V is applicable.			**60,00,000**

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

NOT APPLICABLE

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Independent Auditor's Report

To the Members of
Iconic Realtors Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **ICONIC REALTORS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of state of affairs (financial position), profit (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 and read with relevant rules issued thereunder.

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

Auditors' Responsibility

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

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

We conducted our audit 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.

Emphasis of Matter

We draw attention to the note 6.1 and 6.2 of the Ind AS financial statement, in respect of non-receipts of balance confirmation for advances given for purchase of land and legal action for non- execution of sales deed.

Our opinion is not qualified in respect of above matters.

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, of the state of affairs of the Company as at 31st March, 2017, and its loss including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with the relvant rules thereunder.

e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act;

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

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

   (a) The Company has disclosed the impact of pending litigation its financial position in its financial statements as referred to in Note No 6.1 and 24 to the Ind AS financial statements.

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

   (c) There has been no amounts during the year, which required to be transferred, to the Investor Education and Protection Fund by the Company;

   (d) The disclosure requirement as envisaged in the Notification G.S.R. 308 (E) dated 30th March, 2017 is not applicable to the Company as Company does not have any cash balance during the year ended 31st March 2017.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, we give in **"Annexure B"** hereto, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No: 107783W

Mukesh Mehta
Partner
Membership No. 43495

Place: Mumbai
Date: 25th May, 2017

“ANNEXURE A” TO INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the members of Iconic Realtors Limited on the Ind AS financial statements for the year ended 31st March, 2017)

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

We have audited the internal financial controls over financial reporting of **Iconic Realtors Limited (“the Company”)** as of 31st March, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) 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 Act.

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No: 107783W

Mukesh Mehta
Partner
Membership No. 43495

Place: Mumbai
Date: 25th May, 2017

"ANNEXURE B" TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Iconic Realtors Limited on the Ind AS financial statements for the year ended 31st March, 2017)

i. In respect of its fixed assets:
The Company does not have any fixed assets; hence the provisions of Clause (i) of paragraph 3 of the said order are not applicable to the Company.

ii. In respect of its inventories:
The Company has inventories only in relation to the development projects in progress. It does not have any other inventories during the year. The management has physically verified the project under development and no discrepancies were noticed. The Company has maintained the proper records for these projects.

iii. In respect of loans, secured / unsecured,
The Company does not granted any loan, secured or unsecured, to companies, firm or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 and hence the provisions of Clause (iii) of paragraph 3 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 has complied with the provisions of sections 185 & 186 of the Act as applicable, in respect of making investments.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of paragraph 3 (v) of the Order are not applicable to the Company.

vi. According to the information and explanations given to us, cost records pursuant to Companies (Cost Records & Audit) Rules 2014 prescribed by Central Government under section 148 (1) (d) of the Act are applicable in respect of the activities carried out by the Company. However maintenance of Cost records is not applicable to the Company as the company does not fall under the prescribed threshold limits.

vii. According to the information and explanations given to us in respect of statutory dues:

a. The company has been generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
b. The disputed statutory dues aggregating to Rs.5,71,26,233/- that have not been deposited on account of matters pending before appropriate authorities are as under :-

Name of the Statute	Nature of the Dues	Amount in Rs.	Period	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	5,36,45,512* 34,80,721#	AY 2008-09 AY 2009-10	Commissioner of Income Tax (Appeal)
Total		**5,71,26,233/-**		

(*) Net of Rs.12, 39, 00,000/- deposited under protest.

(#) Net of Rs.1, 91, 40,000/- deposited under protest.

viii. Based on our audit procedures and according to the information and explanations given by the management, the Company did not have any loans from banks, financial institutions or by way of debentures and hence the provisions of clause (viii) of paragraph 3 of the said order are not applicable to the company.

ix. According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and no term loan was raised during the year. Therefore, the provisions of paragraph 3 (ix) of the order are not applicable to the Company.

x. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and on the basis of information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations give to us the Company has not paid/ provided managerial remuneration and hence the provision of clause (xi) of paragraph 3 of the Order, are not applicable to the Company.

xii. In our opinion and according to the information and explanations, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

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

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of paragraph 3 (xiv) of the Order 2016 are not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, the provisions of paragraph 3 (xv) of the Order are not applicable to the Company.

xvi. In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No: 107783W

Mukesh Mehta
Partner
Membership No. 43495

Place: Mumbai
Date : 25th May, 2017

ICONIC REALTORS LIMITED

Balance sheet as at 31st March 2017

(Amount in Rs)

Particulars	Note	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
I. ASSETS				
1 Non-current assets				
a) Non-current tax assets (Net)	2	143,040,000	143,040,000	143,043,806
2 Current assets				
a) Inventories	3	525,048,279	525,035,708	523,012,059
b) Financial assets				
i) Investments	4	1,024,135	200,525	-
ii) Cash and cash equivalents	5	31,988	50,142	32,631
c) Other current assets	6	523,090,241	523,090,241	519,899,741
TOTAL ASSETS		**1,192,234,643**	**1,191,416,616**	**1,185,988,237**
II. EQUITY AND LIABILITIES				
Equity				
a) Equity share capital	7	750,000	750,000	750,000
b) Other equity	8	1,191,457,721	1,190,651,674	20,342,202
Liabilities				
1 Non-current liabilities				
a) Financial liabilities				
i) Borrowings	9	-	-	788,210
b) Deferred tax liabilities (Net)	10	12,547	162	9,403,534
2 Current liabilities				
a) Financial liabilities				
i) Other financial liabilities	11	14,375	14,780	1,154,508,073
b) Other current liabilities	12	-	-	196,219
TOTAL EQUITY & LIABILTIES		**1,192,234,643**	**1,191,416,616**	**1,185,988,237**
Significant accounting policies	1			
Notes to the financial statements	1-26	**-**	**-**	**-**

As per our report of even date
For Pathak H. D. & Associates
Chartered Accountants
(Firm Registration No.107783W)

For and on behalf of the Board of Directors

Mukesh Mehta
Partner
Membership No. 43495

Satyapal Jain
Director
(DIN 00011774)

Subodh Agarwal
Director
(DIN 01993001)

Place : Mumbai
Date : 25th May 2017

ICONIC REALTORS LIMITED

Statement of Profit and Loss for the year ended 31st March 2017

(Amount in Rs)

Sl. No.	Particulars	Note	For the year ended 31st March 2017	For the year ended 31st March 2016
I.	Other Income	13	43,610	525
II.	**Total Revenue**		**43,610**	**525**
III.	Expenses:			
	Land Development Expenses	14	12,571	2,023,649
	Changes in Inventories of Work-in-progress	15	(12,571)	(2,023,649)
	Finance Costs	16	-	30,469,492
	Other Expenses	17	725,178	171,126
	Total Expenses		**725,178**	**30,640,618**
IV.	**Loss Before Exceptional items and Tax (II-III)**		**(681,568)**	**(30,640,093)**
V.	Exceptional items		-	-
VI.	**Loss Before Tax (IV-V)**		**(681,568)**	**(30,640,093)**
VII.	Tax Expense:			
	(i) Earlier year Income Tax		-	3,806
	(ii) Deferred Tax Expenses/(Credit)	18	12,385	(9,403,372)
			12,385	**(9,399,566)**
VIII.	**Net Loss After Tax (VI-VII)**		**(693,953)**	**(21,240,527)**
IX.	**Other Comprehensive Income (OCI)**		**-**	**-**
X.	**Total Comprehensive Income for the year (VIII+IX)**		**(693,953)**	**(21,240,527)**
XI.	Earnings per Equity Share:	19		
	Basic & Diluted (in Rs.)		(9.25)	(283.21)
	Face Value per Share (in Rs.)		10	10
	Significant Accounting Policies	1		
	Notes to the financial statements	1-26		

As per our report of even date
For Pathak H. D. & Associates
Chartered Accountants
(Firm Registration No.107783W)

For and on behalf of the Board of Directors

Mukesh Mehta
Partner
Membership No. 43495

Satyapal Jain
Director
(DIN 00011774)

Subodh Agarwal
Director
(DIN 01993001)

Place : Mumbai
Date : 25th May 2017

ICONIC REALTORS LIMITED

Notes to the Financial Statements for the year ended on 31st March, 2017

Statement of changes in equity (Amount in Rs)

Equity share capital	Number of shares	Amount
As at 1st April 2015	**75,000**	**750,000**
Changes during the year	-	-
As at 31st March 2016	**75,000**	**750,000**
Changes during the year	-	-
As at 31st March 2017	**75,000**	**750,000**

B. Other equity

2015-16 (Amount in Rs)

Particulars	Reserves and surplus	Equity component of loans from parent company	Optionally fully convertible debentures	Total
	Retained earnings			
Opening balance as at 1st April 2015	(148,924,738)	169,266,940		**20,342,202**
Total comprehensive income for the year				
Loss for the year	(21,240,527)	-	-	**(21,240,527)**
Transactions with Owner in capacity of the Owner				
Optionally fully convertible debentures issued during the year	-	-	1,191,550,000	**1,191,550,000**
Closing balance as at 31st March 2016	**(170,165,265)**	**169,266,940**	**1,191,550,000**	**1,190,651,674**

ICONIC REALTORS LIMITED

Notes to the Financial Statements for the year ended on 31st March, 2017

2016-17

(Amount in Rs)

Particulars	Reserves and surplus	Equity component of loans from parent	Optionally fully convertible debentures	Total
	Retained earnings			
Opening balance as at 1st April 2016	(170,165,265)	169,266,940	1,191,550,000	**1,190,651,674**
Total comprehensive income for the year				
Loss for the year	(693,953)	-	-	**(693,953)**
Transactions with Owner in capacity of the Owner				
Optionally fully convertible debentures issued during the year	-	-	1,500,000	**1,500,000**
Closing balance as at 31st March 2017	**(170,859,219)**	**169,266,940**	**1,193,050,000**	**1,191,457,721**

As per our report of even date

For Pathak H. D. & Associates

Chartered Accountants

(Firm Registration No.107783W)

For and on behalf of the Board of Directors

Mukesh Mehta

Partner

Membership No. 43495

Satyapal Jain

Director

(DIN 00011774)

Subodh Agarwal

Director

(DIN 01993001)

Place : Mumbai

Date : 25th May 2017

ICONIC REALTORS LIMITED

Cash Flow Statement for the year ended 31st March 2017

(Amount in Rs)

	Particulars	For the year ended 31st March 2017		For the year ended 31st March 2016	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Loss before tax as per Statement of Profit and Loss		(681,568)		(30,640,093)
	Adjusted for :				
	Finance Cost	-		30,469,492	
	Fair value gains / losses on Financial assets classified and measured at FVTPL	(40,523)		(525)	
	Profit on Sale of Current Investments	(3,087)		-	
			(43,610)		**30,468,967**
	Operating Loss before Working Capital Changes		**(725,178)**		**(171,126)**
	Adjusted for :				
	Inventories		(12,571)		(2,023,649)
	Other receivables		-		(3,190,500)
	Trade and Other Payables		(405)		(205,690)
	Cash generated from operations		**(738,154)**		**(5,590,965)**
	Net Cash Used in Operating Activities		**(738,154)**		**(5,590,965)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Investments		(1,000,000)		(200,000)
	Sale of Investments		220,000		-
	Net Cash (used in) Investing Activities		**(780,000)**		**(200,000)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Long term Borrowings		1,500,000		1,194,245,342
	Repayment of Long Term Loans		-		(1,188,365,683)
	Interest Paid		-		(71,184)
	Net Cash (used in) Financing Activities		**1,500,000**		**5,808,475**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		**(18,154)**		**17,511**
	Opening Balance of Cash and Cash Equivalents		50,142		32,631
	Closing balance of Cash and Cash Equivalents		**31,988**		**50,142**
	Components of Cash and Cash Equivalents:				
	Balances with Banks in Current Accounts		31,988		50,142
	Cheques, Drafts in Hand				

1 Bracket indicates cash outflow.
2 Previous year figures have been regrouped, reclassified and rearranged wherever necessary
3 The above statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flow.

As per our report of even date
For Pathak H. D. & Associates
Chartered Accountants
(Firm Registration No.107783W)

For and on behalf of the Board of Directors

Mukesh Mehta
Partner
Membership No. 43495

Satyapal Jain
Director
(DIN 00011774)

Subodh Agarwal
Director
(DIN 01993001)

Place : Mumbai
Date : 25th May 2017

ICONIC REALTORS LIMITED

Notes to the Financial Statements for the year ended 31st March, 2017

	Company Information
	Iconic Realtors Limited ('the Company') is a company limited by shares and is domiciled in India. The Company's registered office is at **11B, Wing, Mittal Tower, Free press journal Marg, Nariman Point, Mumbai - 400 021.** These financial statements are the separate financial statements of the company. The company is primarily involved in Real estate business.
	Basis of Preparation
	The separate financial Statements have been prepared to comply in all material aspects with the Accounting Standards notified under Section 133 of Companies Act, 2013 as per Companies (Indian Accounting Standards (Ind AS)) Rules, 2015 and other relevant provisions of the Companies Act, 2013 and rules framed thereunder. Till the year ended 31st March 2016 the financial statement of the company have been prepared as Companies (Accounting Standards) Rules, 2006 as amended and other relevant provisions of the Companies Act, 2013 and rules framed thereunder. These are the first Ind AS Financial statements of the company. As per the principles of Ind AS 101, the transition date to Ind AS is 1st April 2015 and hence the comparatives for the previous year ended 31st March 2016 and balances as on 1st April 2015 have been restated as per the principles of Ind AS. The Financial Statements have been prepared under the historical cost convention and on accrual basis, except for certain financial assets and liabilities measured at fair value.
1	**Significant accounting policies**
a	**Income taxes**
	The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.
b	**Investments and financial assets**
	Classification The company classifies its financial assets in the following measurement categories: • those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and • those measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the company measures a financial asset at its fair value except investments in subsidiaries and associates plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Measurement of debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

• **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost, is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

• **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

• **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss, is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the year in which it arises. Interest income from these financial assets is included in other income.

Measurement of equity instruments

The company subsequently measures all equity investments at fair value except invevestments in subsidiaries and associates. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets measured at fair value through profit or loss are recognised as other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognised only when

• The company has transferred the rights to receive cash flows from the financial asset or

• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

c	**Borrowings and other financial liabilities**
	Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial is recognised as an asset / liability based on the underlying reason for the difference. Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method Preference shares which are redeemable on a specific date are classified as a financial liability. Dividends on preference shares are recognised in statement of profit and loss. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss. The gain / loss is recognised in other equity in case of transaction with shareholders.
d	**Provisions, contingent liabilities and contingent assets**
	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. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.
e	**Borrowing costs**
	Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the statement of profit and loss as finance costs.
f	**Earnings per share**
	Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.
g	**Cash and cash equivalents**
	For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.
h	**Inventories**
	Cost of inventories consists of cost of land, land development expenses, material services, construction cost, interest and financial charges and other expenses related to project under development. In general, all Inventories of land are stated at lower of cost and net realisable value.

Note 2 - Non current tax assets (Net) (Amount in Rs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Income-tax	143,040,000	143,040,000	143,043,806
Total	**143,040,000**	**143,040,000**	**143,043,806**

2.1 Income Tax includes of **Rs. 14,30,40,000** (Rs. 14,30,40,000 as at 31st March, 2016 and Rs. 14,30,40,000 as at 1st April, 2015) as deposit against Income Tax Appeal.

Note 3 - Inventories (Amount in Rs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Work-in-progress	525,048,279	525,035,708	523,012,059
Total	**525,048,279**	**525,035,708**	**523,012,059**

3.1 Refer Note 1 (h) for mode of valuation of inventories

Note 5 - Cash and Cash Equivanents (Amount in Rs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Cash and Cash Equivalents			
Balances with Banks in Current Accounts	31,988	50,142	32,631
Total	**31,988**	**50,142**	**32,631**

5.1 For the purpose of the statement of cash flow, cash and cash equivalnets comprise the followings: (Amount in Rs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Balances with Banks in Current Accounts	31,988	50,142	32,631
Total	**31,988**	**50,142**	**32,631**

Note 6 - Other current assets (Amount in Rs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Advances other than capital advances			
Advance towards Purchase of Land (Refer Note 6.1 Below)	522,590,241	522,590,241	519,379,741
Advance for Expenses	500,000	500,000	520,000
Total	**523,090,241**	**523,090,241**	**519,899,741**

6.1 Advances towards Purchase of Land includes Rs. 42,50,000/- given to party in earlier year, in respect of which the Company has initiated legal action for non execution of conveyance deed/Tri-parties Agreement. The management is of the view that the full amount is recoverable and hence no provisions for doubtful advances is necessary.

6.2 Advances towards Purchase of Land are subject to confirmation , though management is confident of recovery.

ICONIC REALTORS LIMITED

Notes to the Financial Statements for the year ended 31st March, 2017

Note 4 - Current investments

(Amount in Rs)

Particulars	As at 31st March 2017			As at 31st March 2016			As at 1st April 2015		
	Quantity (No's)	Face value	Amount	Quantity (No's)	Face value	Amount	Quantity (No's)	Face value	Amount
Financial assets classified and measured at fair value through profit or loss									
a) In Mutual funds - Unquoted fully paid up									
Birla Sun Life Floating Rate Fund Short Term Plan	4,723	100	1,024,135	994	100	200,525	-	-	-
Total Units in Mutual Funds at FVTPL			**1,024,135**			**200,525**			**-**
Total current investments			**1,024,135**			**200,525**			**-**
Aggregate amount of quoted investments and market value thereof			**-**			**-**			**-**
Aggregate amount of unquoted investments			1,024,135			200,525			-
						-			-

ICONIC REALTORS LIMITED

Notes to the Financial Statements for the year ended 31st March, 2017

Note 7 - Equity share capital

(Amount in Rs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Authorised:			
85,000 Equity Shares of Rs. 10 each	850,000	850,000	850,000
(85,000 Equity Shares of Rs. 10 each as at 31st March, 2016 and as at 1st April, 2015)			
15,000 1% Optionally Convertible Non-Cumulative, Redeemable	150,000	150,000	150,000
(15,000 Pref Shares of Rs. 10 each as at 31st March, 2016 and as at 1st April, 2015)			
Total	1,000,000	1,000,000	1,000,000

Issued, Subscribed & Paid-up:			
75,000 Equity Shares of Rs. 10 each fully paid up	750,000	750,000	750,000
(75,000 Equity Shares of Rs. 10 each as at 31st March, 2016 and as at 1st April, 2015)			
Total	750,000	750,000	750,000

7.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year:

Particulars	2016-17		2015-16		2014-15	
	(In Nos.)	(Figures in Rs)	(In Nos.)	(Figures in Rs)	(In Nos.)	(Figures in Rs)
Shares outstanding at the beginning of the year	75,000	750,000	75,000	750,000	75,000	750,000
Shares outstanding at the end of the year	75,000	750,000	75,000	750,000	75,000	750,000

7.2 Terms / Rights attached to the Equity Shares

Holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by shareholders.

7.3 Details of shares in the Company held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Equity Shares:						
(Including equity shares held jointly with nominees)						
Jai Corp Limited	75,000	100%	75,000	100%	-	-
Jai Realty Ventures Limited	-	-	-	-	75,000	100%

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Notes to the Financial Statements for the year ended 31st March, 2017

Note 8 - Other equity

(Amount in Rs)

Particulars	As at 31st March 2017	As at 31st March 2016
Retained earnings		
Opening balance	(170,165,265)	(148,924,738)
Add: Net profit for the year	(693,953)	(21,240,527)
Closing balance	(170,859,219)	(170,165,265)
Nature and Purpose - Retained earnings represent the accumulated profits / losses made by the company over the years.		

(Amount in Rs)

Particulars	As at 31st March 2017	As at 31st March 2016
Equity component on interest free loans from parent company		
Opening balance	169,266,940	169,266,940
Transaction during the year	-	-
Closing balance	169,266,940	169,266,940
Nature and purpose - The difference between the fair value of interest free loans on the date of issue and the transaction price is recognised as a deemed equity component by the parent company. Estimation of fair value - For computation of the below fair value benefit, the company has estimated the fair value of the financial liability on the date of issue by considering comparable market interest rates adjusted to the facts and circumstances relevant to the company.		

(Amount in Rs)

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Notes to the Financial Statements for the year ended 31st March, 2017

Particulars	As at 31st March 2017	As at 31st March 2016
Optionally fully convertible debentures issued to parent treated as equity		
Opening balance	1,191,550,000	-
Issued during the year	1,500,000	1,191,550,000
Redeemed during the year		-
Closing balance	1,193,050,000	1,191,550,000

Nature and purpose - The optionally fully convertible debentures issued to parent company are treated as equity.

Terms - 1,188,800 (1,188,800 as at 31st March 2016 and Nil as at 1st April 2015) Zero% Optianally Fully Convertible Debenture (OFCD) of Rs. 1,000/- each are redeemable at face value at the option of the Company at any time from the date of allotment i.e. 21st July,2015 but before the end of 20 years. The holder of the OFCD have the option to convert each OFCD in to 100 equity shares of face vaue of Rs. 10/- each of the Company at any time from the date of allotment during the tenure of OFCD.

1,400 (1,400 as at 31st March 2016 and Nil as at 1st April 2015) Zero% Optianally Fully Convertible Debenture (OFCD) of Rs. 1,000/- each are redeemable at face value at the option of the Company at any time from the date of allotment i.e. 5th October,2015 but before the end of 20 years. The holder of the OFCD have the option to convert each OFCD in to 100 equity shares of face vaue of Rs. 10/- each of the Company at any time from the date of allotment during the tenure of OFCD.

700 (700 as at 31st March 2016 and Nil as at 1st April 2015) Zero% Optianally Fully Convertible Debenture (OFCD) of Rs. 1,000/- each are redeemable at face value at the option of the Company at any time from the date of allotment i.e. 10th October,2015 but before the end of 20 years. The holder of the OFCD have the option to convert each OFCD in to 100 equity shares of face vaue of Rs. 10/- each of the Company at any time from the date of allotment during the tenure of OFCD.

650 (650 as at 31st March 2016 and Nil as at 1st April 2015) Zero% Optianally Fully Convertible Debenture (OFCD) of Rs. 1,000/- each are redeemable at face value at the option of the Company at any time from the date of allotment i.e. 2nd January,2016 but before the end of 20 years. The holder of the OFCD have the option to convert each OFCD in to 100 equity shares of face vaue of Rs. 10/- each of the Company at any time from the date of allotment during the tenure of OFCD.

500 (Nil as at 31st March 2016 and Nil as at 1st April 2015) Zero% Optianally Fully Convertible Debenture (OFCD) of Rs. 1,000/- each are redeemable at face value at the option of the Company at any time from the date of allotment i.e. 18th June,2016 but before the end of 20 years. The holder of the OFCD have the option to convert each OFCD in to 100 equity shares of face vaue of Rs. 10/- each of the Company at any time from the date of allotment during the tenure of OFCD.

1,000 (Nil as at 31st March 2016 and Nil as at 1st April 2015) Zero% Optianally Fully Convertible Debenture (OFCD) of Rs. 1,000/- each are redeemable at face value at the option of the Company at any time from the date of allotment i.e. 28th October,2016 but before the end of 20 years. The holder of the OFCD have the option to convert each OFCD in to 100 equity shares of face vaue of Rs. 10/- each of the Company at any time from the date of allotment during the tenure of OFCD.

(Amount in Rs)

Total other equity as at 31st March 2017	
1-Apr-15	20,342,202
31-Mar-16	1,190,651,674
31-Mar-17	1,191,457,721

Note 9 - Non - current financial liabilities - Borrowings (Amount in Rs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Borrowings other than from banks			
Unsecured			
Loan from Related Party (Refer note 9.1 below)	-	-	788,210
Total	**-**	**-**	**788,210**

9.1 The above unsecured loan amount of **Rs. Nil** (Rs. NIL as at 31st March, 2016 and Rs. 788,210/- as at 1st April, 2015) from holding company, which carry interest at the rate from 8% to 9 % p.a., is repayable on 31st March 2025 with an option to the Company to repay earlier if sufficent funds are available with the Company.

Note 10 - Deferred tax liabilities (Net) (Amount in Rs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Deferred Tax Liabilities			
Related to interest free loan from parent company	-	-	9,403,534
Taxable temporary differences on financial assets measured at FVTPL	12,547	162	
Net deferred tax liability	**12,547**	**162**	**9,403,534**

10.1 Movement in Deferred Tax Liabilites (Amount in Rs)

Particulars	Loan from parent company	Financial assets measured at FVTPL	Total
As at 1st April, 2015	9,403,534	-	9,403,534
Charged/(Credited)			
- to Profit & Loss	(9,403,534)	162	(9,403,372)
As at 31st March, 2016	-	162	162
(Charged)/Credited			
- to Profit & Loss	-	12,385	12,385
As at 31st March, 2017	-	12,547	12,547

10.2 Unrecognised deferred tax assets:

a) Tax Losses

The Company has the following unused tax losses which arose on incurrence of business losses under the Income Tax Act, 1961 for which no deferred tax asset has been recognised in the Balance Sheet

(Amount in Rs)

In relataion to Financial Year ending	As at 31st March 2017	Expiry Year	As at 31st March 2016	Expiry Year
2008-09	-	-	84,457	2016-2017
2009-10	56,784	2017-2018	56,784	2017-2018
2010-11	57,023	2018-2019	57,023	2018-2019
2011-12	84,778	2019-2020	84,778	2019-2020
2012-13	20,189	2020-2021	20,189	2020-2021
2013-14	27,298	2021-2022	27,298	2021-2022
2014-15	76,717	2022-2023	76,717	2022-2023
2015-16	208,470	2023-2024	208,470	2023-2024
2016-17	721,648	2024-2025	-	-

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Notes to the Financial Statements for the year ended 31st March, 2017

Note 11 - Other current financial liabilities

(Amount in Rs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Other payables	14,375	14,780	24,250
Current Maturities of non-current borrowings	-	-	1,154,483,823
Total	**14,375**	**14,780**	**1,154,508,073**

Note 12 - Other current liabilities

(Amount in Rs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Statutory Dues	-	-	196,219
Total	**-**	**-**	**196,219**

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Notes to the Financial Statements for the year ended 31st March, 2017

Note 13 - Other income

(Amount in Rs)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Profit on Sale of Current Investments	3,087	-
Fair value changes (net) on financial assets classified as fair value through profit and loss - (net expense)	40,523	525
Total	**43,610**	**525**

Note 14 - Purchase of stock in trade

(Amount in Rs)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Approval Cost	-	336,449
Land Development Expenses	12,571	-
Professional Charges	-	1,685,400
Other Expenses	-	1,800
Total	**12,571**	**2,023,649**

Note 15 - Changes in Inventories of Work-in-progress

(Amount in Rs)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
At the end of the year		
Work-in-Progress	525,048,279	525,035,708
At the beginning of the Year		
Work-in-Progress	525,035,708	523,012,059
Changes in Inventories of Work-in-progress	**(12,571)**	**(2,023,649)**

Note 16 - Finance costs

(Amount in Rs)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Interest on Borrowings	-	30,469,492
Total	**-**	**30,469,492**

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Notes to the Financial Statements for the year ended 31st March, 2017

Note 17 - Other expenses

(Amount in Rs)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Rent	68,700	68,400
Rates and Taxes	101,726	2,500
Legal, Professional and Consultancy Charges	534,400	52,870
Payment to Auditors - Audit Fees	14,375	14,375
Bank Charges	876	473
Other Expenses	5,101	32,508
Total	**725,178**	**171,126**

Note 18 - Tax expense

(Amount in Rs)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Deferred taxes		
Change in deferred tax assets	-	9,403,372
Change in deferred tax liabilities	12,385	-
	12,385	**(9,403,372)**
Total	**12,385**	**(9,403,372)**

Note 18.1 - Tax reconciliation (for profit and loss)

(Amount in Rs)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Profit before income tax expense	(681,568)	(30,640,093)
Tax at the rate of 33.063%	(225,347)	(10,130,534)
Tax Assets not created	225,347	10,130,534
Fair Value of Financial Assets/liabilties	12,385	(9,403,372)
Tax expense for the year	**12,385**	**(9,403,372)**

Note 19 - Earnings per share

(Amount in Rs)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Net Profit / (loss) after tax for the year (Rs.)	(693,953)	(21,240,527)
Profit / loss attributable to equity share holders (Rs.)	**(693,953)**	**(21,240,527)**
Weighted Average Number of equity shares outstanding during the year for Basic EPS and Diluted EPS (in Nos)	75,000	75,000
Basic and Diluted Earnings Per Share (Rs.)	(9.25)	(283.21)
Face Value per Share (Rs.)	10	10

Reconciliation between number of shares used for calculating basic and diluted earning per share

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Number of Shares Used for calculating Basic EPS	75,000	75,000
Add:- Potential Equity Shares on conversion (Weighted)	119,236,557	83,000,574
Number of Shares used for Calculating Diluted EPS	**119,311,557**	**83,075,574**

19.1 Effects of conversions of Zero Coupon Optionally Fully Convertible Debentures into Equity Share are resulting in anti diluted hence the effect of the same is ignored for the purpose of diluted earnings per share.

20 Fair value measurements

Financial instruments by category: (Amount in Rs.)

	As at 31st March 2017			As at 31st March 2016			As at 1st April 2015		
Particulars	**FVOCI**	**FVTPL**	**Amortised cost**	**FVOCI**	**FVTPL**	**Amortised cost**	**FVOCI**	**FVTPL**	**Amortised cost**
Financial assets									
Current assets									
Investment in mutual funds	-	1,024,135	-	-	200,525	-	-	-	-
Cash and cash equivalents	-	-	31,988	-	-	50,142	-	-	32,631
Total financial assets	**-**	**1,024,135**	**31,988**	**-**	**200,525**	**50,142**	**-**	**-**	**32,631**
Financial liabilities									
Non-current liabilities									
Borrowings	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	788,210
Current liabilities									
Current Maturities of non-current borrowings	-	-	-	-	-	-	-	-	1,154,483,823
Other financial liabilities	-	-	14,375	-	-	14,780	-	-	24,250
Total financial liabilities	**-**	**-**	**14,375**	**-**	**-**	**14,780**	**-**	**-**	**1,155,296,283**

Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount 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.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1: hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price and financial instruments like Mutual Funds for which NAV is published by Mutual Fund Operator. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period and Mutual Fund are valued using the Closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments in the level 2 category for the company include forward exchange contract derivatives.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in this level. Instruments in level 3 category for the company include unquoted equity shares and FCCDs, unquoted units of mutual funds and unquoted units of venture capital funds

Financial assets and liabilities measured at fair value at each reporting date (Amount in Rs.)

	As at 31st March 2017			As at 31st March 2016			As at 1st April 2015		
Financial assets	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial assets measured at FVTPL									
Investment in mutual funds	1,024,135	-	-	200,525	-	-	-	-	-
Total	**1,024,135**	**-**	**-**	**200,525**	**-**	**-**	**-**	**-**	**-**

During the years mentioned above, there have been no transfers amongst the levels of hierarchy.

Fair value for assets measured at amortised cost

The carrying amounts of cash and cash equivalents, borrowings and other financial liabilities are considered to be approximately equal to the fair value.

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Notes to the Financial Statements for the year ended 31st March, 2017

21 Financial risk management

The company is exposed to credit risk, liquidity risk and Market risk.

A Credit risk

Credit risk arises from cash and cash equivalents carried at amortised cost.

Credit risk management

To manage the credit risk bank balances are held with only high rated banks.

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings and

Liquidity risk management

The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

As at 31st March 2017 (Amount in Rs.)

Particulars	Less than 6 months	6 months to 1 year	Between 1 and 5 years	Beyond 5 years	Total
Other current financial liabilities	14,375	-	-	-	14,375
Total	**14,375**	**-**	**-**	**-**	**14,375**

As at 31st March 2016 (Amount in Rs.)

Particulars	Less than 6 months	6 months to 1 year	Between 1 and 5 years	Beyond 5 years	Total
Other current financial liabilities	14,780	-	-	-	14,780
Total	**14,780**	**-**	**-**	**-**	**14,780**

As at 1st April 2015 (Amount in Rs.)

Particulars	Less than 6 months	6 months to 1 year	Between 1 and 5 years	Beyond 5 years	Total
Non-current borrowings	-	-	-	788,210	788,210
Current maturities of non-current borrowing	1,154,483,823	-	-	-	1,154,483,823
Other current financial liabilities	24,250				24,250
Total	**1,154,508,073**	**-**	**-**	**788,210**	**1,155,296,283**

C	**Market risk**
	Price risk
	The company holds investments in mutual funds. The Company's exposure to equity security's price risks arises from these investments held by the Company and classified in the balance sheet at fair value through profit or loss. **Price risk management**
	The company evaluates the performance of its investees on a periodic basis. In case, the investments are not performing adequately for a longer duration, the group sells or elects an exit from those investments.

Sensitivity for mutual fund Investments (Amount in Rs)

	Impact on profit/(loss) (Before Tax)	
	31st March, 2017	**31st March, 2016**
Mutual Funds		
Increase in price by1%	10,241.35	2,005.25
Decrease in price by1%	(10,241.35)	(2,005.25)

22	**Capital Management**

22.1 Risk management

For the purpose of Company's capital management, capital includes issued capital, all other equity reserves and debts. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using net gearing ratio, which is net debt divided by total capital (equity plus net debt). Net debt are non-current and current debts as reduced by cash and cash equivalents. Equity comprises all components including other comprehensive income.

The capital composition is as follows: (Amount in Rs)

	31st March, 2017	**31st March, 2016**	**1st April, 2015**
Total debts	-	-	1,155,272,033
Less: Cash and Cash Equivalents	31,988	50,142	32,631
Net Debts	(31,988)	(50,142)	1,155,239,402
Total equity	1,192,207,721	1,191,401,674	21,092,202
Total Capital (Net Debt plus Total Equity)	1,192,175,733	1,191,351,532	1,176,331,603
Net Gearing Ratio	**-**	**-**	**0.98**

ICONIC REALTORS LIMITED

Notes to the Financial Statements for the year ended 31st March, 2017

23 Related Party Disclosure

23.1 As per Ind AS 24 "Related party Disclosures", disclosure of transactions with the related parties as defined in the Accounting Standard are given below:-

(A) List of related parties and relationship.

Jai Realty Ventures Limited (up to 28th June,2015)

Jai Corp Limited (from 29th June,2015)

23.2 Transactions during the year with related parties :

(Amount in Rs)

Nature of Transaction	Name of the Related Party	2016-17	2015-16
0% Optionally fully convertible debentures issued	Jai Corp Limited	-	1,191,550,000
Non-current Borrowings received	Jai Realty Ventures Limited	-	2,695,432
Non-current Borrowings Refund	Jai Realty Ventures Limited	-	1,157,967,465
Finance Cost	Jai Realty Ventures Limited	-	27,816

(Amount in Rs)

Nature of Transaction	Name of the Related Party	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Equity Shares	Jai Corp Limited	750,000	750,000	-
	Jai Realty Ventures Limited	-	-	750,000
0% Optinally Fully Convertible Debentures	Jai Corp Limited	1,191,550,000	1,191,550,000	-
Non-current Borrowings	Jai Realty Ventures Limited	-	-	1,155,272,033

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Notes to the Financial Statements for the year ended 31st March, 2017

24 Contingent Liabilities and Commitments (To the extent not provided for)

(Amount in Rs.)

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(A)	**Contingent Liabilities**			
(a)	**Claims against the Company not acknowledged as debts**			
	(i) Disputed Liability in Appeal (No cash outflow is expected in the near future)			
	- Income-tax (Rs. 143,040,000 paid under protest)	200,166,233	200,166,233	200,166,233
		200,166,233	**200,166,233**	**200,166,233**

24.1 During the Assessment Year 2009-10 Income tax department has carried out search and seizure actions under section 132 of the Income Tax Act, 1961 (" Act") in the case of the Company, its employees and close associates who were closely involved in the processing of acquiring the land. As a result, the Company had received demand under section 156 of the Act. The Company has disputed the same and paid Rs.14,30,40,000/- till 31st March, 2017 under protest and filed an appeal against the above order with CIT (A). The company has been advised that the above demands are not likely to be resulted into any material tax liability and hence no provision is considered necessary in respect of the above matter.

24.2 Management of the view that above litigation will not impect the financial position of the Company.

25	**First time adoption of Ind AS**
A	**First Ind AS Financial statements**
	These are the company's first separate financial statements prepared in accordance with Ind AS applicable. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31st March 2017, the comparative information presented in these financial statements for the year ended 31st March 2016 and in the preparation of an opening Ind AS balance sheet at 1st April 2015 (the date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is as follows:
i	**Mandatory exceptions applied**
	Estimates An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP except where Ind AS required a different basis for estimates as compared to the previous GAAP. **De-recognition of financial assets and liabilities** Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The company has applied the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS. **Classification and measurement of financial assets** Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

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Notes to the Financial Statements for the year ended 31st March, 2017

25.1 Balance sheet as at 31st March 2015

(Amount in Rs.)

Particulars	IGAAP as at 31st March, 2015	GAAP adjustments	Ind AS as at 1st April, 2015
I. ASSETS			
1 Non-current assets			
a) Non-current tax assets (Net)	143,043,806	-	143,043,806
2 Current assets			
a) Inventories	523,012,059	-	523,012,059
b) Financial assets			
i) Cash and cash equivalents	32,631	-	32,631
c) Other current assets	519,899,741	-	519,899,741
TOTAL ASSETS	**1,185,988,237**	**-**	**1,185,988,237**
II. EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	750,000	-	750,000
b) Other equity	(686,413)	21,028,615	20,342,202
Liabilities			
1 Non-current liabilities			
a) Financial liabilities			
i) Borrowings	788,210	-	788,210
b) Deferred tax liabilities (net)	-	9,403,534	9,403,534
2 Current liabilities			
a) Financial liabilities			
i) Other financial liabilities	-	1,154,508,073	1,154,508,073
b) Other current liabilities	1,185,136,440	(1,184,940,221)	196,219
TOTAL EQUITY & LIABILTIES	**1,185,988,237**	**-**	**1,185,988,237**

ICONIC REALTORS LIMITED

Notes to the Financial Statements for the year ended 31st March, 2017

25.2 Balance sheet as at 31st March 2016

(Amount in Rs.)

Particulars	IGAAP as at 31st March, 2016	GAAP adjustments	Ind AS as at 31st March, 2016
I. ASSETS			
1 Non-current assets			
a) Non-current tax assets (Net)	143,040,000	-	143,040,000
2 Current assets			
a) Inventories	525,035,708	-	525,035,708
b) Financial assets			
i) Current investments	200,000	525	200,525
ii) Cash and cash equivalents	50,142	-	50,142
d) Other current assets	523,090,241	-	523,090,241
TOTAL ASSETS	**1,191,416,091**	**525**	**1,191,416,616**
II. EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	750,000	-	750,000
b) Other equity	(898,689)	1,191,550,363	1,190,651,674
Liabilities			
1 Non-current liabilities			
a) Financial liabilities			
i) Borrowings	1,191,550,000	(1,191,550,000)	-
b) Deferred tax liabilities (net)	-	162	162
2 Current liabilities			
a) Financial liabilities			
i) Other financial liabilities	14,780	-	14,780
TOTAL EQUITY & LIABILTIES	**1,191,416,091**	**525**	**1,191,416,616**

ICONIC REALTORS LIMITED

Notes to the Financial Statements for the year ended 31st March, 2017

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

(Amount in Rs.)

Sl. No.	Particulars	IGAAP as at 31st March, 2016	GAAP adjustments	Ind AS as at 31st March, 2016
I.	Other Income	-	525	525
II.	**Total Revenue**	**-**	**525**	**525**
III.	Expenses:			
	Land Development Expenses	2,023,649	-	2,023,649
	Changes in Inventories of Work-in-progress	(2,023,649)	-	(2,023,649)
	Finance Costs	37,344	30,432,148	30,469,492
	Other Expenses	171,126	-	171,126
	Total Expenses	**208,470**	**30,432,148**	**30,640,618**
IV.	**Loss Before Exceptional items and Tax (II-III)**	**(208,470)**	**(30,431,623)**	**(30,640,093)**
V.	Exceptional items	-	-	-
VI.	**Loss Before Tax (IV-V)**	**(208,470)**	**(30,431,623)**	**(30,640,093)**
VII.	Tax Expense:			
	(i) Earlier year Income Tax	3,806	-	3,806
	(ii) Deferred Tax Expenses/(Credit)	-	(9,403,372)	(9,403,372)
VIII.	**Net Loss After Tax (VI-VII)**	**(212,276)**	**(21,028,252)**	**(21,240,527)**
IX.	**Other Comprehensive Income (OCI)**	-	-	-
X.	**Total Comprehensive Income for the year (VIII+IX)**	**(212,276)**	**(21,028,252)**	**(21,240,527)**

B Reconciliations of other equity reported under previous GAAP to equity under Ind AS

(Amount in Rs)

Sr.no	Particulars	Other Equity as at 31 March 2016	Other Equity as at 01 April 2015
	Other Equity as per previous Indian GAAP	**(898,689)**	**(686,413)**
1	Effect of measuring interest free loan initially at fair value and subsequently at amortised cost	-	30,432,148
2	Financial assets classified and measured at fair value through profit and loss	525	-
3	OFCDs treated as equity from parent	1,191,550,000	-
4	Deferred tax impacts	(162)	(9,403,534)
	Other Equity as per Ind AS	**1,190,651,674**	**20,342,202**

Reconciliation of profit reported under previous GAAP to profit under Ind AS

(Amount in Rs)

Sr.no	Particulars	For the year ended 31 March 2016
	Net loss as per previous Indian GAAP	**(212,276)**
1	Financial assets classified and measured at fair value through profit and loss	525
2	Effect of measuring interest free loan initially at fair value and subsequently at amortised cost Interest Expenses	(30,432,148)
3	Deferred tax impacts	9,403,372
	Net loss after tax as per Ind AS	(21,240,527)
	Total comprehensive income as per Ind AS	**(21,240,527)**

Impact of Ind AS adoption on the statement of cash flows for the year ended 31st March 2016 -

All the adjustments on account of Ind AS are non - cash in nature and hence, there is no material impact on the cash flows in the cash flow statement.

Explanation to reconciliation:

B.1 Impact of interest free loan from parent company

Previous GAAP - the interest free loan from parent company was recognised as a liability at the transaction value.

Ind AS - the interest free loan from parent company are classified as a financial liability. The loan is initially recognised at fair value and the difference between the fair value and transaction price is recognised as deemed equity contribution by the parent company. Subsequently, the liability is measured at amortized cost using the effective interest rate. The adjustment for the above arrangement has been recognised in the reserves on the transition date and the subsequent impacts are recognised in the statement of profit and loss.

B.2 Financial assets classified and measured at fair value through profit and loss

Previous GAAP – Mutual funds were carried at lower of cost or fair value.

Ind AS – Mutual fund investments are classified as FVTPL. Initial recognition is done at fair value. The impacts on the date of transition have been recognised in the reserves and subsequently the fair value changes are recognised in the statement of profit or loss.

B.3 Impact of optionally fully convertible debentures issued to parent company

Previous GAAP - the optionally fully covertible debentures issued to parent company were recognised as a borrowing.

Ind AS - the debentures are in the nature of equity based on the terms of the instrument. On redemption, the amount in equity is derecognised.

B.4 Deferred taxes

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred tax has impacted the reserves on date of transition, with consequential impacts to the statement of profit and loss for the subsequent periods.

Note 26 Segment Reporting

In the opinion of the Management and based on consideration of dominant source and nature of risk and returns, the Company's activities, during the year revolved around the single segment namely, "Builders and Developers". Considering the nature of Company's business and operations, there are no separate reportable segment (Business and/or Geographical) in accordance with the requirement of Ind AS 108 "Operating Segments" as notified.

As per our report of even date
For Pathak H. D. & Associates
Chartered Accountants
(Firm Registration No.107783W)

For and on behalf of the Board of Directors

Mukesh Mehta
Partner
Membership No. 43495

Satyapal Jain
Director
(DIN 00011774)

Subodh Agarwal
Director
(DIN 01993001)

Place : Mumbai
Date : 25th May 2017