## **Directors' Report**

Your Directors are pleased to present the Eleventh Annual Report and the audited accounts for the year ended 31<sup>st</sup> March, 2018.

## **Financial Summary:**

#### Amount in Rs.

Particulars	Year Ended	Year Ended
	31-03-2018	31-03-2017
Total Revenue	487	36,025
Total Expenditure including	34,493	25,809
Depreciation		
Profit/(Loss) before tax	(34,006)	10,216
Less:		
Current Tax		1,947
Deferred Tax Expense / (Credit)	(505)	465
Profit/(Loss) after tax	(33,501)	7,804

### 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 earned a total income of Rs.487/-(Rupees Four Hundred and Eighty Seven only) as compared to a total income of Rs.36,025/- (Rupees Thirty Six Thousand Twenty Five only) for the previous year. The Company has incurred a loss of Rs.33,501/- (Rupees Thirty Three Thousand Five Hundred and One only) as compared to the profit of Rs.7,804/- (Rupees Seven Thousand Eight Hundred and Four Only) for the previous year.

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

In view of the loss, 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:

5 meetings of the Board of Directors of the Company were held during the financial year 2017-18.

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

No Director or Key Managerial Personnel was appointed during the financial year 2017-18.

Mr. Bijay Kumar Saraf (DIN 00084108) retires by rotation and, being eligible, has offered himself for the re-appointment at the ensuing Annual General Meeting.

No Director was resigned/ceased to be a Director during the year.

#### **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 31<sup>st</sup> March, 2018, 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, 2018 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 31<sup>st</sup> March, 2018 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.

#### **Auditors and Auditors' Report:**

M/s D T S and Associates, Chartered Accountants, Mumbai having registration number 142412W was appointed as a statutory auditors of the Company from the conclusion of the previous annual general meeting till the conclusion of 6<sup>th</sup> annual general meeting thereafter.

Pursuant to the notification dated 07<sup>th</sup> May 2018 issued by the Ministry of Corporate Affairs, New Delhi, ratification of such appointment every year is not required.

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

## 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 2017-18.

## Particulars of contracts or arrangements with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 in prescribed form:

There are no such contracts or arrangements with related parties referred to in subsection (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 is 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 are 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

Bijay Kumar Saraf Director (DIN 00084108)

Place: Mumbai Date: 22.05.2018

## Form No. MGT-9 EXTRACT OF ANNUAL RETURN

## As on the financial year ended on 31.03.2018

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

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## I. Registration and Other Details:

i)	CIN	U45400MH2007PLC173313
ii)	Registration Date	21.08.2007
iii)	Name of the Company	Ekdant Realty & Developers Ltd.
iv)	Category / Sub-Category of the	Public Company, Limited by Shares/Indian
	Company	Non Government Company
v)	Address of the Registered office and	11-B, Mittal Tower, Free Press Journal Marg,
	contact details	Nariman Point, Mumbai 400021
vi)	Whether listed company Yes / No	NO
vii)	Name, Address and Contact details	NA
	of Registrar and Transfer Agent, if	
	any	

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

#### **REAL ESTATE BUSSINESS ACTIVITY**

SI. No.	Name and Description of main products / services	NIC Code of the Product/ service	
1.	Real Estate	6810	NA

## III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

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

## IV. 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 (01.04.2017)			No. of Shares held at the end of the year (31.03.2018)				% 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	50000	50000	100	0	50000	50000	100	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (1)		50000	50000	100		50000	50000	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
Total shareholding of Promoter	0	50000	50000	100		50000	50000	100	0
(A) = (A)(1)+(A)(2)									
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	0	0	0	0	0	0	0	0	0
Capital Funds									
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) <b>Individuals</b>									

i) Individual shareholders holding	0	0	0	0	0	0	0	0	0
nominal share capital up to Rs. 1									
lakh.									
ii) Individual shareholders	0	0	0	0	0	0	0	0	0
holding nominal share capital in									
excess of Rs 1 lakh.									
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	0	0	0	0	0	0	0	0	0
(B)=(B)(1)+(B)(2)									
1. Shares held by Custodian	0	0	0	0	0	0	0	0	0
for GDRs & ADRs									
Grand Total (A+B+C)	0	50000	50000	100	0	50000	50000	100	0

## (ii) Shareholding of Promoters

Sr.	Shareholder's	Shareholding at the beginning of				Shareholding at the end of the		
No.	Name	the year (	As on 01.04	l.2017)	year (As o	on 31.03.20	18)	
		No. of Shares	% of total Shares of the	% of Shares No. of % of % of Shares Pledged / Shares total Pledged / encumbered to total of the to total		% change in share Holding during		
			company	shares		company	shares	the year
1.	Jai Corp Ltd.	50000	0	0	50000	100	0	0
	Total	50000	100	0	50000	100	0	0

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

Sr. No.				ding at the beginning of (As on 01.04.2017)	Cumulat the year	Cumulative Shareholding during the year		
			No. of	% of total Shares of the	No. of	% of total Shares of the		
			Shares	company	Shares	Company		
1.	Jai Corp Lir	mited						
	Opening Ba	alance	50000	100	50000	100		
	Date	wise	0	0	0	0		
	increase/(decrease)							
	Closing Bal	losing Balance			50000	100		

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

Sr. No.			lding at the beginning ear (01.04.2017)	Cumulat the year	ive Shareholding during
	For each of the top 10	No. of	% of total Shares of	No. of	% of total Shares of the
	shareholders	Shares	the company	Shares	Company
	At the beginning of the year		N	JIL	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):		N	<b>IIL</b>	
	At the end of the year ( or on the date of separation, if separated during the year)		N	IIL	

## (v) Shareholding of Directors and Key Managerial Personnel:

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

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 Realty Ventures				
Ltd.(JRVL)				
Jai Corp Ltd. Debentures		167,500,000		167,500,000
ii) Interest due but not paid				
iii) Interest accrued but not				
due				
Total (i+ii+iii)		167,500,000		167,500,000
Change in Indebtedness				
during the financial year				
Additions				
Total Additions		-		1
Reduction			-	1
Total Reductions		-	-	-
Net Change		-	-	-
Indebtedness at the				
end of the financial year				
i) Principal Amount				
JCL Debentures		167,500,000		167,500,000
ii) Interest due but not paid				
iii) Interest accrued but not				
due				
Total (i+ii+iii)		167,500,000		167,500,000

## 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/I	Vlanager	Total Amount
1.	Gross Salary				
	(a) Salary as per provisions contained in		NIL		
	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 (A)		NIL		
	Ceiling as per the Act : In case of				60,00,000
	absence of profit or inadequate profit,				
	Part II Section II (A) of Schedule V is				
	applicable.				

## **B.** Remuneration to other directors:

Sr.No.	Particulars of Remuneration	Name of the	Directors	Total Amount
1.	Independent Directors			
	Fee for attending board /	NII	<u> </u>	NIL
	committee meetings			
	Commission			
	Others, please specify			
	Total (1)			
2	Other Non-Executive Directors			
	Fee for attending board /			
	committee meetings			
	Commission			
	Others, please specify			
	Total (2)	NII	L	
	Total B= (1) + (2)	NII	L	NIL
	Total Managerial Remuneration			NIL
	Overall Ceiling as per the Act			60,00,000
	In case of absence of profit or			
	inadequate profit, Part II Section			
	II (A) of Schedule V is applicable.			

## 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:

Туре	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 I	N DEFAULT				
Penalty					
Punishment					
Compounding					

## **Independent Auditor's Report**

## To the Members of Ekdant Realty & Developers Limited

## **Report on the Financial Statements**

We have audited the accompanying Financial Statements of **EKDANT REALTY & DEVELOPERS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 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 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 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 Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Financial 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 Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

### **Emphasis of Matter**

We draw attention to the note 6.1 of the financial statement, in respect of non receipts of balance confirmation advances given for purchase of land. Our opinion is not qualified in respect of above matter.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018, and its loss including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

#### Other Matter

The comparative financial information of the Company for the year ended 31<sup>st</sup> March, 2017 prepared in accordance with Indian Accounting Standards, included in these Financial Statements, have been audited by the predecessor auditors. The report of the predecessor auditors on the comparative financial information dated 25<sup>th</sup> May, 2017 expressed an unmodified opinion.

## 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 Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 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 litigations in Note No.21 which would impact its financial position in its 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;

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 D T S & Associates

Chartered Accountants Firm Registration No: 142412W

## Anuj Bhatia

Partner Membership No. 122179

Place: Mumbai

Date: 22<sup>nd</sup> May, 2018

## "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 Ekdant Realty & Developers Limited on the Financial Statements for the year ended 31<sup>st</sup> March, 2018)

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 **Ekdant Realty** & **Developers Limited ("the Company")** as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

## For D T S & Associates

Chartered Accountants Firm Registration No: 142412W

## Anuj Bhatia

Partner Membership No. 122179

Place: Mumbai

Date: 22nd May,2018

## "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 Ekdant Realty & Developers Limited on the Financial Statements for the year ended 31<sup>st</sup> March, 2018)

- i. In respect of its fixed assets:
  - The Company does not have any fixed assets. Therefore, 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 has 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. Therefore, 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 deposit from the public. Therefore, the provisions of clause (v) of paragraph 3 of the said 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, salestax, service tax, duty of customs, duty of excise, value added tax, Goods and Service Tax (GST), cess and any other statutory dues as applicable to the appropriate authorities as applicable during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they became payable.
  - b. The disputed statutory dues aggregating to Rs.12,67,368/- 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	6,70,596*	AY 2008-09	Commissioner of Income Tax (Appeal)
		5,96,772#	AY 2009-10	
Total		1,267,368		

- (\*) Net of Rs. 25,04,000 deposited under protest.
- (#) Net of Rs.22,96,000 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. Therefore, 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, during the year the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Therefore, provisions of clause (ix) of paragraph 3 of the said 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. Therefore, the provisions of clause (xi) of paragraph 3 of the said 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 said 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 given to us and based on our examination of the records of the Company, during the year, the Company has not raised any money by preferential allotment or private placement of share or debentures. Therefore, the provisions of clause (xiv) of paragraph 3 of the said order are not applicable to the Company.
- xv. According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with directors or persons connected with him, Therefore, the provisions of clause (xv) of paragraph 3 of the said 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 D T S & Associates

Chartered Accountants Firm Registration No: 142412W

## Anuj Bhatia

Partner Membership No. 122179

Place: Mumbai

Date: 22nd May,2018

Balance sheet as at 31<sup>st</sup> March 2018

(Amount in Rs)

	(Amount in Rs)					
	Particulars	Note	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017		
I.	ASSETS					
1	Non-current assets					
	a) Non-current tax assets (Net)	2	4,800,447	4,800,447		
2	Current assets					
	a) Inventories	3	22,968,310	22,968,310		
	b) Financial assets					
	i) Investments	4	-	22,781		
	ii) Cash and Cash Equivalents	5	12,085	17,214		
	c) Other current assets	6	139,988,140	139,988,140		
	TOTAL ASSETS		167,768,982	167,796,892		
II.	EQUITY AND LIABILITIES					
	Equity					
	a) Equity share capital	7	500,000	500,000		
	b) Other equity	8	167,246,562	167,280,063		
	Liabilities					
1	Non-current liabilities					
	a) Deferred tax liabilities (Net)	9	-	505		
2	Current liabilities					
	a) Financial liabilities					
	i) Other financial liabilities	10	22,420	14,377		
	b) Current Tax liabilities	11	-	1,947		
	TOTAL EQUITY AND LIABILITIES		167,768,982	167,796,892		
	Significant accounting policies	1				
	Notes to the financial statements	1-23				

As per our report of even date

## For D T S & ASSOCIATES

Chartered Accountants (Firm Registration No.142412W) For and on behalf of the Board of Directors

### Anuj Bhatia

Partner Ajay Gupta Bijay Kumar Saraf

Membership No. 122179 Director Director

(DIN: 00375853) (DIN: 00084108)

Place: Mumbai

Date: 22<sup>nd</sup> May, 2018

Statement of Profit and Loss for the year ended 31st March 2018

(Amount in Rs)

,				(Alliount in Ks)
Sl. No.	Particulars	Note	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
I.	Other Income	12	487	36,025
II.	Total Revenue		487	36,025
III.	Expenses:			
	Changes in Inventories of Work-in-progress	13	-	-
	Other Expenses	14	34,493	25,809
	Total Expenses		34,493	25,809
IV.	Profit/(Loss) Before Exceptional items and Tax (II-III)		(34,006)	10,216
V.	Exceptional items			
٧.	Exceptional items		-	-
VI.	Profit/(Loss) Before Tax (IV-V)		(34,006)	10,216
VII.	Tax Expense:		, , ,	
	(i) Current Tax	15	-	1,947
	(ii) Deferred Tax Expenses/(Credit)	15	(505)	465
			(505)	2,412
VIII.	Net Profit/(Loss) After Tax (VI-VII)		(33,501)	7,804
IX.	Other Comprehensive Income (OCI)		-	-
X.	Total Comprehensive Income for the year (VIII+IX)		(33,501)	7,804
XI	Earnings per Equity Share:	16		
	Basic (in Rs.)		(0.67)	0.16
	Diluted (in Rs.)		(0.67)	(0.00)
	Face Value per Share (in Rs.)		10.00	10.00
	Significant Accounting Policies	1		
	Notes to the financial statements	1-23		
	1 10tes to the infancial statements	1-23		

As per our report of even date

## For D T S & ASSOCIATES

Chartered Accountants (Firm Registration No.142412W) For and on behalf of the Board of Directors

(DIN: 00084108)

(DIN: 00375853)

Anuj Bhatia

Partner Ajay Gupta Bijay Kumar Saraf

Membership No. 122179 Director Director

Place: Mumbai
Date: 22<sup>nd</sup> May, 2018

Notes to the Financial Statements for the year ended on 31st March, 2018

Statement of changes in equity

(Amount in Rs)

Equity share capital	Number of shares	Amount
As at 1 <sup>st</sup> April 2016	50,000	500,000
Changes during the year	-	
As at 31st March 2017	50,000	500,000
Changes during the year	-	-
As at 31st March 2018	50,000	500,000

#### Other equity

2016-17

(Amount in Rs)

Particulars	Reserves and surplus Retained earnings	Equity component of loans from parent company	Optionally fully convertible debentures	Total
Opening balance as at 1st April 2016	(24,138,821)	23,911,080	167,500,000	167,272,259
Total comprehensive income for the year				
Profit for the year	7,804	-	-	7,804
Closing balance as at 31st March 2017	(24,131,017)	23,911,080	167,500,000	167,280,063

2017-18 (Amount in Rs)

Particulars	Reserves and surplus Retained earnings	Equity component of loans from parent company	Optionally fully convertible debentures	Total
Opening balance as at 1st April 2017	(24,131,017)	23,911,080	167,500,000	167,280,063
Total comprehensive income for the year				
Loss for the year	(33,501)	-	-	(33,501)
Closing balance as at 31st March 2018	(24,164,518)	23,911,080	167,500,000	167,246,562

As per our report of even date

For D T S & ASSOCIATES

Chartered Accountants

(Firm Registration No.142412W)

For and on behalf of the Board of Directors

Anuj Bhatia

Partner

Membership No. 122179

Place: Mumbai Date: 22<sup>nd</sup> May, 2018 Ajay Gupta Bijay Kumar Saraf Director Director

(DIN: 00375853) (DIN: 00084108)

Cash Flow Statement for the year ended 31 st March 2018

(Amount in Rs)

Particulars			(Amount in Ks)
	1 articulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Α	. CASH FLOW FROM OPERATING ACTIVITIES	2010	2017
	Net Profit/(Loss) before tax as per Statement of Profit and Loss	(34,006)	10,216
	Adjusted for:	,	,
	Sundry balance w/back	_	(33,376)
	Fair value gains / losses on Financial assets classified and measured at FVTPL	-	(1,580)
	Interest on Income Tax Refund	_	-
	Profit on Sale of Current Investments	(450)	(1,069)
		(450)	(36,025)
	Operating Profit/(Loss) before Working Capital Changes	(34,456)	(25,809)
	Adjusted for:	,	, ,
	Inventories	-	-
	Other receivables	-	-
	Trade and Other Payables	8,045	(404)
	Cash generated from operations	(26,411)	(26,213)
	Direct Tax Paid	(1,947)	-
	Net Cash Used in Operating Activities	(28,358)	(26,213)
D	. CASH FLOW FROM INVESTING ACTIVITIES		
D	Sale of Investments	22 220	20,000
	Sale of Investments	23,229	29,999
	Net Cash From/(used in) Investing Activities	23,229	29,999
C	. CASH FLOW FROM FINANCING ACTIVITIES		
	Net Cash (used in) Financing Activities	-	-
-	Net Increase in Cash and Cash Equivalents (A+B+C)	(5,129)	3,786
	Opening Balance of Cash and Cash Equivalents	17,214	13,428
	Closing balance of Cash and Cash Equivalents	12,085	17,214
	Components of Cash and Cash Equivalents:	12,003	17,214
	Balances with Banks in Current Accounts	12,085	17,214
	Datanees with Danks in Current Accounts	12,003	17,214

- 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 D T S & ASSOCIATES

Chartered Accountants

(Firm Registration No.142412W)

For and on behalf of the Board of Directors

Anuj Bhatia

Partner

Membership No. 122179

Place: Mumbai

Date: 22<sup>nd</sup> May, 2018

Ajay GuptaBijay Kumar SarafDirectorDirector

(DIN: 00375853) (DIN: 00084108)

Notes to the Financial Statements for the year ended 31st March, 2018

#### Company Information

Ekdant Realty & Developers 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.

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.

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2018

#### 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.

#### 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

#### Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2018

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

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.

Notes to the Financial Statements for the year ended 31st March, 2018

## Note 2 - Non-current tax assets (Net)

(Amount in Rs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	
Income-tax	4,800,447	4,800,447	
Total	4,800,447	4,800,447	
2.1 Income Tax includes of <b>Rs. 48,00,000</b> (Rs. 48,00,000 as at 31 <sup>st</sup> March, 2017) as deposit against Income Tax Appeal.			

Note 3 - Inventories (Amount in Rs)

Particulars	As at 31st March 2018	As at 31 <sup>st</sup> March 2017
Work-in-progress	22,968,310	22,968,310
Total	22,968,310	22,968,310

<sup>3.1</sup> Refer Note No. 1(h) for mode of valuation of inventories.

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2018

Note 4 - Current investments (Amount in Rs)

Particulars	As at 31 <sup>st</sup> March 2018		As at 31st March 2017			
1 milediais	Quantity (No's)	Face value	Amount	Quantity (No's)	Face value	Amount
Financial assets classified and measured at fair value through	ugh profit or loss					
a) In Mutual funds - Unquoted fully paid up						
Birla Sun Life Floating Rate Fund Short Term Plan	-	-	-	105	100	22,781
Total Units in Mutual Funds at FVTPL			-			22,781
Total current investments			-			22,781
Aggregate amount of quoted investments and market value thereof			-			-
Aggregate amount of unquoted investments			-			22,781
						-

Notes to the Financial Statements for the year ended  $31^{\rm st}$  March, 2018

Note 5 - Cash and Cash Equivalents

(Amount in Rs)

Particulars	As at 31st March 2018	As at 31st March 2017
Cash and Cash Equivalents		
Balances with Banks in Current Accounts	12,085	17,214
Total	12,085	17,214

5.1 For the purpose of the statement of cash flow, cash and cash equivalnets comprise the followings:

(Amount in Rs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31st March 2017
Balances with Banks in Current Accounts	12,085	17,214
Total	12,085	17,214

#### Note 6 - Other current assets

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Advances other than capital advances Advance towards Purchase of Land	139,988,140	139,988,140
Total	139,988,140	139,988,140

<sup>6.1</sup> Advance towards Purchase of Land are subject to confirmation, though management is confident of recovery.

Notes to the Financial Statements for the year ended 31 st March, 2018

Note 7 - Equity share capital

(Amount in Rs)

Particulars	As at 31st March 2018	As at 31st March 2017
Authorised:		
60,000 Equity Shares of Rs. 10 each	600,000	600,000
(60,000 Equity Shares of Rs. 10 each as at 31 <sup>st</sup> March 2017)		
40,000 Redeemable Preference Shares of Rs.10 each	400,000	400,000
(40,000 Pref Shares of Rs. 10 each as at 31 <sup>st</sup> March 2017)		
Total	1,000,000	1,000,000

Issued, Subscribed & Paid-up:		
50,000 Equity Shares of Rs. 10 each fully paid up	500,000	500,000
(50,000 Equity Shares of Rs. 10 each as at 31 st March 2017)		
Total	500,000	500,000

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

Particulars	2017-18		2017-18		2016-17	
raruculais	(In Nos.)	(Figures in Rs)	(In Nos.)	(Figures in Rs)		
Shares outstanding at the beginning of the year	50,000	500,000	50,000	500,000		
Shares outstanding at the end of the year	50,000	500,000	50,000	500,000		

#### 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:

	As at 31st	As at 31st March 2018		ch 2017
Name of Shareholder	Number of Shares	% of Holding	Number of Shares	
	held	/v or riolaning	held	% of Holding
Equity Shares:				
(Including equity shares held jointly with nominees)				
Jai Corp Limited	50,000	100%	50,000	100%

Note 8 - Other equity (Amount in Rs)

Particulars	As at 31st March 2018	As at 31 <sup>st</sup> March 2017
Retained earnings		
Opening balance	(24,131,017)	(24,138,821)
Add: Net profit / (loss) for the year	(33,501)	7,804
Closing balance	(24,164,519)	(24,131,017)
Nature and Purpose - Retained earnings represent the accumulated profits / losses made by the comp	oany over the years.	

Notes to the Financial Statements for the year ended 31st March, 2018

(Amount in Rs)

Particulars	As at 31st March 2018	As at 31 <sup>st</sup> March 2017
Equity component on interest free loans from parent company		
Opening balance	23,911,080	23,911,080
Transaction during the year	-	-
Closing balance	23,911,080	23,911,080

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 above 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)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Optionally fully convertible debentures issued to Parent treated as equity		
Opening balance	167,500,000	167,500,000
Issued during the year	-	-
Closing balance	167,500,000	167,500,000

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

**Terms - 167,500** (167,500 as at 31<sup>st</sup> March 2017) 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. 21<sup>st</sup> 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.

	()
Total other equity as at 31 <sup>st</sup> March 2018	
31-Mar-17	167,280,063
31-Mar-18	167,246,562

Notes to the Financial Statement for the year ended 31st March, 2018

Note 9 - Deferred tax liabilities (Net)

(Amount in Rs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Deferred Tax Liabilities</b> Taxable temporary differences on financial assets measured at FVTPL	-	505
Net deferred tax liability	-	505

#### 9.1 Movement in Deferred Tax Liabilites

(Amount in Rs)

Particulars	Financial assets measured at FVTPL	Loan from parent company	Total
As at 31 <sup>st</sup> March, 2016 Charged/(Credited)	41	-	41
- to Profit & Loss	464	-	464
As at 31 <sup>st</sup> March, 2017 Charged/(Credited)	505	-	505
- to Profit & Loss	(505)	-	(505)
As at 31st March, 2018	-	•	-

#### 9.2 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 31 <sup>st</sup> March 2018	Expiry Year	As at 31 <sup>st</sup> March	Expiry Year
			2017	
2009-10	-	-	19,612	2017-2018
2010-11	17,549	2018-2019	17,549	2018-2019
2011-12	28,333	2019-2020	28,333	2019-2020
2012-13	25,578	2020-2021	25,578	2020-2021
2013-14	26,783	2021-2022	26,783	2021-2022
2014-15	31,978	2022-2023	31,978	2022-2023
2015-16	31,568	2023-2024	31,568	2023-2024
2016-17	10,217	2024-2025	24,664	2024-2025
2017-18	32,370	2025-2026	-	-

## Note 10 - Other current financial liabilities

(Amount in Rs)

Particulars	As at 31st March 2018	As at 31st March 2017
Other payables (Refer Note 10.1 below)	22,420	14,377
Total	22,420	14,377

<sup>10.1</sup> Other payable includes audit fees and filing fees payable.

#### Note 11 - Current Tax liabilities

Particulars	As at 31 <sup>st</sup> March 2018	As at 31st March 2017
Provisions for Income Tax (Net)	-	1,947
Total	-	1,947

Notes to the Financial Statement for the year ended 31st March, 2018

Note 12 - Other income (Amount in Rs)

Particulars	For the year ended 31st March 2018	For the year ended 31 <sup>st</sup> March 2017
Profit on Sale of Current Investments	450	1,069
Fair value changes (net) on financial assets classified as fair value through profit		
and loss - (net expense)	-	1,580
Sundry Credit Balance Written Back	2	33,376
Misc Income	35	-
Total	487	36,025

Note 13 - Changes in Inventories of Work-in-progress

(Amount in Rs)

Particulars	For the year ended 31st March 2018	For the year ended 31 <sup>st</sup> March 2017
At the end of the year Work-in-Progress	22,968,310	22,968,310
At the beginning of the Year Work-in-Progress	22,968,310	22,968,310
Changes in Inventories of Work-in-progress	-	-

Note 14 - Other expenses

(Amount in Rs)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Rates and Taxes	2,500	2,500
Legal, Professional and Consultancy Charges	13,570	6,900
Payment to Auditors - Audit Fees	14,750	14,375
Bank Charges	646	33
Other Expenses	3,027	2,001
Total	34,493	25,809

Note 15 - Tax expense

Particulars	For the year ended	For the year ended 31st
	31 <sup>st</sup> March 2018	March 2017
Current tax expense		
Current tax for the year	-	1,947
Deferred taxes		
Change in deferred tax assets	-	-
Change in deferred tax liabilities	(505)	465
	(505)	465
Total	(505)	2,412

Notes to the Financial Statement for the year ended 31st March, 2018

Note 15.1 - Tax reconciliation (for profit and loss)

(Amount in Rs)

Particulars	For the year ended	For the year ended 31st
	31 <sup>st</sup> March 2018	March 2017
Profit before income tax expense	(34,006)	10,216
Tax at the rate of 25.75%	(8,757)	3,378
Tax Assets not created	8,757	-
Tax difference (Due to MAT Adjustment)	-	(1,431)
Fair Value of Financial Assets/liabilities	(505)	465
Income Tax expenses	(505)	2,412

#### Note 16 - Earnings per share

(Amount in Rs)

Particulars	For the year ended 31st March 2018	For the year ended 31 <sup>st</sup> March 2017
Net Profit / (loss) after tax for the year (Rs.)	(33,501)	7,804
Net Profit / (loss) attributable to equity share holders (Rs.)	(33,501)	7,804
Weighted Average Number of equity shares outstanding during the year for Basic EPS (In Nos)	50,000	50,000
Weighted Average Number of equity shares outstanding during the year for Diluted EPS (In Nos)	50,000	16,800,000
Basic Earnings Per Share (Rs.)	(0.67)	0.16
Diluted Earnings Per Share (Rs.)	(0.67)	(0.00)
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 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Number of Shares Used for calculating Basic EPS	50,000	50,000
Add:- Potential Equity Shares on conversion (Weighted)	16,750,000	16,750,000
Number of Shares used for Calculating Diluted EPS	16,800,000	16,800,000

16.1 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.

Notes to the Financial Statement for the year ended 31<sup>st</sup> March, 2018 Note 17 Fair value measurements

#### Financial instruments by category:

(Amount in Rs)

	As at 31st March 2018		As at 31 <sup>st</sup> Marcl		ch 2017	
Particulars	FVOCI	FVTPL	Amortised	FVOCI	FVTPL	Amortised
			cost			cost
Financial assets						
Current assets						
Investment in mutual funds	-	-	-	-	22,781	-
Cash and cash equivalents	=	-	12,085	-	-	17,214
Total financial assets	-	-	12,085	-	22,781	17,214
Financial liabilities						
Current liabilities						
Other financial liabilities	-	_	22,420	-	-	14,377
Total financial liabilities	-	-	22,420	-	-	14,377

#### 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 group 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.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in this level.

#### Financial assets and liabilities measured at fair value at each reporting date

(Amount in Rs)

	As at 31st March 2018		As at 31 <sup>st</sup> March 2017		ch 2017	
Financial assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at FVTPL						
Investment in mutual funds	-	-	-	22,781	-	-
Total	-	-	-	22,781	-	-

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, and other financial liabilities are considered to be approximately equal to the fair value.

## Notes to the Financial Statement for the year ended 31<sup>st</sup> March, 2018

## 18 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 other financial liabilities.

### Liquidity risk management

The Company 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 31<sup>st</sup> March 2018 (Amount in Rs)

Particulars	Less than 6	6 months	Between 1	Beyond 5	Total
	months	to 1 year	and 5 years	years	
Other current financial liabilities	22,420	-	-	-	22,420
Total	22,420	-	-	-	22,420

As at 31<sup>st</sup> 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	14,377	-	-	-	14,377
Total	14,377	-	-	-	14,377

Notes to the Financial Statement for the year ended 31<sup>st</sup> March, 2018

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С	Market 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

Price risk

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 company sells or elects an exit from those investments.

Sensitivity for mutual fund Investments (Amount in Rs)

,	Impact on profit/(loss) (Before Tax)			
	31 <sup>st</sup> March, 2018 31 <sup>st</sup> Mar			
Mutual Funds				
Increase in price by1%	-	227.81		
Decrease in price by1%	-	(227.81)		

Notes to the Financial Statement for the year ended 31st March, 2018

19	Capital	Management

## 19.1 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:

	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Total debts	-	-
Less: Cash and Cash Equivalents	12,085	17,214
Net Debts	(12,085)	(17,214)
Total equity	167,746,562	167,780,063
Total Capital (Net Debt plus Total Equity)	167,734,477	167,762,849
Net Gearing Ratio	-	-

Notes to the Financial Statement for the year ended  $31^{\rm st}$  March, 2018

### 20 Related Party Disclosure

20.1 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.

## **Holding Company**

Jai Corp Limited

			(Amount in Rs)
Nature of Transaction	Name of the Related Party	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Equity Shares	Jai Corp Limited	500,000	500,000
0% Optinally Fully Convertible Debentures	Jai Corp Limited	167,500,000	167,500,000

Notes to the Financial Statement for the year ended 31st March, 2018

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

(Amount in Rs.)

	Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
(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. 4,800,000 paid under protest)	6,067,368	6,067,368
		6,067,368	6,067,368

21.1

During the Assessment Year 2009-10 Income tax department had 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 had disputed the same and paid Rs.48,00,000/- till 31<sup>st</sup> March, 2018 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.

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

Notes to the Financial Statements for the year ended 31st March, 2018

#### Note 22 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.

#### Note 23

Previous period figures have been regrouped / re-classified wherever necessary to make them comparable.

As per our report of even date

For D T S & ASSOCIATES

Chartered Accountants (Firm Registration No.142412W) For and on behalf of the Board of Directors

Anuj Bhatia

Partner

Membership No. 122179

Place: Mumbai

Date: 22<sup>nd</sup> May, 2018

Ajay Gupta
Director

Bijay Kumar Saraf Director

(DIN: 00375853) (DIN: 00084108)