T. P. Ostwal & Associates LLP
CHARTERED ACCOUNTANTS
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Independent Auditors' Report

To,
The Members,
HL Promoters Private Limited

Report on the Financial Statements

1. We have audited the accompanying Ind AS financial statements of HL Promoters Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the 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

2. The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Ind AS financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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.

5. 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.

T.P. OSTWAL & ASSOCIATES LLP MUMBAI-1 C.A.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the 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 acceptable in India including the Ind AS:
   i) in the case of the Financial Position, of the state of affairs of the Company as at 31st March, 2017;
   ii) in the case of the Financial Performance including other comprehensive income for the year ended on that date;
   iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date; and
   iv) in the case of the Statement of Changes in Equity, the changes in equity for the year ended on that date.

Emphasis of Matters

7. We draw attention to the following matter in the Notes to the Ind AS financial statements: -

   Note 27 in the Ind AS financial statements which indicate that the Company has accumulated losses and its Net worth has been substantially eroded. Although the Company has incurred cash losses during the year, the Company is confident of its continuance in the years to come on account of the promoters support. The Ind AS financial statements are prepared under going concern assumption though there are accumulated losses.

   Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

8. As required by section 143(3) of the Act, we report that:
   a) we have 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 accounts 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, 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
   e) the going concern matter under the Emphasis of Matters paragraph above, in our opinion, may not have an adverse effect on the functioning of the Company.
   f) on the basis of the written representations received from the directors of the Company, taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2017 for being appointed as a director in terms of Section 164(2) of the Act
   g) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A , and

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

i. The Company has no pending litigations which has an impact on its financial position.

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company did not have any Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016.

9. As required by the Companies (Auditor's Report) Order, 2016, ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B, a statement on the matters specified in the paragraph 3 and 4 of the order.

For T.P. Ostwal & Associates LLP
Chartered Accountants
(Registration No. 124444W/W100150)

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T.P. Ostwal
(Partner)
Membership No. 30848

Place: Mumbai
Date: 12 MAY 2017

Annexure - A to the Independent Auditors' Report – 31st March, 2017

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

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

(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

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being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For T. P. Ostwal & Associates LLP
Chartered Accountants
(Registration No. 124444W/W100150)

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T. P. Ostwal
(Partner)
Membership No:30848

Place: Mumbai
Date: 12 MAY 2017

Annexure - B to the Independent Auditors' Report – 31st March, 2017

With reference to the Annexure referred to in paragraph 9 of the Independent Auditors' Report of HL Promoters Private Limited on the Ind AS financial statements for the year ended on 31st March, 2017, we report the following:

i) In respect of fixed assets:

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

(b) The fixed assets were physically verified during the year by the management. According to the information and explanation given to us, no material discrepancies are noticed on such verification.

(c) The Company does not have any immovable property.

ii) According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals, and no material discrepancies were noticed in such physical verification.

iii) According to the information and explanations given to us, the Company has not granted any loans to companies covered in the register maintained under Section 189 of the Companies Act, 2013.

iv) According to the information and explanations given to us, the Company does not have any loans, investments, guarantees and securities.

v) The Company has not accepted any deposits from the public.

vi) According to the information and explanations given to us, maintenance of cost records as prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 is not applicable to the company.

vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, value added tax, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, duty of excise and duty of customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, value added tax, service tax, cess and other material statutory dues were in arrears, as at 31st March, 2017, for a period of more than six months from the date they became payable.

(b) There is no statutory dues payable on account of any dispute.

viii) The Company does not have any loans or borrowings from any financial institution or bank or Government or debenture holders during the financial year under audit.

ix) The Company has not raised any funds by way of an initial public offer or a further public offer (including debt instruments) and has not taken any term loans during the year.

x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers/employees has been noticed or reported during the financial year under audit.

xi) According to the information and explanations given to us, the Company has not paid any managerial remuneration during the financial year under audit.

xii) According to information and explanations given to us the Company is not a Nidhi Company.

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xiii) According to information and explanations given to us and based on our examination of the records of the Company, transactions with 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 accounting standards.

xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under audit.

xv) According to the information and explanations given to us to the best of our knowledge the company has not entered into any non-cash transactions with directors or persons connected with him.

xvi) The Company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934.

For T. P. Ostwal & Associates LLP
Chartered Accountants
(Registration No. 124444W/W100150)

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C.A.

T. P. Ostwal
(Partner)
Membership No:30848

Place: Mumbai
Date: 12 MAY 2017

HL PROMOTERS PRIVATE LIMITED

BALANCE SHEET AS AT 31 MARCH, 2017

(₹ in lacs)

Particulars	Note No	As at 31 March, 2017	As at 31 March, 2016	As at 31 March, 2015
Assets				
1. Non-current assets				
(a) Property, plant and equipment	3	5.27	8.10	4.85
(b) Financial assets				
(i) Other financial assets	4	1.00	1.00	-
(c) Deferred tax assets (net)	5	512.00	334.58	-
(d) Income tax asset	6	46.07	13.18	0.70
Total non-current assets		**564.34**	**356.86**	**5.55**
2. Current assets				
(a) Inventories	7	20,160.18	16,747.47	12,135.22
(b) Financial assets				
(i) Trade receivables	8	629.38	65.24	-
(ii) Cash and cash equivalents	9	176.06	54.85	7.00
(iii) Other financial assets	10	546.24	628.64	-
(c) Other current assets	11	977.46	1,135.22	684.13
Total current assets		**22,489.32**	**18,631.42**	**12,826.35**
Total Assets		**23,053.66**	**18,988.28**	**12,831.90**
Equity and Liabilities				
1. Equity				
(a) Equity Share Capital	12	800.00	800.00	800.00
(b) Other equity	13	(1,482.35)	(678.28)	(7.78)
Total equity		**(682.35)**	**121.72**	**792.22**
2. Liabilities				
Non-current liabilities				
(a) Provisions	14	10.68	3.74	-
Total non-current liabilities		10.68	3.74	-
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	15	10,656.23	7,755.50	5,609.08
(ii) Trade payables	16	9,354.96	9,976.83	6,188.63
(iii) Other financial liabilities	17	1,044.46	693.88	203.89
(b) Provisions	18	4.08	2.28	-
(d) Other current liabilities	19	2,665.60	434.33	38.08
Total current liabilities		23,725.33	18,862.82	12,039.68
Total liabilities		**23,736.01**	**18,866.56**	**12,039.68**
Total Equity and Liabilities		**23,053.66**	**18,988.28**	**12,831.90**
See accompanying notes to the financial statements	**1 - 41**			

In terms of our report attached

For T. P. Ostwal & Associates LLP
Chartered Accountants
(Registration No. 124444W/W100150)

T.P. Ostwal
Partner
Membership No: 30848

Place:
Date: 12 MAY 2017

T.P. OSTWAL & ASSOCIATES LLP
Suite # 1306-1307
13th Floor, Lodha Supremus,
Opp. Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel,
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C.A.

For and on behalf of the Board of Directors

Director

Director

(Company Secretary)

Place:
Date: 12 MAY 2017

HL PROMOTERS PRIVATE LIMITED

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

(₹ in Lacs)

Particulars	Note No	Year ended 31 March, 2017	Year ended 31 March, 2016
Revenue from operations	20	2,266.54	2,801.13
Other income	21	6.56	0.10
Total Income		**2,273.10**	**2,801.23**
Expenses			
Cost of sales	22	2,811.38	2,672.48
Employee benefit expense	23	101.06	97.34
Finance costs	24	1.92	-
Depreciation and amortisation expense	3	3.91	8.70
Other expenses	25	337.30	1,027.18
Total expenses		**3,255.57**	**3,805.70**
Profit before tax		**(982.47)**	**(1,004.47)**
Tax expense			
-Deferred tax	5	(177.67)	(334.38)
Total tax expense		**(177.67)**	**(334.38)**
Profit for the year		**(804.80)**	**(670.09)**
Other comprehensive income			
-Items that will not be reclassified to profit and loss			
Remeasurements of post-employment benefit obligations		**(0.98)**	**0.61**
-Income tax relating to Items that will not be reclassified to profit and loss	5	**0.25**	**(0.20)**
Other comprehensive income for the year, net of tax		**(0.73)**	**0.41**
Total comprehensive income for the year		**(804.07)**	**(670.50)**
Earnings per equity share			
Basic earnings per share		(10.06)	(8.38)
Diluted earnings per share		(10.06)	(8.38)
See accompanying notes to the financial statements	**1 - 41**		

In terms of our report attached

For T. P. Ostwal & Associates LLP
Chartered Accountants
(Registration No. 124444W/W100150)

T.P. Ostwal
Partner
Membership No: 30848

Place:
Date: 12 MAY 2017

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For and on behalf of the Board of Directors

Director

(Company Secretary)

Atul Narang
Director

HL PROMOTERS PRIVATE LIMITED

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

a. Equity share capital

(₹ in Lacs)

Particulars	Amount
Balance as at 1 April 2015	**800.00**
Changes in equity share capital during the year	-
Balance as at 31 March 2016	**800.00**
Changes in equity share capital during the year	-
Balance as at 31 March 2017	**800.00**

b. Other equity

(₹ in Lacs)

Particulars	Reserves and surplus Retained Earnings	Total equity
Balance as at 1 April 2015	(7.78)	(7.78)
Loss for the year	(670.09)	(670.09)
Other comprehensive income	(0.41)	(0.41)
Total comprehensive income for the year	**(670.50)**	**(670.50)**
Balance as at 31 March 2016	**(678.28)**	**(678.28)**
Loss for the year	(804.80)	(804.80)
Other comprehensive income	0.73	0.73
Total comprehensive income for the year	**(804.07)**	**(804.07)**
Balance as at 31 March 2017	**(1,482.35)**	**(1,482.35)**

See accompanying notes to the financial statements

In terms of our report attached

For T. P. Ostwal & Associates LLP
Chartered Accountants
(Registration No. 124444W/W100150)

T.P. Ostwal
Partner
Membership No: 30848

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C.A.

Place:
Date: 12 MAY 2017

For and on behalf of the Board of Directors

Atul Narang

Director **Director**

(Company Secretary)

HL PROMOTERS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2017

(₹ in Lacs)

Particulars	Note No	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Cash flows from operating activities			
Profit for the period		(804.80)	(670.09)
Adjustments for :			
Tax expense recognised in profit or loss		(177.67)	(334.38)
Finance costs		1.92	-
Interest income		(5.56)	(0.10)
Depreciation expense		3.91	8.70
Remeasurements of post-employment benefit obligations		0.98	(0.61)
Operating profit before working capital changes		**(981.22)**	**(996.48)**
Changes in working capital:			
Adjustment for (increase)/decrease in operating assets:			
Inventories		(3,412.71)	(4,612.25)
Trade receivables		(564.14)	(65.24)
Other current financial assets		82.49	(628.57)
Other current assets		157.76	(451.09)
Other non-current financial assets		-	(1.00)
Adjustment for increase/(decrease) in operating liabilities:			
Trade payables		(621.87)	3,788.20
Other current financial liabilities		350.58	489.99
Current provisions		1.80	2.28
Other current liabilities		2,231.27	396.25
Other non-current financial liabilities		-	-
Non-current provisions		6.94	3.74
Cash generated from operations		**(2,749.10)**	**(2,074.17)**
Income tax paid		(32.89)	(12.48)
Net cash generated by operating activities (a)		**(2,781.99)**	**(2,086.65)**
Cash flows from investing activities			
Payments for property, plant and equipment		(1.08)	(11.95)
Bank balances not considered as cash and cash equivalents			
- Placed		-	-
Interest received		5.47	0.03
Net cash used in investing activities (b)		**4.39**	**(11.92)**
Cash flows from financing activities			
Proceeds from non current financial borrowings		-	-
Proceeds from current financial borrowings		2,900.73	2,146.42
Finance costs		(1.92)	-
Net cash used in financing activities (c)		**2,898.81**	**2,146.42**
Net decrease in cash and cash equivalents (a+b+c)		**121.21**	**47.85**
Cash and cash equivalents at the beginning of the year	12	54.85	7.00
Cash and cash equivalents at the end of the year	12	**176.06**	**54.85**
See accompanying notes to the financial statements			

In terms of our report attached

For T. P. Ostwal & Associates LLP
Chartered Accountants
(Registration No. 124444W/W100150)

T.P. Ostwal
Partner
Membership No: 30848

Place:
Date: 12 MAY 2017

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For and on behalf of the Board of Directors

Director

Director

(Company Secretary)

e. Other income

i. Interest income

Interest income from financial asset is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instruments but does not consider the expected credit loss.

ii. Dividend income

Dividend income from investments is recognised when the shareholders' right to receive payment has been established.

f. Cost of sales

Project Cost which includes cost of land and cost of development rights, construction and development costs, borrowing costs incurred are charged as cost of sales in proportion to the project area sold. Costs incurred for projects which have not achieved reasonable level of development is carried over as construction work-in-progress. Any expected loss on real estate projects is recognised as an expense when it is certain that the cost will exceed the revenue.

g. Income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws. The current tax is calculated on the basis of the tax laws enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss. Deferred tax is determined using tax laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or deferred 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 amount will be available to utilize those temporary differences and losses.

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

Current tax and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity. In this case, current tax and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to the future current tax liability, is considered as an asset if there is reasonable certainty of it being set off against regular tax payable within the stipulated statutory period. MAT credit is reviewed at each balance sheet date and the carrying amount of MAT credit is written down to the extent there is no longer reasonable certainty to the effect that the Company will pay regular tax during such specified period.

T. P. OSTWAL & ASSOCIATES LLP MUMBAI-1 C.A.

h. Leases – as a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

i. Impairment of tangible and intangible assets other than goodwill

The carrying amounts of tangible and intangible assets are reviewed at each balance sheet date to determine whether there is any indication that those assets have suffered an impairment loss. If any such indications exists, the recover able amount of the asset is estimated in order to determine the extent of the impairment loss, if any. An impairment loss is recognised in profit and loss wherever the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discount factor. When there is an indication that an impairment loss recognised for the asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in profit and loss.

j. Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

k. Unbilled revenue

Unbilled revenue represents excess of revenue recognised on 'Percentage of Completion Method' over actual bills raised. Unbilled revenue is recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

l. Inventories

Inventories comprises of cost of construction material, finished residential or commercial properties and costs of projects under construction/development (construction work-in-progress). Inventories are valued at the lower of cost and net realisable value. The cost of construction material is determined on a weighted average basis.

Cost of project includes, cost of land / cost of development rights, construction and development cost, overheads related to project and justifiable borrowing costs which are incurred directly in relation to a project or which are apportioned to a project.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

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m. Investments and other financial assets

i. 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 company'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 (on an instrument-by-instrument basis) 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.

ii. Measurement

At initial recognition, the company measures a financial asset at its fair value 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. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

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 and is not part of a hedging relationship 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 (FVTOCI):** 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 (FVTOCI). 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.

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- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVTOCI 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 and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Effective interest method

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

Equity instruments at FVTOCI

The company subsequently measures all equity investments at fair value. 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 on disposal. Dividend from such investments are recognised in profit or loss as other income when the right to receive payment is established.

Equity instruments at FVTPL

Investment in equity instruments are classified as at FVTPL, unless the company irrevocably elect on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

iii. Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost, FVTOCI debt instruments, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note XX details how the company determines whether there has been a significant increase in credit risk.

iv. Derecognition 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.

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

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

n. Financial liabilities and equity instruments

i. Classification as debt or equity
Debt and equity instruments issued by the entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

ii. Equity Instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the entity are recognised at the proceeds received, net of direct issue costs.

iii. Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL: Financial liabilities are classified at FVPTL when the financial liability is held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability. However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that are attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Financial liabilities subsequently measured at amortised costs: Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as part of cost of an assets is recognised in profit or loss.

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Financial guarantee contracts:

Derecognition of financial liabilities: The entity derecognizes financial liabilities when, and only when the entity's obligation are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

o. Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.
Financial guarantee contracts issued by the company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

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

p. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

q. Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses including the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located and borrowing costs attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

r. Depreciation methods, estimated useful lives and residual value

Depreciation is provided using the written down value method using the useful life as follows:

Assets	Useful life
Office Equipments	5 years
Computers	3 years
Furniture and Fixtures	10 years

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In respect of cellular phones whose estimated useful life is assessed as 2.5 years based on technical advice, taking into consideration, the nature of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjust if appropriate, at the end of each reporting period.
Leasehold improvements are amortised over the period of lease.
The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.
Any gains or losses arising on the disposals or retirement of an item of property, plant and equipment is determined as difference between the sales proceeds and the carrying amount of the asset ad is recognised in profit or loss.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

s. Intangible assets

Costs associated with maintaining software programs are recognised as an expense as incurred.
Computer software purchased is stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and borrowing costs attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Amortisation methods and periods

The company amortises cost of software over a period of 3 years on a straight-line basis.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

t. Borrowing costs

Borrowing costs include interest, other costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, allocated to and utilised for qualifying construction project / assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying construction project / assets upto the date of substantial completion of project / capitalisation of such asset are added to the cost of construction project / assets. Capitalisation of borrowing costs is suspended and charged to profit and loss during extended periods when active development activity on the qualifying construction project / assets is interrupted. A qualifying construction project/ asset is an asset that necessarily takes 12 months or more to get ready for its intended use or sale and includes the real estate properties developed by the Company.

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

Other borrowing costs are expensed in the period in which they are incurred.

u. Provisions

Provisions are recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

v. Employee benefits

i. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Other Long-term employee benefit obligations

The Company's obligation towards other long term employee benefits in the form of compensated absences and long service awards are measured at the present value of the expected future payments to be made by the Company in respect of services provided by employee upto the reporting date.

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iii. Post-employment obligations

The company operates the following post-employment schemes:

(a) defined benefit plan

The Company's obligation towards gratuity to employees, post-retirement medical benefits and ex-directors pension obligations is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan asset, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in the retained earnings and not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised as employee benefit expense in profit and loss.

(b) Defined contribution plan

The Company's contributions to Provident fund, Superannuation Fund and employee's state insurance scheme are considered as defined contribution plans. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

w. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

x. Earnings per share

i. Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

ii. Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

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y. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

z. Operating cycle

All assets and liabilities have been classified as current or non-current based on operating cycle determined in accordance with the guidance as set out in the Schedule III to the Companies Act, 2013.

aa. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

2. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.
This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted clue to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Recognition of revenue – Note xx
- Estimation of defined benefit obligation – Note xx
- Estimation of current tax expense and payable - Note xx
- Estimation of customer compensation - Note xx
- Recognition of deferred tax assets for carried forward tax losses - Note xx

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NOTES TO THE FINANCIAL STATEMENTS

Note 3: Property, plant and equipment

(₹ in Lacs)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Carrying amounts of :			
Office Equipment	1.29	2.43	4.04
Computers	1.65	2.52	0.81
Furniture and Fixtures	2.33	3.15	-
Motor Vehicles	-	-	-
	5.27	**8.10**	**4.85**

	Office Equipment	Computers	Furniture and Fixtures	Total
Gross carrying amount				
Deemed cost as at 1 April 2015	**4.04**	**0.81**	-	**4.85**
Additions	3.61	4.33	4.01	**11.95**
Disposals	-	-	-	-
Balance as at 31 March 2016	**7.65**	**5.14**	**4.01**	**16.80**
Additions	0.72	0.36	-	**1.08**
Disposals	-	-	-	-
Balance as at 31 March 2017	**8.37**	**5.50**	**4.01**	**17.88**
Accumulated depreciation				
Balance as at 1 April 2015	-	-	-	
Depreciation charge during the year	5.22	2.62	0.86	**8.70**
Elimination on disposals of assets	-	-	-	-
Balance as at 31 March 2016	**5.22**	**2.62**	**0.86**	**8.70**
Depreciation charge during the year	1.86	1.23	0.82	**3.91**
Disposals	-	-	-	-
Balance as at 31 March 2017	**7.08**	**3.85**	**1.68**	**12.61**
Closing net carrying amount				
Balance as at 1 April 2015	4.04	0.81	-	**4.85**
Additions	3.61	4.33	4.01	**11.95**
Disposals	-	-	-	-
Depreciation expense	5.22	2.62	0.86	**8.70**
Balance as at 31 March 2016	**2.43**	**2.52**	**3.15**	**8.10**
Additions	0.72	0.36	-	**1.08**
Disposals	-	-	-	-
Depreciation expense	1.86	1.23	0.82	**3.91**
Balance as at 31 March 2017	**1.29**	**1.65**	**2.33**	**5.27**

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Note 4: Other financial assets - Non current

(₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Balance with bank - In deposit accounts (Refer not 4.1)	1.00	1.00	-
Total	1.00	1.00	-

4.1 (a) The fixed deposits are under lien against VAT authorities and with others on behalf of the Company for operations.			
(b) Balances with banks include deposits which have a maturity of more than 12 months from the Balance Sheet date.	1.00	1.00	-

Note 5: Deferred tax asset (Net)

(₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Deferred tax assets	512.00	334.58	-
Total	512.00	334.58	-

2016-17	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Closing Balance
Deferred tax assets in relation to:					
Property, plant and equipment	0.72	0.23	-	-	0.95
Defined benefit obligation	1.75	1.66	(0.25)	-	3.16
brought forward business losses	331.00	159.53	-	-	490.53
Deferred Revenue	1.11	16.25	-	-	17.36
Total	334.58	177.67	(0.25)	-	512.00

2015-16	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Closing Balance
Deferred tax assets in relation to:					
Property, plant and equipment	-	0.72	-	-	0.72
Defined benefit obligation	-	1.55	0.20	-	1.75
brought forward business losses	-	331.00	-	-	331.00
Deferred Revenue	-	1.11	-	-	1.11
Total	-	334.38	0.20	-	334.58

Note 6: Income tax asset

(₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Advance income tax (net)	46.07	13.18	0.70
Total	46.07	13.18	0.70

Note 7: Inventories

(₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Construction material	446.79	98.34	-
Construction work-in-progress	19,713.39	16,649.13	12,135.22
Total	20,160.18	16,747.47	12,135.22

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NOTES TO THE FINANCIAL STATEMENTS

Note 8: Trade receivables

(₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Trade Receivables			
Secured, considered good	-	-	-
Unsecured, considered good	629.38	65.24	-
Doubtful	-	-	-
Less: Allowance for doubtful debts	-	-	-
Total	629.38	65.24	-

Note 9: Cash and cash equivalents

(₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Balances with banks			
- in current accounts	176.06	54.85	6.49
Deposit with maturity of less than 3 months			
Cash on hand	-	-	0.51
Total	176.06	54.85	7.00
Cash and cash equivalent as per statement of cash flow	176.06	54.85	7.00

Note 10: Other financial assets - current

(₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Deposit with others	1.80	1.80	-
Interest accrued on deposits	0.16	0.07	-
Unbilled revenue	544.28	626.77	-
Total	546.24	628.64	-

Note 11: Other current assets

(₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Deposit with Government authorities	3.97	29.67	37.83
Balances with government authorities			
- Service tax credit receivable	418.68	297.96	45.92
Mobilisation advance	275.36	119.57	-
Advance for projects	279.13	688.02	600.38
Prepaid expenses	0.32	-	-
Total	977.46	1,135.22	684.13

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 12: Share capital

Authorised/Issued/Subscribed and Paid-up

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	(₹ in Lacs)	Number of shares	(₹ in Lacs)	Number of shares	(₹ in Lacs)
Authorised Equity shares of ₹ 10/- each	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000
Issued, Subscribed and paid-up Equity shares of ₹ 10/- each fully paid-up	80,00,000	800	80,00,000	800	80,00,000	800
	80,00,000	**800**	**80,00,000**	**800**	**80,00,000**	**800**

12.1 Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	(₹ in Lacs)	Number of shares	(₹ in Lacs)	Number of shares	(₹ in Lacs)
Shares outstanding at the beginning of the year	80,00,000	800.00	80,00,000	800.00	80,00,000	800.00
Shares issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	**80,00,000**	**800.00**	**80,00,000**	**800.00**	**80,00,000**	**800.00**

Name of shareholder	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	% Holding	Number of shares	% Holding	Number of shares	% Holding
HLT Residency Private Limited	40.80.000	51	40.80.000	51	40.80.000	51

12.2 Details of equity shares held by shareholders holding more than 5% of equity shares in the Company:

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	% Holding	Number of shares	% Holding	Number of shares	% Holding
HLT Residency Private Limited	40.80.000	51	40.80.000	51	40.80.000	51
SAS Realtech LLP	39,20,000	49	39,20,000	49	39,20,000	49

12.3 Details of shares issued otherwise than for cash/bonus shares/shares bought back during the immediately preceding 5 years - None

12.4 Rights, preference and restriction attached to shares

The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend, if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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NOTES TO THE FINANCIAL STATEMENTS

Note 13: Other equity (₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Retained earnings	(1,482.35)	(678.28)	(7.78)
Total	(1,482.35)	(678.28)	(7.78)

(i) Retained earnings (₹ in Lacs)

Particulars	As at 31 March, 2017	As at 31 March, 2016
Balance at the beginning of the period	(678.28)	(7.78)
Net profit for the period	(804.80)	(670.09)
Items of other comprehensive income recognised directly in retained earnings:	-	-
Remeasurements of post-employment benefit obligation, net of tax	0.73	(0.41)
Total	(1,482.35)	(678.28)

Note 14: Provision non current (₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Provision for employee benefits:			
- Provision for compensated absences	8.42	3.55	-
- Provision for long service award	2.26	0.19	-
Total	10.68	3.74	-

Note 15: Borrowings - current (₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Secured - at amortised cost			
Loans repayable on demand			
-from bank (Refer note 15.1)	4,267.67	-	-
Unsecured			
Loans and Advances from related parties			
HLT Residency Private Limited	5,090.36	6,457.30	4,310.88
SAS Realtech LLP	1,298.20	1,298.20	1,298.20
Total	10,656.23	7,755.50	5,609.08

15.1 The cash-credit facility is secured by hypothecation of stocks and receivable of the Company and also by RM/EM of land bearing khewat/khatoni no. 5/5, 19/22, 20/23, 3/3, 21/24 in Sector 37 situated at Village Nuna Majra, Tehsil Bahadurgarh, District Jhajjar, Haryana.

Note 16: Trade payables - current (₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Trade payables - other than acceptances (see note below)	9,354.96	9,976.83	6,188.63
Total	9,354.96	9,976.83	6,188.63

Note:
Based on the information available with the Company, the balance due to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is Rs. Nil (31 March, 2014: Rs. Nil) and no interest has been paid or is payable during the year under the terms of the MSMED Act, 2006. The information provided by the Company has been relied upon by the auditors.

Note 17: Other financial liabilities - current (₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Retention money payable	175.47	68.67	11.79
Interest accrued but not due on borrowings	868.99	625.21	191.60
Total	1,044.46	693.88	203.89

Note 18: Provisions-current (₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Provision for employee benefits			
- Provision for compensated absences	1.62	1.56	-
- Provision for gratuity (Refer note 33)	2.46	0.72	-
Total	4.08	2.28	-

Note 19: Other current liabilities (₹ in Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Income received in advance (unearned revenue)	2,495.73	136.15	-
Statutory dues (contribtion to PF, Withholding tax, Service Tax, etc.)	169.87	298.18	38.08
Total	2,665.60	434.33	38.08

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NOTES TO THE FINANCIAL STATEMENTS

Note 20: Revenue from operations (₹ in Lacs)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Sale of properties	2,226.76	2,800.69
Other operating revenues		
- Other Income from customers	39.78	0.44
Total	2,266.54	2,801.13

Note 21: Other income (₹ in Lacs)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Interest on		
- Deferred revenue	0.80	-
- Fixed deposits from bank	0.09	0.06
- Delayed payment charges	5.47	0.04
Other non-operating income		
Miscellaneous Income	0.20	-
Total	6.56	0.10

Note 22: Cost of sales (₹ in Lacs)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Cost of sales	2,811.38	2,672.48
Total	2,811.38	2,672.48

Note 23: Employee Benefits Expense (₹ in Lacs)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Salaries and Bonus etc.	95.53	92.88
Contribution to Provident and Other Funds	5.17	4.08
Staff Welfare Expenses	0.36	0.38
	101.06	97.34

Note 24: Finance costs (₹ in Lacs)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Interest expense on borrowings:		
- Borrowings	825.70	895.19
- on fixed Loans	64.76	-
-Interest expense on others	310.49	266.03
	1,200.95	1,161.22
Other borrowing costs:		
- Other ancillary costs	1.92	1.01
Total Finance cost	1,202.87	1,162.23
Less: Apportionment to construction work-in-progress	(1,200.95)	(1,162.23)
	1.92	-

Note 25: Other expenses (₹ in Lacs)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Professional fees	0.59	2.95
Repairs and maintenance - others	-	0.09
Insurance	1.92	0.23
Net loss on foreign currency transactions and translations	-	2.33
Selling expenses	287.12	1,020.24
Payments to auditors (Refer Note (i) below)	1.66	0.60
Directors Fees	0.20	-
Bank charges	2.18	-
Miscellenous expenses	43.63	0.74
Total	337.30	1,027.18
Note:		
(i) Payments to the auditors comprise (net of service tax input credit):		
To statutory auditors		
For audit	0.85	0.60
In Other Capacity	0.80	-
Service Tax	0.01	-
Total	1.66	0.60

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26. First-time Ind AS adoption reconciliations

These are the company's first standalone financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the company's date of transition). In preparing its opening Ind AS balance sheet, the company 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). 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 set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

(a) Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their Previous GAAP carrying value.

A2. Ind AS mandatory exceptions

(a) 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 1 April 2015 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Company made estimates for asset held for sale in accordance with Ind AS at the date of transition as it was not required under Previous GAAP.

(b) 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. Accordingly, classification and measurement of the financial assets has been based on the facts and circumstances that exist at the date of transition to Ind AS.

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

A. Reconciliation of Equity as at 01 April 2015 and 31 March 2016,

B. Reconciliation of Statement of Profit and Loss for the year ended 31 March 2016, and

C. The impact on cash flows from operating, investing and financing activities for the year March 31, 2016.

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26.1 Effect of Ind AS adoption on the balance sheet as at 31 March, 2016 and 1 April, 2015

(₹ in Lacs)

Particulars	Notes	As at 31.03.16			As at 1.04.2015		
		Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of Transition to Ind AS	As per Ind AS Balance sheet
Non-current assets							
Property, plant and equipment		8.10	-	8.10	4.85	-	4.85
Financial assets						-	
(i) Other financial assets		-	1.00	1.00	-	-	-
Deferred tax assets	4	333.47	1.11	334.58	-	-	-
Non-current tax assets (net)		13.18	-	13.18	0.70	-	0.70
		354.75	**2.11**	**356.86**	**5.55**	-	**5.55**
Current assets							
Inventories		16,748.09	(0.62)	16,747.47	12,135.22	-	12,135.22
Financial assets							
(i) Trade receivables		65.24	-	65.24	-	-	-
(ii) Cash and cash equivalents		55.85	(1.00)	54.85	7.00	-	7.00
(v) Other financial assets	2	631.98	(3.34)	628.64	-	-	-
Other current assets		1,135.22	-	1,135.22	684.13	-	684.13
		18,636.38	**(4.96)**	**18,631.42**	**12,826.35**	-	**12,826.35**
Total assets		**18,991.13**	**(2.85)**	**18,988.28**	**12,831.90**	-	**12,831.90**
Equity							
Equity share capital		800.00	-	800.00	800.00	-	800.00
Other equity	5	(675.43)	(2.85)	(678.28)	(7.78)	-	(7.78)
Total equity		**124.57**	**(2.85)**	**121.72**	**792.22**	-	**792.22**
Non-current liabilities							
Provisions		3.74	-	3.74	-	-	-
		3.74	-	**3.74**	-	-	-
Current liabilities							
Financial liabilities							
(i) Borrowings		7,755.50	-	7,755.50	5,609.08	-	5,609.08
(ii) Trade payables		9,976.83	-	9,976.83	6,188.63	-	6,188.63
(iii) Other financial liabilities		693.88	-	693.88	203.89	-	203.89
Provisions		2.28	-	2.28	-	-	-
Current tax liabilities		-	-	-	-	-	-
Other current liabilities		434.33	-	434.33	38.08	-	38.08
		18,862.82	-	**18,862.82**	**12,039.68**	-	**12,039.68**
Total liabilities		**18,866.56**	-	**18,866.56**	**12,039.68**	-	**12,039.68**
Total equity and liabilities		**18,991.13**	**(2.85)**	**18,988.28**	**12,831.90**	-	**12,831.90**

26.2 Reconciliation of total equity as at 31 March, 2016 and 31 March, 2015

(₹ in Lacs)

	Notes	As at 31.03.16	As at 1.04.2015
Total equity (shareholders funds) under previous GAAP			
Share capital		800.00	800.00
Reserves and surplus		(675.43)	(7.78)
		124.57	**792.22**
Adjustment:			
Fair valuation of unbilled revenue	2	(3.34)	-
Effect of acturial gain/loss on employee defined benefit liability (net) recognised in other comprehensive	1	(0.62)	-
Tax effect on adjustment	4	1.11	-
Total equity under Ind AS			
Equity share capital		800.00	800.00
Other equity		(678.28)	(7.78)
		121.72	**792.22**

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26.3 Effect of Ind AS Adoption on the Statement of Profit and Loss for the year ended 31 March, 2016

(₹ in Lacs)

	Notes	Year ended 31.03.2016		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from operations	2	2,804.47	(3.34)	2,801.13
Other Income		0.10	-	0.10
Total Income (A)		2,804.57	(3.34)	2,801.23
Cost of sales		2,672.48	-	2,672.48
Employee Benefits Expense		97.34	-	97.34
Depreciation and amortisation expense		8.70	-	8.70
Other expenses		1,027.18	-	1,027.18
Total expenses (B)		3,805.70	-	3,805.70
Profit before tax (A-B)		(1,001.13)	(3.34)	(1,004.47)
Tax expense				
Current tax		-	-	-
Deferred tax	4	(333.47)	(0.91)	(334.38)
		(333.47)	(0.91)	(334.38)
Profit for the period		(667.66)	(2.43)	(670.09)
Other comprehensive income				
I. Items that will not be reclassified to profit or loss				
- Remeasurements of the defined benefit plans	6	-	0.61	0.61
II. Income tax relating to items that will not be reclassified to profit and loss	6	-	(0.20)	(0.20)
Total other comprehensive income		-	0.41	0.41
Total comprehensive income for the period		(667.66)	(2.84)	(670.50)

26.4 Reconciliation of total comprehensive income for the year ended 31 March, 2016

(₹ in Lacs)

	Notes	Year ended 31.03.2016
Profit as per previous GAAP		(667.66)
Adjustments :		
Fair valuation of unbilled revenue	2	(3.34)
Tax effect on adjustment	4	0.91
Total effect of transition to Ind AS		(2.43)
Profit for the period as per Ind AS		(670.09)
Other comprehensive income for the period	6	0.41
Total comprehensive income under Ind AS		(670.50)

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

(₹ in Lacs)

	Year ended 31.03.2016		
	Previous GAAP	**Effect of Transition to Ind AS**	**As per Ind AS balance sheet**
Net Cash flows from operating activities	(2,086.65)	-	(2,086.65)
Net Cash flows from investing activities	(11.92)	-	(11.92)
Net Cash flows from financing activities	2,146.42	-	2,146.42
Net decrease in cash and cash equivalents	47.85	-	47.85
Cash and Cash equivalents at the beginning of the period	327.49	-	7.00
Cash and Cash equivalents at the end of the period	375.34	-	54.85

26.6 Analysis of cash and cash equivalents as at 31 March, 2016 and as at 1 April, 2015 for the purposes of statement of cash flow under Ind AS

(₹ in Lacs)

	As at 31.03.16	As at 1.04.2015
Cash and Cash equivalents for the purposes of statement of cash flows as per previous GAAP	375.34	327.49
Cash and Cash equivalents for the purpose of statement of cash flows under Ind AS	**375.34**	**327.49**

Notes to the Reconciliations

Note 1: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2016 decreased by ₹ 0.81 crores. There is no impact on the total equity as at March 31, 2016.

Note 2: Fair valuation of revenue on deferred payment terms - Unbilled revenue

Under the IGAAP, revenue is recognised at nominal value of consideration receivable. Under Ind AS, revenue is measured at the fair value of the consideration received or receivable. Accordingly, the company has fair valued the unbilled revenue arising due to deferred payment terms. The difference between nominal value and fair value is treated as a reduction in both revenue and unbilled revenue. Upon unwinding, interest income is recognised in subsequent period.

Note 3: Sales incentive

Under Ind AS, revenue is recognised at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government. Discounts given include rebates, price reductions and incentives given to customers which have been reclassified from 'sales incentives' within other expenses under Previous GAAP and netted from revenue under Ind AS.

Note 4: Deferred Tax

Under IGAAP, deferred tax accounting was done using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred taxes on temporary differences which were not recorded under IGAAP.

In addition, the various transitional adjustments have led deferred tax implication which the Company has accounted for. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or other comprehensive income, on the date of transition.

Note 5: Retained earnings

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

Note 6: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

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Note 27: Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Risk Management Committee of the Company is supported by the Finance department that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Finance department activities are designed to:
- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

A) Management of liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Lacs)

	31 March 2017	31 March 2016	1 April 2015
Bank OD/CC	732.33	-	-

The bank overdraft facilities may be drawn at any time.

(ii) Maturities of financial liabilities

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance sheet date:

(₹ in Lacs)

As at March 31, 2017	Less than 1 year	1-3 Years	3-5 Years	Total
Borrowings	10,656.23	-	-	10,656.23
Interest on borrowings	868.99	-	-	868.99
Trade payables	9,354.96	-	-	9,354.96
Other financial liabilities	175.47	-	-	175.47

(₹ in Lacs)

As at March 31, 2016	Less than 1 year	1-3 Years	3-5 Years	Total
Borrowings	7,755.50	-	-	7,755.50
Interest on Borrowings	625.21	-	-	625.21
Trade payables	9,976.83	-	-	9,976.83
Other financial liabilities	68.67	-	-	68.67

(₹ in Lacs)

As at April 01, 2015	Less than 1 year	1-3 Years	3-5 Years	Total
Borrowings	5,609.08	-	-	5,609.08
Interest on Borrowings	191.60	-	-	191.60
Trade payables	6,188.63	-	-	6,188.63
Other financial liabilities	12.29	-	-	12.29

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B) Management of market risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- interest rate risk
- commodity price risk
- currency risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below:

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
(i) Interest rate risk		
Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these investments. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. As at March 31, 2017, the exposure to interest rate risk due to borrowings amounted to Rs. 10,656.23 lacs (March 31, 2016: Rs. 7,755.50 lacs, April 1, 2015: Rs. 5,609.08 lacs)	The Company's strategy is to mitigate interest rate risk by ensuring that a minimum of 85% of its total borrowing is at fixed interest rates, by taking out fixed rate loans. The Company's interest rate risk is monitored by the management and treasury team on a monthly basis. Management analyses the Company's interest rate exposure on a dynamic basis. Various scenarios are simulated, taking into consideration refinancing, renewal of existing positions and alternative financing sources. Based on these scenarios, the Company calculates the impact on profit and loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions. The simulation is done on a monthly basis to verify that the maximum potential loss is within the limits set by management.	As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 0.25% change in interest rates. A 0.25% increase in interest rates would have led to an approximate reduction in profit of Rs. 26.64 lacs gain. A 0.25% decrease in interest rates would have led to an equal but opposite effect.

C) Management of credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.
The group is exposed to credit risk from Loans and Inter corporate deposits, deposits with banks and financial institutions, as well as credit exposure to customers with deferred payment terms.

Trade receivables

Credit risks related to receivables resulting from the sale of inventory property is managed by requiring customers to pay the dues before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

Other financial assets

Credit risk from balances with banks and financial institutions is managed in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparties. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's top management. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty failure

The Company's maximum exposure to credit risk as at 31 March, 2017, 2016 and 2015 is the carrying value of each class of financial assets as disclosed in notes 4, 8, 9 and 10.

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Notes forming part of the financial statements

Note 28: Capital Management

The Company considers that capital includes net debt and equity attributable to the equity holders.

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy credit ratios in order to support its business and maximise shareholders value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

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

The Company monitors capital using a gearing ratio which is total capital divided by Net debt. The Company includes within Net debt, interest bearing loans and borrowings, loan from venture partners, trade and other payables, less cash and cash equivalents excluding discontinued operations.

The gearing ratios were as follows:

(₹ in Lacs)

	31 March 2017	31 March 2016	1 April 2015
Short-term borrowings (Note 17)	10,656.23	7,755.50	5,609.08
Cash and cash equivalents (Note 9)	(176.06)	(54.85)	(7.00)
Net debt (net off cash and bank balances)	10,480.17	7,700.65	5,602.08
Total Equity	(682.35)	121.72	792.22
Net debt to equity ratio	(15.36)	63.27	7.07

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Note 29: Fair value measurements

Financial instruments by category (Rs. / Lacs)

	31 March 2017			31 March 2016			1 April 2015		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets									
Cash and cash equivalents	-	-	176.06	-	-	54.85	-	-	7.00
Trade receivables	-	-	629.38	-	-	65.24	-	-	-
Other current financial asset	-	-	547.24	-	-	629.64	-	-	-
Total financial assets	-	-	1,352.68	-	-	749.73	-	-	7.00
Financial liabilities									
Current borrowings	-	-	10,656.23	-	-	7,755.50	-	-	5,609.08
Trade payables	-	-	9,354.96	-	-	9,976.83	-	-	6,188.63
Other current financial liabilities	-	-	1,044.46	-	-	693.88	-	-	203.89
Total financial liabilities	-	-	21,055.65	-	-	18,426.21	-	-	12,001.60

(i) Fair value hierarchy

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.

(Rs. / Lacs)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at 31 March 2017	Level 1	Level 2	Level 3	Total
Financial assets				
Cash and cash equivalents	-	-	176.06	176.06
Trade receivables	-	-	629.38	629.38
Other current financial asset	-	-	547.24	547.24
Total financial assets	-	-	1,352.68	1,352.68
Financial liabilities				
Current borrowings	-	-	10,656.23	10,656.23
Trade payables	-	-	9,354.96	9,354.96
Other current financial liabilities	-	-	1,044.46	1,044.46
Total financial liabilities	-	-	21,055.65	21,055.65

(Rs. / Lacs)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at 31 March 2016	Level 1	Level 2	Level 3	Total
Financial assets				
Cash and cash equivalents	-	-	54.85	54.85
Trade receivables	-	-	65.24	65.24
Other current financial asset	-	-	629.64	629.64
Total financial assets	-	-	749.73	749.73
Financial liabilities				
Current borrowings	-	-	7,755.50	7,755.50
Trade payables	-	-	9,976.83	9,976.83
Other current financial liabilities	-	-	693.88	693.88
Total financial liabilities	-	-	18,426.21	18,426.21

(Rs. / Lacs)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at 1 April 2015	Level 1	Level 2	Level 3	Total
Financial assets				
Cash and cash equivalents	-	-	7.00	7.00
Total financial assets	-	-	7.00	7.00
Financial liabilities				
Current borrowings	-	-	5,609.08	5,609.08
Trade payables	-	-	6,188.63	6,188.63
Other current financial liabilities	-	-	203.89	203.89
Total financial liabilities	-	-	12,001.60	12,001.60

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the
Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.
Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-thecounter derivatives) is determined using valuation techniques which
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(iii) Valuation technique used to determine fair value

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

(iv) Fair value of financial assets and liabilities measured at amortised cost (Rs. / Lacs)

	31 March 2017		31 March 2016		1 April 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Cash and cash equivalents	176.06		54.85	54.85	7.00	7.00
Trade receivables	629.38		65.24		-	
Other current financial asset	547.24		629.64		-	
Total financial assets	1,352.68	-	749.73	54.85	7.00	7.00
Financial liabilities						
Current borrowings	10,656.23		7,755.50	7,755.50	5,609.08	5,609.08
Trade payables	9,354.96		9,976.83		6,188.63	
Other current financial liabilities	1,044.46		693.88		203.89	
Total financial assets	21,055.65	-	18,426.21	7,755.50	12,001.60	5,609.08

The carrying amounts of trade receivables, receivables against services rendered and other recoveries, trade payables, advances recoverable, other payables , cash and cash equivalents and for financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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HL PROMOTERS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 30 : Earnings per share (EPS)

In accordance with the Accounting Standard on "Earnings Per Share" (Ind AS-33) notified by the Companies (Accounting Standards) Rules, 2006 the Earning Per Share has been computed by dividing the net profit / (loss) after tax by the weighted average number of equity shares.

(₹ in Lacs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Profit / (Loss) after tax (₹ in Lacs)	(804.80)	(670.09)
Number of equity shares	8,000,000	8,000,000
Weighted average number of equity shares	8,000,000	8,000,000
Earnings per share (basic & diluted) - in ₹	(10.06)	(8.38)
Face value per share (in ₹)	10	10

Note 31 : Segment reporting

As the Company is engaged only in the business of development of property and related activities in India, it has no reportable segments in terms of Accounting Standard 17 on Segment reporting notified by the Companies (Accounting Standards) Rules, 2006.

Note 32: Disclosure as per Guidance Note on Accounting for Real Estate Transactions:

(₹ in Lacs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Project revenue recognised as revenue for the year ended	2,266.54	2,801.13
Methods used to determine the project revenue	Percentage of completion method	
Method used to determine the stage of completion of the project	Physical completion substianted by cost incurred	
In respect of all projects in progress as at year end		
Aggregate amount of costs incurred and profits recognised to date	19,713.39	16,649.13
Advances received as at year end	2,495.73	136.15
Amount of work in progress and the value of inventories as at year end	20,160.18	16,747.47
Unbilled revenue as at year end	544.28	626.77

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Note 33: Employee benefits

33.1

The Company has recognised, under the construction work in progress the following amount as contribution under defined contribution plans.

(₹ in Lacs)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Provident fund	4.28	366.51
Total	**4.28**	**366.51**

The Company's contributions paid / payable during the year towards Recognised Provident Fund is charged to the construction work in progress. This fund is recognised by the Income-tax authorities.

33.2 The Company operates the funded gratuity benefit plan.

A) Changes in defined benefit obligation:

(₹ in Lacs)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Opening defined benefit obligation	1.29	0.27
Current service cost	1.42	1.04
Interest cost	0.10	0.02
Liability transferred in / acquisitions	0.36	0.57
Actuarial (gain) / loss on obligations	1.07	(0.61)
Benefits paid	-	-
Closing defined benefit obligation	**4.24**	**1.29**

B) Change in plan assets:

(₹ in Lacs)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Plan assets at the beginning of the year	0.57	-
Expected return on plan assets	0.04	-
Actual Company contributions	0.72	-
Assets transferred in / acquisitions	0.36	0.57
Actuarial gain / (loss) on plan assets	0.09	-
Benefits paid	-	-
Plan assets at the end of the year	**1.78**	**0.57**

Expected rate of return on asset is taken on the basis of the benchmark rate on government securities for the tenure of the payment.

C) Net liability recognised in the Balance Sheet:

(₹ in Lacs)

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Present value of the obligation as at the end of the year	4.24	1.29	0.27
Fair value of plan assets as at the end of the year	1.78	0.57	-
Net liability recognised in the Balance Sheet	**2.46**	**0.72**	**0.27**

D) Expenses recognised in Statement of Profit and loss during the year:

(₹ in Lacs)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Current service cost	1.42	1.04
Interest cost	0.10	0.02
Expected return on plan assets	(0.04)	-
Expenses recognised in Statement of Profit and loss during the year	**1.48**	**1.06**

E) Expenses recognised in Other Comprehensive Income during the year:

(₹ in Lacs)

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Actuarial loss /(gain)	0.98	(0.61)
Expenses recognised in Other Comprehensive Income during the year	**0.98**	**(0.61)**

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F) Composition of the plan assets is as follows:

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Government bonds	44.06%	45.23%	38.64%
Corporate bonds	15.51%	16.77%	11.20%
Infrastructure bonds	35.93%	34.70%	29.31%
Reverse repos'	4.51%	3.30%	16.73%
Others	-	-	4.12%
	100.00%	**100.00%**	**100.00%**

G) Actuary assumptions - Gratuity:

Date of Valuation	Refer note below	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Discount rate	1	6.81%	7.84%	8.04%
Rate of salary increase	2	7.00%	7.00%	7.00%
Rate of return	3	6.81%	7.84%	8.04%
Retirement age		60 years	60 years	60 years
Attrition rate		13.00%	13.00%	13.00%
Mortality table		Indian Assured Lives Mortality (2006-2008)	Indian Assured Lives Mortality (2006-2008)	Indian Assured Lives Mortality (2006-2008)
Contribution expected to be paid to the plan during next financial year		3.02	2.14	0.27

Notes:

1. The discount rate is based on the prevailing market yield of India Government securities as at the balance sheet date for the estimated term of obligations.

2. The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

3. The expected return is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Risk analysis

Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

Investment risk

Defined benefit plans are funded with Life Insurance Corporation of India (LIC). Company does not have any liberty to manage the fund provided to LIC.

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds for Company's Indian operations. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

Longevity risk/ Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

33.3 Actuarial Assumptions for unfunded compensated absences:

Particulars	Refer note below	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Compensated absences				
Discount rate	1	6.81%	7.84%	8.04%
Future salary increase	2	7.00%	7.00%	7.00%
Retirement age		60 years	60 years	60 years
Mortality table		Indian Assured Lives Mortality (2006-2008)	Indian Assured Lives Mortality (2006-2008)	Indian Assured Lives Mortality (2006-2008)

Notes:

1. The discount rate is based on the prevailing market yield of India Government securities as at the balance sheet date for the estimated term of obligations.

2. The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

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Note 34: Related Party Transactions

34.1 List of Related Parties and relationship

Sr. No.	Related parties
1	**Holding company** HLT Residency Private Limited
2	**Company which holds substantial interest** SAS Realtech LLP

34.2 Transactions with the Related Parties

(₹ in Lacs)

Sr. No.	Particulars	Related Parties	
		31 March, 2017	31 March, 2016
1	**Receiving of services (expenses)**	1,00,000.00	(1,00,000.00)
	Interest on borrowings HLT Residency Private Limited	669.91	653.68
	SAS Realtech LLP	155.78	241.51
2	**Loans taken** HLT Residency Private Limited	3,305.71	2,276.36
3	**Loans repaid** HLT Residency Private Limited	4,672.65	129.93

Sr. No.	Particulars	Related Parties		
		31 March, 2017	31 March, 2016	1 April, 2015
4	**Assets**			
	Advance given HLT Residency Private Limited	Nil	265.20	265.20
	SAS Realtech LLP	Nil	254.80	254.80
	Outstanding Receivable SAS Realtech LLP	272.69	149.77	29.15
5	**Liabilities**			
	Loans HLT Residency Private Limited	5,090.36	6,457.30	4,310.88
	SAS Realtech LLP	1,298.20	1,298.20	1,298.20
	Trade payables HLT Residency Private Limited	272.69	149.77	29.15
	Interest accrued but not due on borrowings HLT Residency Private Limited	509.28	405.71	189.46
	SAS Realtech LLP	359.71	219.50	219.50

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Note 35 : Micro, Small and Medium Enterprises

35.1 Sundry creditors include principal amount of ₹ Nil (As at 31st March, 2016 ₹ Nil) due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006

35.2 No interest was paid during the current year as well as during the previous year by the Company to such suppliers.

35.3 No interest is due and payable for the period of delay in making payment, if any, at the end of the current year as well as previous year by the Company to such suppliers.

35.4 No interest was accrued and remains unpaid at the end of the current year as well as previous year by the Company to such suppliers.

The above information has been determined to the extent such suppliers have been identified on the basis of information available with the Company.

Note 36: Going concern

The Company has incurred net cash loss of ₹ 982.47 lacs during the year (P.Y : ₹ 955.96 lacs). Although the company has incurred cash losses during the year it is confident of it's continuance in the years to come on account of the promoters experience and their involvement and support in the concerned business.

Note 37: Pending litigation

There are no pending litigations against the company as at 31st March 2017, which will impact it's financial position.

Note 38: Foreseeable losses

The Company does not have any long-term contracts nor derivatives contracts, which require a provision for any foreseeable losses.

Note 39: Investor Education and Protection Fund

There were no amounts which were required to be transferred to the above fund as at 31st March, 2017.

Note 40: Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016

Particulars	SBN	Other denomination Notes	Total
Closing cash in hand as on 08.11.2016	Nil	Nil	Nil
(+) Permitted receipts	Nil	Nil	Nil
(-) Permitted payments	Nil	Nil	Nil
(-) Amount deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on 30.12.2016	Nil	Nil	Nil

Permitted receipts represents withdrawals from bank

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Note – 1 Corporate Information

HL Promoters Private Limited [CIN: U45200DL2013PTC254832] ("the Company") is a limited by shares, incorporated and domiciled in India. The company incorporated on 3rd July, 2013, is a 51% subsidiary of HLT Residency Private Limited (a 100% subsidiary of Tata Value Homes Limited).

The Company has main interest in development of Real Estate.

Note – 2 significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of Preparation

i. Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. The date of transition is 1 April 2015. Refer note xx for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows.

ii. Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- defined benefit plans - plan assets measured at fair value,

b. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director & CEO of the Company. The Company operates only in one Business Segment i.e. business of development of property and related activities within India, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

c. Foreign Currency Transactions

i. Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is the functional and presentation currency of the company.

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ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through statement of profit or loss are recognised in statement of profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

d. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivables. Amounts disclosed as revenue are net of cancellations, value added taxes, service tax and amount collected on behalf of third parties.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the activities described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

i. Revenue for real estate development

Revenue from real estate developmental projects under development is recognised based on 'Percentage Completion Method'. The Percentage Completion Method is applied when the stage of completion of the project reaches a reasonable level of development. Revenue is recognized, in relation to the project area sold. For computation of revenue, the stage of completion is arrived at with reference to the entire project costs incurred including cost of land / cost of development rights, construction and development cost, overheads related to project under construction and borrowing costs as compared to the estimated total costs of the project. The percentage completion method is applied on a cumulative basis in each reporting period and the estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognised in the period such changes are determined.

The threshold for 'reasonable level of development' is considered to have been met when the criteria specified in the Guidance Note on Accounting for Real Estate Transactions (Ind AS compliant companies) issued by the Institute of Chartered Accountants of India are satisfied, i.e., when:

1. All critical approvals necessary for commencement of the project have been obtained.

2. The expenditure incurred on construction and development costs is not less than 25 % of the construction and development costs.

3. At least 25% of the saleable project area is secured by contracts or agreements with buyers.

4. At least 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

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HL Promoters Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 41: Previous year's figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification /disclosure.

For and on behalf of the Board of Directors

Director

Director

Company Secretary

Place: Mumbai

Date: 12 MAY 2017

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