

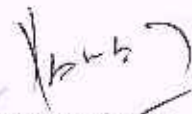
Name of Assessee : ELDECO SOHNA PROJECTS LIMITED  
Status : Company  
CIN : U45200DL2006PLC153050  
PAN : AAFCA9260N  
Previous Year : 2015-16  
Assessment Year : 2016-17  
Address : 201-212, 2nd Floor, Splendor Forum ,  
Jasola District Center, Jasola,  
New Delhi-110025

**Statement of Computation of Income Tax:**

Particulars	Amount (Rs.)
<b>Profits and Gains from Business and Profession:</b>	
Profit / (Loss) as per P & L account	(19,563,372)
Add: Expenses Disallowed as per Income Tax Act	
- Depreciation as per Companies Act	158,420
- Interest on paid on late payment of TDS/ST	55,723
<b>Gross Total Income</b>	<b>(19,349,229)</b>
Less: Depreciation As per Income Tax Act	213,735
<b>Total Loss</b>	<b>(19,562,964)</b>
(Loss to be carried forward)	
<b>Rounded off</b>	<b>(19,562,964)</b>
Tax on above Income	-
Less: TDS	881,925
<b>Tax Payable/ (Refundable)</b>	<b>(881,925)</b>

**Business Loss to be Carried Forward:** Amount(Rs.)  
Assessment Year 2014-15 (4,017,297)  
Assessment Year 2015-16 (19,562,964)

For and on Behalf of the Board  
For Eldeco Sohna Projects Limited

  
Parag Arvind Gupta  
(Director)  
DIN: 05179313

  
Sanjay Kumar Singh  
(Director)  
DIN: 03355806



**Bhal & Bhal**

Chartered Accountants  
Independent Auditor's Report



**To the Members of Eldeco Sohna Projects Limited  
Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Eldeco Sohna Projects Limited** ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its loss and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - (g) 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 disclosed the impact of pending litigations, if any, on its financial position in its financial statements ;
    - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if applicable, on long-term contracts including derivative contracts; and
    - iii. As informed to us, there is no amount required to be transferred to the Investor Education and Protection Fund to the Company.

For Bhala & Bhala

Chartered Accountants

Firm Registration Number: 021008N

  
Manoj Jain  
(Partner)

Membership Number: 533134



August 09, 2016, New Delhi

## Annexure A to the Independent Auditors' Report

In respect of the Annexure referred to in the paragraph 1 of our report to the Members of **Eldeco Sohna Projects Limited** ("the company") for the year ended **March 31, 2016**, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of all fixed assets.  
(b) The Fixed Assets have been physically verified by the management at the year-end. We are informed that no material discrepancies have been noticed by the management on such verification as compared with the records of fixed assets maintained by the Company.
- (ii) (a) As explained to us, inventories (includes Land) have been physically verified during the year by the management at reasonable intervals.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- (iii) During the current year, the company has not granted any loans, secured or unsecured to parties covered in the register required to be maintained under Section 189 of the Act.
- (iv) In our opinion and according to the Information and explanation given to us, the company does not have any transaction to which the provisions of Section 185 & 186 of the act apply.
- (v) The company has not accepted any deposits from the public.
- (vi) The central government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products or services rendered by the company.
- (vii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, 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 and duty of excise.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- (viii) The company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the company has not paid/provided for managerial remuneration during the year. Hence provisions of Section 197 of the act are not applicable.



- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, there is no transaction with related party during the year, hence provisions of Section 177 & 188 of the act are not applicable.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Bhala & Bhala

Chartered Accountants

Firm Registration Number: 02100874



Manoj Jain  
(Partner)

Membership Number: 533134



August 09, 2016, New Delhi

**Annexure B to the Independent Auditor's Report  
Report on the Internal Financial Control under Clause (i) of Sub-section 3 of Section 143 of the  
Companies Act, 2013 ("the Act")**

We have audited the internal financial control over financial reporting of **Eldeco Sohna Projects Limited** ("the Company") as of **31<sup>st</sup> March, 2016** in conjunction with our audit of standalone financial statements of the company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and Perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all Material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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




### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, 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 31 March 2016, 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 Bhala & Bhala  
Chartered Accountants  
Firm Registration Number: 021008N

  
Manoj Jain  
(Partner)  
Membership Number: 533134



August 09, 2016, New Delhi

**ELDECO SOHNA PROJECTS LIMITED**

Balance Sheet as at March 31, 2016

[CIN: U45200DL2006PLC153050]

	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I.</b>	<b>Equity and Liabilities:</b>			
1)	<b>Shareholder's Funds</b>			
	- Share Capital	2.1	60,000,000	60,000,000
	Reserves and Surplus	2.2	(32,888,125)	(19,361,469)
2)	<b>Non-Current Liabilities</b>			
	- Long Term Borrowings	2.3	1,186,218,181	679,018,181
3)	<b>Current Liabilities</b>			
	Other Current Liabilities	2.4	1,763,032,560	1,600,697,090
	<b>Total</b>		<b>2,976,362,616</b>	<b>2,320,353,801</b>
<b>II.</b>	<b>Assets:</b>			
1)	<b>Non-Current Assets</b>			
	Fixed Assets:			
	Tangible Assets	2.5	940,846	246,627
	Deferred Tax Asset		14,335,243	8,298,527
2)	<b>Current Assets</b>			
	Project in Progress	2.6	2,883,023,948	2,229,430,799
	- Cash and Cash Equivalents	2.7	30,184,679	60,692,351
	- Short Term Loans and Advances	2.8	46,048,112	20,134,474
	- Other Current Assets	2.9	1,829,788	1,551,023
	<b>Total</b>		<b>2,976,362,616</b>	<b>2,320,353,801</b>
	<b>Significant Accounting Policies and Notes on Accounts</b>	1 2 & 3		

As per our report of even date attached

For Bhala & Bhala,

Chartered Accountants

Firm Registration Number : 021008N

  
Manoj Jain  
(Partner)

Membership Number: 533134

August 09, 2016, New Delhi



For and on Behalf of the Board

For Eldeco Sohna Projects Limited

  
Parag Arvind Gupta  
(Director)  
DIN: 05179313

  
Sanjay Kumar Singh  
(Director)  
DIN: 03355806



**ELDECO SOHNA PROJECTS LIMITED**  
**Profit and Loss Statement for the year ending 31st March, 2016**  
**[CIN: U45200DL2006PLC153050]**

Particulars	Note No.	Figures for the end of current reporting period	Figures for the end of previous reporting period
<b>Revenue :</b>			
Other Income	2.10	5,555,055	8,517,206
<b>Total Revenue</b>		<b>5,555,055</b>	<b>8,517,206</b>
<b>Expenses:</b>			
Finance Costs	2.11	57,435	375,649
Other Expenses	2.12	24,902,572	31,392,789
Depreciation Expense	2.5	158,420	30,850
<b>Total Expenses</b>		<b>25,118,427</b>	<b>31,799,289</b>
<b>Profit / (Loss) before Tax</b>		<b>(19,563,372)</b>	<b>(23,282,083)</b>
<b>Tax Expense</b>			
- Current Tax		-	-
- Deferred Tax		(6,036,716)	(7,057,862)
<b>Profit/(Loss) for the period from Continuing Operations</b>		<b>(13,526,655)</b>	<b>(16,224,221)</b>
<b>Earning per Equity Share - Basic &amp; Diluted</b>		<b>(2.25)</b>	<b>(2.70)</b>
<b>Significant Accounting Policies and Notes on Accounts</b>	<b>1 2 &amp; 3</b>		

As per our report of even date attached  
For Bhala & Bhala,  
Chartered Accountants  
Firm Registration Number : 021008N



  
**Manoj Jain**  
(Partner)  
Membership Number: 533134

For and on Behalf of the Board  
For Eldeco Sohna Projects Limited

  
**Parag Arvind Gupta**  
(Director)  
DIN: 05179313

  
**Sanjay Kumar Singh**  
(Director)  
DIN: 03355806

August 09, 2016, New Delhi

**ELDECO SOHNA PROJECTS LIMITED**  
**Cash Flow Statement for the period ending March 31, 2016**  
**[CIN: U45200DL2006PLC153050]**

Particulars	Rs.	Figures for current reporting period	Figures for previous reporting period
<b>Cash flow from Operating Activities:</b>			
Net Profit / (Loss) before Tax		(19,563,372)	(23,282,083)
Adjustments for:			
Depreciation		158,420	30,850
<b>Operating Profit Before Working Capital Changes</b>		<b>(19,404,952)</b>	<b>(23,251,233)</b>
(Increase) / Decrease in Project in Progress	(653,593,149)		(463,670,749)
- (Increase) / Decrease in Loan & Advances	(25,913,638)		(17,515,710)
- (Increase) / Decrease in Other Current Assets	(218,765)		5,570,917
Increase / (Decrease) in Current Liabilities	162,335,470	(517,450,082)	448,022,264
<b>Cash Generated from Operations</b>		<b>(536,855,033)</b>	<b>(50,844,510)</b>
Less- Direct Taxes Paid			
<b>Net Cash Flow from Operating Activities</b>		<b>(536,855,033)</b>	<b>(50,844,510)</b>
<b>Cash Flow from Investing Activities</b>			
Purchase of Fixed Assets	(852,639)		
<b>Net Cash Flow from Investing Activities</b>		<b>(852,639)</b>	<b>(203,670)</b>
<b>Cash Flow from Financing Activities</b>			
- Increase in Long Term Borrowing	507,200,000		(50,000,000)
<b>Net Cash Flow from Financing Activities</b>		<b>507,200,000</b>	
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>		<b>(30,507,672)</b>	<b>(101,048,180)</b>
Add: Opening Balance of Cash & Cash Equivalents		60,692,351	161,740,532
Total:		30,184,679	60,692,351
<b>Closing Balance of Cash &amp; Cash Equivalents</b>		<b>30,184,679</b>	<b>60,692,351</b>
<b>Difference</b>			

**Note:**

i) The above Cash Flow Statement is prepared under the indirect method as set out in the Accounting Standard - 3, on Cash Flow Statement issued by the ICAI.

As per our report of even date attached

For Bhala & Bhala,  
Chartered Accountants  
Firm Registration Number : 021008N



Manoj Jain  
(Partner)  
Membership Number: 533134

August 09, 2016, New Delhi

For and on Behalf of the Board  
For Eldeco Sohna Projects Limited

Parag Arvind Gupta  
(Director)  
DIN: 05179313

Sanjay Kumar Singh  
(Director)  
DIN: 03355806

Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2016  
(All Amounts are in Rupees)

**BACKGROUND**

Eldeco Sohna Projects Limited was incorporated on 04/09/2006 and is a Subsidiary Company of Eldeco Infrastructure & Properties Limited. The Company's registered office is situated at New Delhi. The Company is principally involved in business of development of integrated town which includes the construction and sale of residential cum commercial properties at Village Sohna, Sector 2 of Sohna, District Gurgaon.

**1. SIGNIFICANT ACCOUNTING POLICIES**

**1.1. Basis of Accounting**

The Company prepares its accounts under Historical Cost Convention as a going concern and recognizes income and expenditure on an accrual basis. The accounts have been prepared to comply in all material aspects with the applicable accounting principles in India, the applicable mandatory accounting standards issued by the ICAI and the relevant provisions of the Companies Act, 2013.

**1.2. Revenue Recognition**

In accordance with the Accounting Standard-7 on Construction Contracts and *Guidance Note on Accounting for Real Estate Transactions* issued by The Institute of Chartered Accountants of India, the total sale consideration as per the duly executed agreement to sell is recognized as revenue based on the percentage of actual project costs incurred thereon to total estimated project cost, subject to the development cost incurred being 25 per cent or more of the total estimated development cost. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

Accordingly since the project has not crossed the threshold limit as specified above, revenue has not been recognized and the expenses incurred till date are being shown as project in progress. Similarly the money received from the sale of the under construction units is being shown under other current liabilities under the head of "Advances from Customers".

**1.3. Project in Progress**

Project in progress is valued at lower of cost or net realizable value. Project in progress includes cost of land, acquisition expenses, construction costs, borrowing costs capitalized and other expenditure directly attributable to the construction/development of the project.



✓  

**1.4. Fixed Assets**

Fixed assets are stated at acquisition cost less accumulated depreciation. Cost includes inward freight, duties, taxes and incidental expenses related to acquisition and installation incurred up to the date of commissioning of the asset. Fixed assets under construction, advances paid towards acquisition of fixed assets and cost of assets not ready to use before the year end are classified as capital work in progress.

**1.5. Depreciation**

Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013.

**1.6. Borrowing Cost**

As per Accounting Standard-16, borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the profit and loss account as incurred.

**1.7. Inventory**

Inventories are classified and valued as under:

- Raw materials represent cost of construction material and are valued at lower of cost and net realizable value.
- Land and plots other than area transferred to constructed properties/project work in progress at the commencement of construction are valued at lower of cost and net realizable value. Cost includes land (including development rights) acquisition cost, borrowing cost, internal development costs and external development charges.
- Project work in progress includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development charges, construction costs, overheads, borrowing cost, development/construction materials, and is valued at lower of cost/ estimated cost and net realisable value. Development rights represents amount paid under agreement to purchase land/development rights and borrowing cost incurred by the Company to acquire irrevocable and exclusive licenses/development rights in identified land.

**1.8. Taxes on Income**

Current Income Tax Expense is measured and recognized at the amount expected to be paid in respect of taxable income to the tax authorities in accordance with the Income Tax Act, 1961 and the same is revised with the assessment order passed by the authority.

Tax effect of all timing differences are recognized as deferred tax asset/liability. Deferred tax asset is recognized for all deductible timing differences and carried forward to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.



✓ (14/5) ✓ Subir ✓

Deferred tax asset pertaining to unabsorbed loss / depreciation, is recognized only to the extent that there is virtual certainty of realization based on expected profitability in the future as estimated by the Company. Deferred tax asset and liability is measured at the tax rates that have been enacted or substantively enacted by the balance sheet date.

**1.9. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when the Company has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. A contingent liability is recognized where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent Assets are neither accounted nor disclosed.



✓ [Signature]

[Signature]

**ELDECO SOHNA PROJECTS LIMITED**  
**NOTES ON ACCOUNTS**  
**[CIN: U45200DL2006PLC153050]**

NOTE NO.	PARTICULARS	31.03.2016	(Amount in Rs.) 31.03.2015
----------	-------------	------------	-------------------------------

**2.1 Share Capital :**

**Authorized Share Capital:**

6,000,000 Equity Shares of Rs.10/- each 60,000,000 60,000,000

**Issued, Subscribed and Paid-up Share Capital:**

6,000,000 Equity Shares of Rs.10/- each fully paid up 60,000,000 60,000,000

**Par Value of Each Share** 10/- 10/-

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2016 and March 31, 2015 is set out below:

Particulars	Number	Number
No. of Shares Outstanding in the beginning	6,000,000	6,000,000
Shares issued during the year	-	-
No. of Shares Outstanding at the end	6,000,000	6,000,000

Shareholding Pattern as on 31.03.2016 is as follows:

All the above Equity Shares are held by the Holding Company –M/s Eldeco Infrastructure & Properties Limited as 5999994 Equity shares in its Own name & 6 Equity shares in the name of its Nominees.

**2.2 Reserves and Surplus :**

<b>Profit &amp; Loss A/c- Opening Balance</b>	(19,361,469)	(3,137,248)
Add: Profit / (Loss) during the year	(13,526,655)	(16,224,221)
<b>Closing Balance</b>	<b>(32,888,125)</b>	<b>(19,361,469)</b>

**2.3 Long Term Borrowings :**

**Un-Secured Loans**

Eldeco Jalandhar Properties Private Limited (Sister Concern)	800,000,000	-
Eldeco Infrastructure & Properties Ltd (Holding Company)	386,218,181	679,018,181
	<b>1,186,218,181</b>	<b>679,018,181</b>

**2.4 Other Current Liabilities :**

Current maturities of Long Term Borrowings		
- Debentures-Non Convertible (NCDS)	-	360,000,000
- Loan from HDFC Ltd	717,055,058	595,499,555
Security Deposits	5,847,945	262,893
Expenses Payable	524,794	67,472
EIPL Management Fees	21,505,176	14,246,874
EIPL Interest Payable on amount received	241,001,296	140,509,101
EJPPL-Interest Payable on amount received	28,487,213	-
Interest Accrued but not Due on Non-Convertible Debentures	-	7,669,458
Duties and Taxes- Payable	18,220,600	13,574,376
Sundry Creditors	34,919,039	4,920,676
Advance received from Customers	695,471,438	463,946,684
	<b>1,763,032,560</b>	<b>1,600,697,090</b>



✓ 1/2/15

*[Signature]*

2.5 Fixed Assets - Tangible Assets

Depreciation as per Companies Act									
Particulars	Gross Block			Residual Value (5%)	Value after residual value	Depreciation		Net Block	
	01.04.2015	Additions during the year	Deletion			31.03.2016	As on 01.04.15	For the year	31.03.2016
Furniture and Fixtures	75376	118754		194130	152855	9281	13624	22974	171216
Office Equipment	89800	717810		206410	766090	15254	207475	122729	623081
Computer & Computer Accessories	114870	16275		131145	124588	7874	87322	45796	85940
	279046	882639	0	1131685	56584	32419	158420	190839	940846

Depreciation as per Income Tax Act						
Particulars	Gross Block			Rate of Depreciation	Depreciation for the Year	W.D.V. as on 31/03/2016
	Opening Balance as on 01.04.2015	Additions during the year	Closing Balance as on 31.03.2016			
Furniture and Fixtures	71507	118754	190361	0.10	19,036	171,325
Office Equipment	88800	717,610	806,410	0.15	1,20,962	685,449
Computer & Computer Accessories	114,870	16,275	131,145	0.60	73,738	57,407
<b>Total</b>	<b>275,277</b>	<b>852,630</b>	<b>1,127,916</b>		<b>213,735</b>	<b>914,181</b>



Page No. ( )

*(Signature)*

NOTE NO.	PARTICULARS	(Amount in Rs.)	
		31.03.2016	31.03.2015
#2.3.1	The Loan from HDFC Ltd is secured by First Equitable Mortgage of residential project land "Eldeco Sohna", admeasuring 13.22 acres, located at Village Sohna, Sector 2 of Sohna, District Gurgaon, Haryana with construction thereon, present and future.		
#2.3.2	Extension of First Equitable Mortgage of residential project land "Eldeco Utopia", admeasuring 18.22 acres, located at Sector 93-A, Noida, with construction thereon, present and future.		
#2.3.3	Extension of First Equitable Mortgage of "Eldeco Estate One" project land admeasuring 121.11 acres, located at Sector 40, Main G.T. Karnal Road, Opposite Babbarpur Mandi, Panipat, Haryana with construction thereon, present and future.		
#2.3.4	Extension of First Pari-Passu Charge on the "Eldeco Amantran" project land admeasuring 14.38 acres, located at Sector 119, Noida, Uttar Pradesh with construction thereon, present and future.		
#2.3.5	Extension of First Equitable Mortgage of "Eldeco Estate One" project land admeasuring 77.99 acres, located at Village Bhattian, Ludhiana Jalandhar G.T Road, Ludhiana, Punjab with construction thereon, present and future.		
#2.3.6	Extension of First Equitable Mortgage of "Eldeco County" project land admeasuring 65.215 acres, located at Sector 19, G.T. Karnal Road, Sonapat, Haryana with construction thereon, present and future.		
#2.3.7	Extension of Charge on office premises admeasuring 16230 sqft located at 201-212, 2nd Floor, Splendor Forum, Jasola Vihar, New Delhi.		
#2.3.8	Personal Guarantee of Mr. Pankaj Bajaj.		
#2.3.9	Corporate Guarantee of ELPL.		
# 2.3.10	Any other security of higher or equivalent amount as may be acceptable to HDFC so to maintain the said Loan-Asset-Cover at a minimum of 2.00 times the principals outstanding at all times.		

#### 2.6 Project in progress

Land #	1,564,031,149	1,564,031,149
Land development and other expenses *	1,318,992,799	665,399,650
<i>*[includes unconsumed material amounting to Rs. 61,68,552/- (i.e. cost of steel &amp; Cement bags)]</i>		
	<b>2,883,023,948</b>	<b>2,229,430,799</b>

#1. Closing WIP as on March 31, 2016 represents 13.22 acres of Land at Sohna amounting to Rs. 156.40 Crores.

#2. The Company has given its immovable properties as and by way of extension of first mortgage as security for the Construction Loan not exceeding Rs. 75 Crores sanctioned by the HDFC Bank Ltd. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the State of Haryana together with all buildings and structures thereon. An intimation has been filed with ROC regarding the charge effecting from 03.02.2014 on 10.03.2014.

#3. The Company has given its immovable properties as and by way of extension of first mortgage as security for the Construction Loan not exceeding Rs. 60 Crores sanctioned by the HDFC Bank Ltd. The immovable property consists of Land admeasuring 13.22 acres situated at Sec. 2, Village Sohna, District Gurgaon in the State of Haryana together with all buildings and structures thereon. An intimation has been filed with ROC regarding the charge effecting from 01.10.2014 on 30.10.2014.

#4. The Company has given the security of its immovable properties as and by way of extension of first equitable mortgage for the construction finance loan not exceeding Rs. 40 Crores sanctioned by HDFC Ltd. to its Holding Company M/s Eldeco Infrastructure and Properties Limited. The immovable property consists of Land admeasuring 13.22 acres situated at Sec. 2, Village Sohna, District Gurgaon in the state of Haryana together with all buildings and structures, present and future, thereon. An intimation regarding the charge effecting from 13.10.2015 has been filed with ROC as on 10.11.2015.



*Handwritten signature/initials*

*Handwritten signature*



NOTE NO.	PARTICULARS	(Amount in Rs.)	
		31.03.2016	31.03.2015
#5.	The Company has given its immovable properties as and by way of extension of first mortgage as security for the Construction Loan not exceeding Rs. 45 Crores sanctioned by the HDFC Bank Ltd. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the State of Haryana together with all buildings and structures thereon. An intimation has been filed with ROC regarding the charge effecting from 28.12.2015 on 23.01.2016.		
#6.	The Company has given the security of its immovable properties as and by way of extension of first equitable mortgage for the construction finance loan not exceeding Rs. 60 Crores sanctioned by HDFC Ltd. to its Holding Company M/s Eklenco Infrastructure and Properties Limited. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the state of Haryana together with all buildings and structures, present and future, thereon. An intimation regarding the charge effecting from 11.01.2016 has been filed with ROC as on 18.01.2016.		
<b>2.7</b>	<b>Cash &amp; Cash Equivalents:</b>		
	Cash-in-Hand	3,432	28,706
	Balance With Scheduled Bank in Current Account	5,641,988	38,030,573
	<b>Other bank balance:</b>		
	Fixed deposit		
	- Due to mature within 12 months from the reporting date *	24,439,259	22,533,072
	Due to mature after 12 months but before 48 months from the reporting date.	100,000	100,000
	* Includes deposits aggregating to Rs. 1,22,28,100 pledged with the bank against bank guarantees		
		<b>30,184,679</b>	<b>60,692,351</b>
<b>2.8</b>	<b>Short Term Loans and Advances</b>		
	Advances to Supplier	27,757,140	14,631,485
	Advance to Staff	16,300	23,290
	Tax Deducted at Source	2,011,723	1,129,798
	Balance with Government Authority	16,262,949	4,349,901
		<b>46,048,112</b>	<b>20,134,474</b>
<b>2.9</b>	<b>Other Current Assets</b>		
	Interest Accrued but not due on Fixed Deposit	1,254,534	1,302,302
	Insurance Prepaid (Site)	11,004	4,471
	Security Deposits	164,250	164,250
	Security- Electricity	400,000	80,000
		<b>1,829,788</b>	<b>1,551,023</b>
<b>2.10</b>	<b>Other Income</b>		
	Interest on Fixed Deposit (TDS deducted Rs. 533879.80/- P.Y. Rs. 842281.60/-)	5,338,789	8,435,638
	Interest Received on Delayed Payment	126,266	6,763
	Interest Received on TDS Recoverable	-	44,805
	Miscellaneous Income	90,000	30,000
		<b>5,555,055</b>	<b>8,517,206.00</b>



✓ [Signature]

[Signature]

NOTE NO.	PARTICULARS	31.03.2016	(Amount in Rs.) 31.03.2015
2.11	<b>Finance Costs</b>		
	Bank Charges	1,712	155,594
	Interest on delayed payment of Service Tax	55,723	-
	Interest Paid	-	220,055
		<b>57,435</b>	<b>375,649</b>
2.12	<b>Other Expenses:</b>		
	Advertisement & Publicity	11,489,884	11,169,880
	Auditors Remuneration	50,000	50,000
	Books & Periodicals	961	309
	Brokerage & Commission	5,864,587	15,475,336
	Business Promotion	779,416	50,000
	Conveyance	14,419	-
	Domestic Travelling Staff	24,187	61,515
	Electricity Charges	257,721	191,177
	Filing Fees	16,226	11,728
	Freight & Cartage	2,000	-
	General Expenses (Misc. Expense)	164,086	35,092
	Insurance Expenses	98,373	356.00
	Lease Rent	36,000	-
	Legal & Professional Charges	269,272	281,196
	Office Expense	1,985	6,353
	Postage, Courier & Telegram	38,836	47,738
	Power & Fuel	11,000	311,610
	Prepayment Discount	175,621	-
	Printing & Stationery	7,258	225,072
	Rates & Taxes	3,454,415	3,019,409
	Repair & Maintenance	27,480	17,248.00
	Site Expense	189,556	380,804
	Staff Welfare Expenses	2,320	3,327
	Subvention Scheme	1,885,279	-
	Sundry Debit Balances Written OFF	-	8,209
	Telephone Expenses	41,690	46,430
		<b>24,902,572</b>	<b>31,392,789</b>



✓ [Handwritten signature]

[Handwritten signature]

2.13 Statement of Deferred Tax:

Particulars	Amount (Rs.) 31.03.2016	Amount (Rs.) 31.03.2015
Business Losses of A.Y. 2014-15 to be Carried Forward	(19,562,964)	(22,866,796)
Less: WDV of Furniture and Fixtures as per Income Tax Act less WDV as per Companies Act (DTL)	26,665	25,820
Total Difference	(19,536,298)	(22,840,977)
Deferred Tax Asset on above @ 30.90%	(6,036,716)	(7,057,862)
Deferred Tax Asset	<b>(6,036,716)</b>	<b>(7,057,862)</b>

*Q*

✓ *16/11/17*

*Sudh*

### 3. OTHER INFORMATION

- 3.1 Detail of computation of Earning Per Share as per the provisions of Accounting Standard-20, Earning Per Share, is as follows:

Particulars	Amount (Rs)	
	31.03.2016	31.03.2015
Net Profit / (Loss) attributable to Equity Shareholders'	(13,526,655)	(1,62,24,221)
Weighted Average No. of Equity Shares outstanding	60,00,000	60,00,000
<b>Basic &amp; Diluted Earning Per Share (Face Value Rs. 10 each)*</b>	<b>(2.25)</b>	<b>(2.70)</b>

\*Note: As there are no potential equity shares, the effect thereof has not been shown as required by AS 20 on 'Earning per Share'.

- 3.2 Related Party Disclosure as per Accounting Standard -18, issued by the ICAI: (as per management representation)

A. Names of Related Parties and Nature of Related Party Relationship:

(i) Holding Company and Fellow Subsidiaries

**Holding Company**

Eldeco Infrastructure & Properties Limited (EIPL)

**Fellow Subsidiaries**

AP Projects Limited  
A P Utility Services Limited  
Adhikari Infrastructure and Builders Limited  
Adhikari Properties Limited  
Amazon Infra Realtors Limited  
Amazon Infracon Limited  
Amazon Real Estate Limited  
Apollo Infracon Limited  
Best View Infracon Limited  
Chiranjiv Builders Limited  
Eldeco County Limited  
Eldeco Greens Limited  
Eldeco Hospitality Limited  
Eldeco SIDCUL Industrial Park Limited  
Eldeco Townships and Housing Limited  
Ethenic Projects Private Limited  
Ethenic Real Estate Private Limited  
Green Park Buildwell Limited  
Green Park Infracon Limited



✓ (Signature) ✓ (Signature)

Green Park Infrastructure Limited  
Hi - Pride Infracon Limited  
Maksad Estate & Hardware Limited  
Maksad Properties Limited  
Mansarovar Realtors Limited  
Pigeon Infrastructure Limited  
Pigeon Properties Limited  
S M Buildcon Limited  
Savana Builders Company Limited  
Savana Infrastructure & Properties Limited  
Savana Realtors Company Limited  
Shri Ajitnath Buildcon Limited  
Swabhiman Buildtech Limited  
Popular Infratech Private Limited  
Welcome Infra Developers Private Limited  
Ability Construction Private Limited  
Turbo Real Estate & Promoters Private Ltd.  
Mars Buildtech Private Limited  
Welcome Infrabuild Private Limited  
Eldeco Jalandhar Properties Private Limited  
Ethenic Buildwell Private Limited  
Ethenic Realtors Private Limited  
Kedamath Buildwell Private Limited  
Mehak Realtors Private Limited  
Shramika Infrastructure Private Limited

**(ii) Key Management Personnel**

Mr. Naveen Kashyap	Director
Mr. Sanjay Kumar Singh	Director
Mr. Parag Arvind Gupta	Director
Mr. Anil Tiwari (Appointed on 31 <sup>st</sup> March, 2015)	Independent Director
Mr. Prabhat Kumar (Appointed on 31 <sup>st</sup> March, 2015)	Independent Director

**(iii) Relatives/Associates of Key Management Personnel**

As none of the relatives/associates of Key management personnel's are having any significant influence in the company, no details are given.



A handwritten signature in blue ink, appearing to be 'Anil Tiwari', with a checkmark to its left.

A handwritten signature in blue ink, appearing to be 'Prabhat Kumar', with a checkmark below it.

B. Transactions with the related parties in the ordinary course of business:

Amount (Rs.)

	Particulars	31.03.2016	Transactions during the year	31.03.2015
	<b>EIPL:</b>			
1.	Amount received		507,200,000(Cr.)	
2.	Repayment of Loan		800,000,000(Dr.)	
3.	Management Fee payable		7,952,875(Cr.)	
4.	Interest on Loan payable		111,657,994(Cr.)	
5.	Outstanding Closing Balance Management Fees	21,505,176(Cr.)		1,42,46,874(Cr.)
6.	Outstanding Closing Balance Interest	241,001,296(Cr.)		140,509,101(Cr.)
7.	Outstanding Closing Balance -Loan	386,218,181(Cr.)		679,018,181(Cr.)
	<b>EJPPL</b>			
1.	Amount received		800,000,000(Cr.)	
2.	Interest on Loan payable		31,652,459(Cr.)	
3.	Outstanding Closing Balance - Loan		828,487,213(Cr.)	
	<b>Others :- for Sale of Flats</b>			
	Sh. Simranjit Singh Kohli – Relative of KMP of Holding Company	26,41,712	6,90,572	19,51,140
	Sh. Pankaj Bajaj – Director of Holding Company	30,67,331	4,61,901	26,05,430

3.3 Details of Deferred Tax Assets:

Particulars	31.03.2016	Additions	31.03.2015
DTA created on Business loss	1,43,52,141	60,44,956	83,07,185
DITL created on Fixed Assets	(16,898)	(8,240)	(8,658)
<b>DTA</b>	<b>1,43,35,243</b>	<b>60,36,716</b>	<b>82,98,527</b>

3.4 Detail of Amount Paid/ Payable to Statutory Auditor of the Company:

Amount (Rs.)

Particulars	31.03.2016	31.03.2015
- Audit Fees (including Tax Audit Fees) (excluding Service Tax for FY 2015-16)	50,000	50,000
- Reimbursement of Expenses (relating to filing fees of ROC)	16226	11728
<b>Total</b>	<b>66,226</b>	<b>61,728</b>




✓ [Signature]

[Signature]

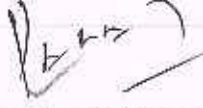
- 3.5. Accounting Standard-17 on Segment Reporting, issued by the ICAI, is not applicable to the company as the company is operating in single segment.
- 3.6. Balance of Loans and Advances are subject to confirmation/reconciliation from the respective parties.
- 3.7. Previous year figures have been regrouped and/or rearranged, wherever necessary to confirm to this year classifications.

As per our separate report attached  
For Bhala & Bhala,  
Chartered Accountants  
Firm Registration Number: 021008N

For and on Behalf of the Board  
For Eldeco Sohna Projects Limited

  
Manoj Jain  
(Partner)  
Membership Number: 533134



  
Parag Arvind Gupta  
(Director)  
DIN: 05179313

  
Sanjay Kumar Singh  
(Director)  
DIN: 03355806

August 09, 2016, New Delhi.



**Bhala & Bhala**

Chartered Accountants



## **Independent Auditor's Report**

### **To the Members of Eldeco Sohna Projects Limited**

#### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Eldeco Sohna Projects Limited** ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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





### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017 and its loss and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - (g) 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 disclosed the impact of pending litigations, if any, on its financial position in its financial statements ;
    - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if applicable, on long-term contracts including derivative contracts; and
    - iii. As informed to us, there is no amount required to be transferred to the Investor Education and Protection Fund to the Company.
    - iv. The Company has provided requisite disclosures in its financial statements as to holding as well as dealing in specified Bank Notes during the period from 08th November, 2016 to 30th December, 2016 and if so, these are in accordance with the books of accounts maintained by the Company.

For Bhala & Bhala  
Chartered Accountants  
Firm Registration Number: 021008N

*Mayank Somani*  
Mayank Somani  
(Partner)

Membership Number: 528084



August 16, 2017, New Delhi

## Annexure A to the Independent Auditors' Report

In respect of the Annexure referred to in the paragraph 1 of our report to the Members of **Eldco Sohna Projects Limited** ("the company) for the year ended **March 31, 2017**, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of all fixed assets.  
(b) The Fixed Assets have been physically verified by the management at the year-end. We are informed that no material discrepancies have been noticed by the management on such verification as compared with the records of fixed assets maintained by the Company.
- (ii) (a) As explained to us, inventories (includes Land) have been physically verified during the year by the management at reasonable intervals.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- (iii) During the current year, the company has not granted any loans, secured or unsecured to parties covered in the register required to be maintained under Section 189 of the Act.
- (iv) In our opinion and according to the Information and explanation given to us, the company does not have any transaction to which the provisions of Section 185 & 186 of the act apply.
- (v) The company has not accepted any deposits from the public.
- (vi) The central government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products or services rendered by the company.
- (vii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, 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 and duty of excise.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.
- (viii) The company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the company has not paid/provided for managerial remuneration during the year. Hence provisions of Section 197 of the act are not applicable.



- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is in compliance with section 177 & 188 of the Companies Act 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Bhala & Bhala  
Chartered Accountants  
Firm Registration Number: 021008N

*Mayank Somani*  
Mayank Somani  
(Partner)  
Membership Number: 528084



August 16, 2017, New Delhi

## **Annexure B to the Independent Auditor's Report**

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

We have audited the internal financial control over financial reporting of **Eldeco Sohna Projects Limited** ("the Company") as of **31<sup>st</sup> March, 2017** in conjunction with our audit of standalone financial statements of the company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and Perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all Material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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



### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, 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 31 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 **Bhala & Bhala**  
Chartered Accountants  
Firm Registration Number: 021008N

*Mayank Somani*

Mayank Somani  
(Partner)

Membership Number: 528084



August 16, 2017, New Delhi

**ELDECO SOHNA PROJECTS LIMITED**

Balance Sheet as at March 31, 2017

[CIN: U45200DL2006PLC153050]

	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I.</b>	<b>Equity and Liabilities:</b>			
1)	<b>Shareholder's Funds</b>			
	- Share Capital	2.1	60,000,000	60,000,000
	- Reserves and Surplus	2.2	(75,584,802)	(32,888,125)
2)	<b>Non-Current Liabilities</b>			
	- Long Term Borrowings	2.3	1,335,603,084	1,186,218,181
3)	<b>Current Liabilities</b>			
	- Other Current Liabilities	2.4	1,202,749,339	1,763,032,560
	<b>Total</b>		<b>2,522,767,621</b>	<b>2,976,362,616</b>
<b>II.</b>	<b>Assets:</b>			
1)	<b>Non-Current Assets</b>			
	Fixed Assets			
	- Tangible Assets	2.5	772,884	940,846
	Deferred Tax Asset		33,416,333	14,335,243
2)	<b>Current Assets</b>			
	- Project in Progress	2.6	2,244,106,632	2,883,023,948
	- Trade Receivable	2.7	54,546,413	-
	Cash and Cash Equivalents	2.8	31,649,126	30,184,679
	- Short Term Loans and Advances	2.9	35,630,796	46,048,112
	- Other Current Assets	2.10	122,645,437	1,829,788
	<b>Total</b>		<b>2,522,767,621</b>	<b>2,976,362,616</b>
	<b>Significant Accounting Policies and Notes on Accounts</b>	1 2 & 3		

As per our report of even date attached

For Bhala & Bhala,

Chartered Accountants

Firm Registration Number : 021008N

For and on Behalf of the Board

For Eldeco Sohna Projects Limited

*Mayank Somani*

Mayank Somani

(Partner)

Membership Number: 528084



*Parag Arvind Gupta*  
Parag Arvind Gupta  
(Director)  
DIN: 05179313

*Sanjay Kumar Singh*  
Sanjay Kumar Singh  
(Director)  
DIN: 03355806

August 16, 2017, New Delhi

**ELDECO SOHNA PROJECTS LIMITED**  
**Profit and Loss Statement for the year ending 31st March, 2017**  
**[CIN: U45200DL2006PLC153050]**

Particulars	Note No.	Figures for the end of current reporting period	Figures for the end of previous reporting period
<b>Revenue :</b>			
Revenue from operations	2.11	1,040,080,927	-
Other Income	2.12	3,869,226	5,555,055
<b>Total Revenue</b>		<b>1,043,950,153</b>	<b>5,555,055</b>
<b>Expenses:</b>			
Cost of project	2.13	1,071,412,375	-
Finance Costs	2.14	1,637	57,435
Other Expenses	2.15	34,083,156	24,902,572
Depreciation Expense	2.5	230,753	158,420
<b>Total Expenses</b>		<b>1,105,727,921</b>	<b>25,118,427</b>
<b>Profit /(Loss) before Tax</b>		<b>(61,777,768)</b>	<b>(19,563,372)</b>
<b>Tax Expense</b>			
- Current Tax		-	-
- Deferred Tax		(19,081,091)	(6,036,716)
<b>Profit/(Loss) for the period from Continuing Operations</b>		<b>(42,696,677)</b>	<b>(13,526,655)</b>
<b>Earning per Equity Share - Basic &amp; Diluted</b>		<b>(7.12)</b>	<b>(2.25)</b>
<b>Significant Accounting Policies and Notes on Accounts</b>	1 2 & 3		

As per our report of even date attached  
For Bhala & Bhala,  
Chartered Accountants  
Firm Registration Number : 021008N

For and on Behalf of the Board  
For Eldeco Sohna Projects Limited

*Mayank Somani*

Mayank Somani  
(Partner)  
Membership Number: 528084



*Parag Arvind Gupta*  
Parag Arvind Gupta  
(Director)  
DIN: 05179313

*Sanjay Kumar Singh*  
Sanjay Kumar Singh  
(Director)  
DIN: 03355806

August 16, 2017, New Delhi

**ELDECO SOHNA PROJECTS LIMITED**  
**Cash Flow Statement for the period ending March 31, 2017**  
**[CIN: U45200DL2006PLC153050]**

Particulars	Rs.	Figures for current reporting period	Figures for previous reporting period
<b>Cash flow from Operating Activities:</b>			
Net Profit / (Loss) before Tax		(61,777,768)	(19,563,372)
Adjustments for:			
Depreciation		230,753	158,420
<b>Operating Profit Before Working Capital Changes</b>		<b>(61,547,015)</b>	<b>(19,404,952)</b>
- (Increase) / Decrease in Project in Progress	638,917,316		(653,593,149)
- (Increase) / Decrease in Loan & Advances	10,417,316		(25,913,638)
- (Increase) / Decrease in Other Current Assets	(120,815,649)		(278,765)
- (Increase) / Decrease in Trade Receivable	(54,546,413)		
- Increase / (Decrease) in Current Liabilities	(560,283,221)	(86,310,651)	162,335,470
<b>Cash Generated from Operations</b>		<b>(147,857,666)</b>	<b>(536,855,033)</b>
Less- Direct Taxes Paid			-
<b>Net Cash Flow from Operating Activities</b>		<b>(147,857,666)</b>	<b>(536,855,033)</b>
<b>Cash Flow from Investing Activities</b>			
Purchase of Fixed Assets	(62,790)		
<b>Net Cash Flow from Investing Activities</b>		(62,790)	(852,639)
<b>Cash Flow from Financing Activities</b>			
- Increase in Long Term Borrowing	149,384,903		507,200,000
<b>Net Cash Flow from Financing Activities</b>		<b>149,384,903</b>	
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>		<b>1,464,447</b>	<b>(30,507,672)</b>
Add: Opening Balance of Cash & Cash Equivalents		30,184,679	60,692,351
<b>Total:</b>		<b>31,649,126</b>	<b>30,184,679</b>
<b>Closing Balance of Cash &amp; Cash Equivalents</b>		<b>31,649,126</b>	<b>30,184,679</b>
<b>Difference</b>		-	-

**Note:**

i) The above Cash Flow Statement is prepared under the indirect method as set out in the Accounting Standard - 3, on Cash Flow Statement issued by the ICAI.

As per our report of even date attached

For Bhala & Bhala,

Chartered Accountants

Firm Registration Number : 021008N

Mayank Somani

(Partner)

Membership Number: 528084



August 16, 2017, New Delhi

For and on Behalf of the Board

For Eldeco Sohna Projects Limited

Parag Arvind Gupta

(Director)

DIN: 05179313

Sanjay Kumar Singh

(Director)

DIN: 03355806



**ELDECO SOHNA PROJECTS LIMITED**

**NOTES ON ACCOUNTS**

[CIN: U45200DL2006PLC153050]

NOTE NO.	PARTICULARS	31.03.2017	(Amount in Rs.) 31.03.2016
----------	-------------	------------	-------------------------------

**2.1 Share Capital:**

**Authorized Share Capital:**

6,000,000 Equity Shares of Rs.10/- each 60,000,000 60,000,000

**Issued, Subscribed and Paid-up Share Capital:**

6,000,000 Equity Shares of Rs.10/- each fully paid-up 60,000,000 60,000,000

Par Value of Each Share 10/- 10/-

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2017 and March 31, 2016 is set out below:

Particulars	Number	Number
No. of Shares Outstanding in the beginning	6,000,000	6,000,000
Shares issued during the year	-	-
No. of Shares Outstanding at the end	6,000,000	6,000,000

Shareholding Pattern as on 31.03.2017 is as follows:

All the above Equity Shares are held by the Holding Company -M/s Eldeco Infrastructure & Properties Limited as 5999994 Equity shares in its Own name & 6 Equity shares in the name of its Nominees.

**2.2 Reserves and Surplus :**

Profit & Loss A/c- Opening Balance	(32,888,125)	(19,361,469)
Add: Profit / (Loss) during the year	(42,696,677)	(13,526,655)
<b>Closing Balance</b>	<b>(75,584,802)</b>	<b>(32,888,125)</b>

**2.3 Long Term Borrowings :**

**Un-Secured Loans**

Eldeco Jalandhar Properties Private Limited (Sister Concern)	897,000,000	800,000,000
Eldeco Infrastructure & Properties Ltd (Holding Company)	438,603,084	386,218,181
	<b>1,335,603,084</b>	<b>1,186,218,181</b>

**2.4 Other Current Liabilities :**

Current maturities of Long Term Borrowings		
- Debentures-Non Convertible (NCDS)	-	-
- Loan from IIDFC Ltd	633,541,215	717,055,058
Security Deposits	13,354,173	5,847,945
Expenses Payable	294,677	524,794
MPL-Management Fees	31,515,783	21,505,176
MPL-Interest Payable on amount received	263,269,921	241,001,296
MPL-Interest Payable on amount received	74,592,561	28,487,213
Advance received from Scrap Vendor	1,262,276	-
Duties and Taxes- Payable	10,798,487	18,220,600
Sundry Creditors	25,555,527	34,919,039
Advance received from Customers	148,564,720	695,471,438
	<b>1,202,749,339</b>	<b>1,763,032,560</b>



*[Handwritten signature]*

*[Handwritten signature]*

2.5 Fixed Assets - Tangible Assets

Particulars	Depreciation as per Companies Act						Net Block			
	Gross Block			Value after residual value			Depreciation			
	01.04.2016	Additions	Deletion	31.03.2017	Residual Value (5%)	As on 01.04.16	For the year	31.03.17	31.03.2017	31.03.2016
Furniture and Fixtures	194130	-	-	194130	9707	182855	22914	19064	41975	171216
Office Equipment	806410	-	-	806410	40321	766090	122729	153218	275947	683681
Computer & Computer Accessories	131145	62790	-	193935	9697	184238	45196	58471	103667	85949
<b>Total</b>	<b>1131685</b>	<b>62790</b>	<b>0</b>	<b>1194475</b>	<b>59724</b>	<b>1133183</b>	<b>190839</b>	<b>230753</b>	<b>421591</b>	<b>940846</b>

Particulars	Depreciation as per Income Tax Act						W.D.V. as on 31/03/2017
	Gross Block			Rate of Depreciation			
	Opening Balance as on 01.04.2016	Additions during the year	Deduction as during the year	Closing Balance as on 31.03.2017	Rate of Depreciation	Depreciation for the Year	
Furniture and Fixtures*	171,325	-	-	171,325	0.10	17,133	154,193
Office Equipment	685,449	-	-	685,449	0.15	102,817	582,631
Computer & Computer Accessories	57,407	62,790	-	120,197	0.60	72,118	48,079
<b>Total</b>	<b>914,181</b>	<b>62,790</b>	<b>-</b>	<b>976,971</b>		<b>192,068</b>	<b>784,903</b>

*[Handwritten signature]*

*[Handwritten signature]*



NOTE NO.	PARTICULARS	(Amount in Rs.)	
		31.03.2017	31.03.2016
#2.3.1	The Loan from HDFC Ltd is secured by First Equitable Mortgage of residential project land "Eldeco Sohna", admeasuring 13.22 acres, located at Village Sohna, Sector 2 of Sohna, District Gurgaon, Haryana with construction thereon, present and future.		
#2.3.2	Extension of First Equitable Mortgage of residential project land "Eldeco Utopia", admeasuring 18.23 acres, located at Sector 93-A, Noida, with construction thereon, present and future.		
#2.3.3	Extension of First Equitable Mortgage of "Eldeco Estate One" project land admeasuring 121.11 acres, located at Sector 40, Main G.T. Karnal Road, Opposite Babbarpur Mandi, Panipat, Haryana with construction thereon, present and future.		
#2.3.4	Extension of First Pari-Passu Charge on the "Eldeco Amantran" project land admeasuring 14.38 acres, located at Sector 119, Noida, Uttar Pradesh with construction thereon, present and future.		
#2.3.5	Extension of First Equitable Mortgage of "Eldeco Estate One" project land admeasuring 77.99 acres, located at Village Bhattian, Ludhiana Jalandhar GT Road, Ludhiana, Punjab with construction thereon, present and future.		
#2.3.6	Extension of First Equitable Mortgage of "Eldeco County" project land admeasuring 65.215 acres, located at Sector 19, G.T. Karnal Road, Sonapat, Haryana with construction thereon, present and future.		
#2.3.7	Extension of Charge on office premises admeasuring 16230 sqft located at 201-212, 2nd floor, Splendier Forum, Jasola Vihar, New Delhi.		
#2.3.8	Personal Guarantee of Mr. Pankaj Bajaj.		
#2.3.9	Corporate Guarantee of EPL.		
# 2.3.10	Any other security of higher or equivalent amount as may be acceptable to HDFC so to maintain the said Loan-Asset-Cover at a minimum of 2.00 times the principals outstanding at all times.		

**2.6 Project in progress**

Land #	1,058,613,347	1,564,031,149
Land development and other expenses *	1,183,493,285	1,318,992,799
<i>*includes unconsumed material amounting to Rs.84,54,044/- (P.Y Rs. 61,68,557/-) i.e. cost of steel &amp; Cement bags!</i>		
	<b>2,244,106,632</b>	<b>2,883,023,948</b>

#1. Closing WIP as on March 31, 2017 represents 13.22 acres of Land at Sohna.

#2. The Company has given its immovable properties as and by way of extension of first mortgage as security for the Construction Loan not exceeding Rs. 75 Crores sanctioned by the HDFC Bank Ltd. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the State of Haryana together with all buildings and structures thereon. An intimation has been filed with ROC regarding the charge effecting from 03.02.2014 on 10.03.2014.

#3. The Company has given its immovable properties as and by way of extension of first mortgage as security for the Construction Loan not exceeding Rs. 60 Crores sanctioned by the HDFC Bank Ltd. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the State of Haryana together with all buildings and structures thereon. An intimation has been filed with ROC regarding the charge effecting from 01.10.2014 on 30.10.2014.

#4. The Company has given the security of its immovable properties as and by way of extension of first equitable mortgage for the construction finance loan not exceeding Rs. 40 Crores sanctioned by HDFC Ltd. to its Holding Company M/s Eldeco Infrastructure and Properties Limited. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the state of Haryana together with all buildings and structures, present and future, thereon. An intimation regarding the charge effecting from 13.10.2015 has been filed with ROC as on 10.11.2015.



*(Handwritten signature)*

*(Handwritten signature)*

✓

✓

NOTR NO.	PARTICULARS	(Amount in Rs.)	
		31.03.2017	31.03.2016
	#5. The Company has given its immovable properties as and by way of extension of first mortgage as security for the Construction Loan not exceeding Rs. 45 Crores sanctioned by the HDFC Bank Ltd. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the State of Haryana together with all buildings and structures thereon. An intimation has been filed with ROC regarding the charge effecting from 28.12.2015 on 23.01.2016.		
	#6. The Company has given the security of its immovable properties as and by way of extension of first equitable mortgage for the construction finance loan not exceeding Rs. 60 Crores sanctioned by HDFC Ltd. to its Holding Company M/s Eldero Infrastructure and Properties Limited. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the state of Haryana together with all buildings and structures, present and future, thereon. An intimation regarding the charge effecting from 11.01.2016 has been filed with ROC as on 18.01.2016.		
2.7	<b>Trade Receivable:</b>		
	Billed Receivable from Customer	54,546,413	-
		<b>54,546,413</b>	<b>-</b>
2.8	<b>Cash &amp; Cash Equivalents:</b>		
	Cash in Hand	165,847	3,432
	Balance With Scheduled Bank in Current Account	5,104,832	5,641,988
	<b>Other bank balance:</b>		
	Fixed deposit		
	- Due to mature within 12 months from the reporting date *	26,248,841	24,139,259
	- Due to mature after 12 months but before 48 months from the reporting date	129,606	100,000
	* Includes deposits aggregating to Rs. 1,22,28,100 pledged with the bank against bank guarantees		
		<b>31,649,126</b>	<b>30,184,679</b>
2.9	<b>Short Term Loans and Advances</b>		
	Advances to Supplier	11,532,460	27,757,140
	Advance to Staff	23,757	16,300
	Tax Deducted at Source	1,910,810	2,011,723
	Balance with Government Authority	22,163,769	16,262,949
		<b>35,630,796</b>	<b>46,048,112</b>
2.10	<b>Other Current Assets</b>		
	Interest Accrued but not due on Fixed Deposit	1,234,282	1,254,534
	Insurance Prepaid	16,131	11,004
	Security Deposits	164,250	164,250
	Security - Electricity	400,000	400,000
	Unbilled Receivables	120,830,773	-
		<b>122,645,437</b>	<b>1,829,788</b>
2.11	<b>Revenue from operations</b>		
	Revenue recognised from ongoing project	1,040,080,927	-
		<b>1,040,080,927</b>	<b>-</b>



*(Handwritten signature)*

*(Handwritten signature)*

NOTE NO.	PARTICULARS	31.03.2017	(Amount in Rs.) 31.03.2016
2.12	<b>Other Income</b>		
	Interest on Fixed Deposit (TDS deducted Rs. 201688.18- P.Y. Rs. 334879.891/-)	2,020,625	5,338,789
	Interest Received on Delayed Payment	54,150	126,266
	Interest Received on TDS Recoverable	40,410	-
	Income recd from customers	20,000	-
	Income-Cancellation Charges	111,500	-
	Side of Scraps	1,622,541	-
	Miscellaneous Income	-	90,000
		<b>3,869,226</b>	<b>5,553,055.00</b>
2.13	<b>Cost of the Project</b>		
	Opening balance of project in progress	2,883,023,948	2,229,430,799
	Add- Cost Incurred during the year	432,495,059	653,593,149
	Total Cost Incurred	<b>3,315,519,007</b>	<b>2,883,023,948</b>
	Less: Closing balance of project in progress	2,244,106,632	2,883,023,948
		<b>1,071,412,375</b>	<b>-</b>
2.14	<b>Finance Costs</b>		
	Bank Charges	1,637	1,712
	Interest on delayed payment of Service Tax	-	55,723
	Interest Paid	-	-
		<b>1,637</b>	<b>57,435</b>
2.15	<b>Other Expenses:</b>		
	Advertisement & Publicity	13,083,476	11,489,884
	Auditors Remuneration	50,000	50,000
	Books & Periodicals	1,449	961
	Brokerage & Commission	8,764,084	5,864,587
	Business Promotion	283,710	779,416
	Conveyance	6,877	14,419
	Domestic Travelling-Staff	21,806	24,187
	Electricity Charges	430,561	257,721
	Filing Fees	2,869	16,226
	Freight & Cartage	140,332	2,000
	General Expenses (Misc. Expense)	983	164,086
	Insurance Expenses	156,328	98,373.00
	Lease Rent	-	36,000.00
	Legal & Professional Charges	172,735	269,272
	Office Expense	6,209	1,985
	Postage, Courier & Telegram	34,888	38,836
	Power & Fuel	-	11,000
	Prepayment Discount	-	175,621
	Printing & Stationery	24,636	7258
	Rates & Taxes	2,999,804	3,454,415
	Repair & Maintenance	63,461	27,480.00
	Site Expense	335,617	189,556
	Social Welfare Expenses-CSR	140,597	-
	Staff Welfare Expenses	2,660	2,320
	Subvention Scheme	5,330,685	1,885,279
	Sundry Debit Balances Written Off	-	-
	Telephone Expenses	29,389	41,690
		<b>34,083,156</b>	<b>24,902,572</b>



✓ *[Handwritten Signature]*

*[Handwritten Signature]*

Name of Assessee : ELDECO SOHNA PROJECTS LIMITED  
Status : Company  
CIN : U45200DL2006PLC153050  
PAN : AAFC9260N  
Previous Year : 2016-17  
Assessment Year : 2017-18  
Address : 201-212, 2nd Floor, Splendor Forum ,  
Jasola District Center, Jasola,  
New Delhi-110025

**Statement of Computation of Income Tax:**

Particulars	Amount (Rs.)
<b>Profits and Gains from Business and Profession:</b>	
Profit / (Loss) as per P & L account	(61,777,768)
Add: Expenses Disallowed as per Income Tax Act	
- Depreciation as per Companies Act	230,753
- Interest on paid on late payment of TDS/ST	-
<b>Gross Total Income</b>	(61,547,015)
Less : Depreciation As per Income Tax Act	192,068
<b>Total Loss</b>	(61,739,083)
<b>(Loss to be carried forward)</b>	
<b>Rounded off</b>	(61,739,083)
Tax on above Income	-
Less: TDS	797,268
<b>Tax Payable/ (Refundable)</b>	<b>(797,268)</b>

<b>Business Loss to be Carried Forward:</b>	<b>Amount(Rs.)</b>
Assessment Year 2012-13	(29,697)
Assessment Year 2013-14	(31,537)
Assessment Year 2014-15	(4,017,297)
Assessment Year 2015-16	(22,867,269)
Assessment Year 2016-17	(19,544,523)
Assessment Year 2017-18	(61,739,083)
<b>Total</b>	<b>(108,229,406)</b>

For and on Behalf of the Board  
For Eldeco Sohna Projects Limited

  
Parag Arvind Gupta  
(Director)  
DIN: 05179313

  
Sanjay Kumar Singh  
(Director)  
DIN: 03355806

2.13 Statement of Deferred Tax:

Particulars	Amount (Rs.) 31.03.2017	Amount (Rs.) 31.03.2016
Business Losses of A.Y. 2014-15 to be Carried Forward	(61,739,083)	(19,562,964)
Less: WDV of Furniture and Fixtures as per Income Tax Act less WDV as per Companies Act (D'II)	(12,019)	26,665
Total Difference	(61,751,102)	(19,536,298)
Deferred Tax Asset on above @ 30.90%	(19,081,091)	(6,036,716)
Deferred Tax Asset	(19,081,091)	(6,036,716)



*(Signature)*

*(Signature)*

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2017**  
**(All Amounts are in Rupees)**

**BACKGROUND**

Eldeco Sohna Projects Limited was incorporated on 04/09/2006 and is a Subsidiary Company of Eldeco Infrastructure & Properties Limited. The Company's registered office is situated at New Delhi. The Company is principally involved in business of development of integrated town which includes the construction and sale of residential cum commercial properties at Village Sohna, Sector-2 of Sohna, District Gurgaon.

**1. SIGNIFICANT ACCOUNTING POLICIES**

**1.1. Basis of Accounting**

The Company prepares its accounts under Historical Cost Convention as a going concern and recognizes income and expenditure on an accrual basis. The accounts have been prepared to comply in all material aspects with the applicable accounting principles in India, the applicable mandatory accounting standards issued by the ICAI and the relevant provisions of the Companies Act, 2013.

**1.2. Revenue Recognition**

In accordance with the Accounting Standard-7 on Construction Contracts and *Guidance Note on Accounting for Real Estate Transactions* issued by The Institute of Chartered Accountants of India, the total sale consideration as per the duly executed agreement to sell is recognized as revenue based on the percentage of actual project costs incurred thereon to total estimated project cost, subject to the development cost incurred being 25 per cent or more of the total estimated development cost. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

Accordingly since the project has not crossed the threshold limit as specified above, revenue has not been recognized and the expenses incurred till date are being shown as project in progress. Similarly the money received from the sale of the under construction units is being shown under other current liabilities under the head of "Advances from Customers".

**1.3. Project in Progress**

Project in progress is valued at lower of cost or net realizable value. Project in progress includes cost of land, acquisition expenses, construction costs, borrowing costs capitalized and other expenditure directly attributable to the construction/development of the project.



*(Handwritten signature)*

*(Handwritten signature)*



**1.4. Fixed Assets**

Fixed assets are stated at acquisition cost less accumulated depreciation. Cost includes inward freight, duties, taxes and incidental expenses related to acquisition and installation incurred up to the date of commissioning of the asset. Fixed assets under construction, advances paid towards acquisition of fixed assets and cost of assets not ready to use before the year end are classified as capital work in progress.

**1.5. Depreciation**

Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013.

**1.6. Borrowing Cost**

As per Accounting Standard-16, borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the profit and loss account as incurred.

**1.7. Inventory**

Inventories are classified and valued as under:

- Raw materials represent cost of construction material and are valued at lower of cost and net realizable value.
- Land and plots other than area transferred to constructed properties/project work in progress at the commencement of construction are valued at lower of cost and net realizable value. Cost includes land (including development rights) acquisition cost, borrowing cost, internal development costs and external development charges.
- Project work in progress includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development charges, construction costs, overheads, borrowing cost, development/construction materials, and is valued at lower of cost/ estimated cost and net realisable value. Development rights represents amount paid under agreement to purchase land/development rights and borrowing cost incurred by the Company to acquire irrevocable and exclusive licenses/development rights in identified land.

**1.8. Taxes on Income**

Current Income Tax Expense is measured and recognized at the amount expected to be paid in respect of taxable income to the tax authorities in accordance with the Income Tax Act, 1961 and the same is revised with the assessment order passed by the authority.

Tax effect of all timing differences are recognized as deferred tax asset/liability. Deferred tax asset is recognized for all deductible timing differences and carried forward to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.



✓ *[Handwritten signature]*

*[Handwritten signature]*

Deferred tax asset pertaining to unabsorbed loss / depreciation, is recognized only to the extent that there is virtual certainty of realization based on expected profitability in the future as estimated by the Company. Deferred tax asset and liability is measured at the tax rates that have been enacted or substantively enacted by the balance sheet date.

**1.9. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when the Company has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. A contingent liability is recognized where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent Assets are neither accounted nor disclosed.



✓ *[Handwritten signature]*

*[Handwritten signature]*

### 3. OTHER INFORMATION

3.1 Detail of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 as provided in the Table below :-

Particulars	SBN's	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	Nil	21,282	21,282
(+) Permitted Receipts	Nil	50,000	71,282
(-) Permitted Payments	Nil	3,655	3,655
(-) Amount Deposit in Banks	Nil	Nil	Nil
Closing Cash in hand as on 30.12.2016	Nil	67,627	67,627

3.2 Detail of computation of Earning Per Share as per the provisions of Accounting Standard-20, Earning Per Share, is as follows:

Particulars	Amount (Rs)	
	31.03.2017	31.03.2016
Net Profit / (Loss) attributable to Equity Shareholders'	(4,26,96,677)	(13,526,655)
Weighted Average No. of Equity Shares outstanding	60,00,000	60,00,000
Basic & Diluted Earning Per Share (Face Value Rs. 10 each)*	(7.12)	(2.25)

\*Note: As there are no potential equity shares, the effect thereof has not been shown as required by AS 20 on 'Earning per Share'.

3.3 Related Party Disclosure as per Accounting Standard -18, issued by the ICAI: (as per management representation)

A. Names of Related Parties and Nature of Related Party Relationship:

(i) Holding Company and Fellow Subsidiaries

**Holding Company**

Eldeco Infrastructure & Properties Limited (EIPL)

**Fellow Subsidiaries**

AP Projects Limited

A P Utility Services Limited

Adhikari Infrastructure and Builders Limited

Adhikari Properties Limited



✓ [Signature]

[Signature]

Amazon Infra Realtors Limited  
Amazon Infracon Limited  
Amazon Real Estate Limited  
Apollo Infracon Limited  
Best View Infracon Limited  
Chiranjiv Builders Limited  
Eldeco County Limited  
Eldeco Greens Limited  
Eldeco Hospitality Limited  
Eldeco SIDCUL Industrial Park Limited  
Eldeco Townships and Housing Limited  
Ethenic Projects Private Limited  
Ethenic Real Estate Private Limited  
Green Park Buildwell Limited  
Green Park Infracon Limited  
Green Park Infrastructure Limited  
Ili – Pride Infracon Limited  
Maksad Estate & Hardware Limited  
Maksad Properties Limited  
Mansarover Realtors Limited  
Pigeon Infrastructure Limited  
Pigeon Properties Limited  
S M Buildcon Limited  
Savana Builders Company Limited  
Savana Infrastructure & Properties Limited  
Savana Realtors Company Limited  
Shri Ajitnath Buildcon Limited  
Swabhiman Buildtech Limited  
Popular Infratech Private Limited  
Welcome Infra Developers Private Limited  
Ability Construction Private Limited  
Turbo Real Estate & Promoters Private Ltd.  
Mars Buildtech Private Limited  
Welcome Infrabuild Private Limited  
Eldeco Jalandhar Properties Private Limited  
Ethenic Buildwell Private Limited  
Ethenic Realtors Private Limited  
Kedarnath Buildwell Private Limited  
Mehak Realtors Private Limited  
Shramika Infrastructure Private Limited

(ii) **Key Management Personnel**

Mr. Naveen Kashyap  
Mr. Sanjay Kumar Singh  
Mr. Parag Arvind Gupta  
Mr. Anil Tiwari (Appointed on 31<sup>st</sup> March, 2015)  
Mr. Prabhat Kumar (Appointed on 31<sup>st</sup> March, 2015)

Director  
Director  
Director  
Independent Director  
Independent Director



✓ (Handwritten signature)

✓ (Handwritten signature)

(iii) **Relatives/Associates of Key Management Personnel**

As none of the relatives/associates of Key management personnel's are having any significant influence in the company, no details are given.

**B. Transactions with the related parties in the ordinary course of business:**

*Amount (Rs.)*

	Particulars	31.03.2017	Transactions during the year	31.03.2016
	<b>EIPL:</b>			
1.	Amount received		129,817,675(Cr.)	
2.	Repayment of Loan		77,432,771(Dr.)	
3.	Management Fee payable		10,963,998(Cr.)	
4.	Interest on Loan payable		24,742,916(Cr.)	
5.	Outstanding Closing Balance Management Fees	31,515,783(Cr.)		21,505,176(Cr.)
6.	Outstanding Closing Balance –Interest	263,269,921(Cr.)		241,001,296(Cr.)
7.	Outstanding Closing Balance –Loan	438,603,084(Cr.)		386,218,181(Cr.)
	<b>EJPPL</b>			
1.	Amount received		97,000,000(Cr.)	
2.	Interest on Loan payable		51,228,164(Cr.)	
3.	Outstanding Closing Balance –Interest	74,592,561(Cr.)		28,487,213(Cr.)
4.	Outstanding Closing Balance – Loan	897,000,000(Cr.)		800,000,000(Cr.)
	<b>Others :- for Sale of Flats</b>			
	Sh. Simranjit Singh Kohli – Relative of KMP of Holding Company	26,39,907	-	26,39,907
	Sh. Pankaj Bajaj – Director of Holding Company	30,35,483	-	30,35,483

**3.4 Details of Deferred Tax Assets:**

Particulars	31.03.2017	Additions	31.03.2016
DTA created on Business loss	3,34,29,518	1,90,77,377	1,43,52,141
DTL created on Fixed Assets	(13,184)	3,714	(16,898)
<b>DTA</b>	<b>3,34,16,334</b>	<b>1,90,81,091</b>	<b>1,43,35,243</b>



✓ Pankaj Bajaj

Sh. Pankaj Bajaj

3.5 Detail of Amount Paid/ Payable to Statutory Auditor of the Company:

Particulars	Amount (Rs.)	
	31.03.2017	31.03.2016
- Audit Fees (including Tax Audit Fees) (excluding Service Tax for FY 2015-16)	50,000	50,000
- Reimbursement of Expenses (relating to filing fees of ROC)	2,869	11728
<b>Total</b>	<b>52,869</b>	<b>61,728</b>

- 3.6 Accounting Standard-17 on Segment Reporting, issued by the ICAI, is not applicable to the company as the company is operating in single segment.
- 3.7 Balance of Loans and Advances are subject to confirmation/reconciliation from the respective parties.
- 3.8 Previous year figures have been regrouped and/or rearranged, wherever necessary to confirm to this year classifications.

As per our separate report attached  
For Bhala & Bhala,  
Chartered Accountants  
Firm Registration Number: 021008N

For and on Behalf of the Board  
For Eldeco Sohna Projects Limited

  
Mayank Somani  
(Partner)  
Membership Number: 528084



  
Parag Arvind Gupta  
(Director)  
DIN: 05179313

  
Sanjay Kumar Singh  
(Director)  
DIN: 03355806

August 16, 2017, New Delhi.

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Eldeco Sohna Projects Limited**

**Report on the Standalone financial statements**

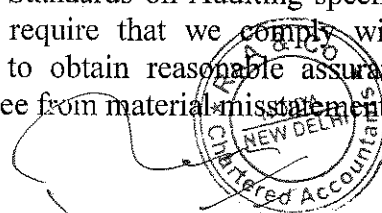
1. We have audited the accompanying standalone financial statements of **ELDECO SOHNA PROJECTS LIMITED** ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

**Management Responsibility for the Standalone financial statements**

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



# RAA & Co.

## Chartered Accountants

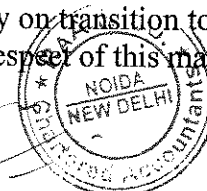
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act:
  - i) In the case of the Balance Sheet, of the state of affairs (financial position) of the company as at 31 March 2018;
  - ii) In the case of the Statement of Profit and Loss, of the Loss (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 Statement of Change in Equity, the changes in equity for the year ended on that date.

### Other Matter

8. The comparative financial information for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 prepared in accordance with Ind AS included in these standalone financial statements, are based on the previously issued statutory standalone financial statements for the year ended 31 March 2017 and 31 March 2016 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which were audited by the predecessor auditor (i.e. Bhala & Bhala) whose report dated 16.08.2017 and 09.08.2016 respectively expressed an unmodified opinion on those standalone financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.



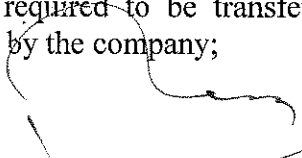


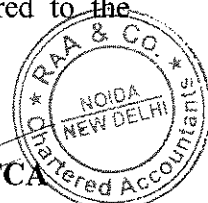
# RAA & Co.

*Chartered Accountants*

## Report on other legal & regulatory requirements

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-A** a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
10. As required by section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet and the Statement of Profit and Loss, the statement of cash flows dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;
  - e. On the basis of written representations received from the directors as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
  - f. We have also audited the internal financial controls over financial reporting of the Company as on 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per **Annexure B** to this report.
  - g. With respect to other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit & Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
    - i) The Company does not have any pending litigations which would impact its financial position;
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company;

  
**Rajesh Gupta, FCA**  
**Partner**  
**Membership No.: 091660**  
**For RAA & Co.**  
**Chartered Accountants**  
**Firm Regn. No. 022091N**

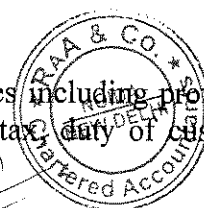


**Date: 16.08.2018**  
**Place: New Delhi**

**ANNEXURE –“ A ” TO THE INDEPENDENT AUDITORS' REPORT**

*The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2018, we report that:*

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
  
(b) These fixed assets have been physically verified by the management at reasonable intervals there was no material discrepancies were noticed on such verification.
- ii. (a) According to the information and explanation given to us, the company is engaged in the business of development and sale of property, where cost directly attributable to the project until completion, are accumulated as 'Project in Progress'. Project in Progress comprises of land cost and construction cost including direct material consumed and other cost directly attributable to the project. Such material is directly consigned to the contractor at site and risk and reward in such material are transferred on handing over of such material, accordingly company does not hold any physical inventories other than project land. Land has been physically verified by the management during the year. In our opinion, the frequency of such verification.  
  
(b) In our opinion and according to the information and explanation given to us, the procedures for the physical verification of 'Project in Progress' followed by management are reasonable and adequate in relation to the size of company and nature of its business.  
  
(c) The company is maintaining proper records of 'Project in Progress'. As informed to us, no discrepancies were noticed on verification between physical stocks and the book records.
- iii. The Company has not granted loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. According to the information and explanation given to us in respect of loans, investments, guarantees, and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules made there under. Therefore the said clause is not applicable to the Company.
- vi. We have broadly reviewed the books of accounts maintained by company pursuant to rules prescribed by the central government for maintenance of cost records u/s 148(1) of the companies Act, 2013 in respect of its construction activity and are of the opinion that prime facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- vii. (a) The company is regular in depositing undisputed statutory dues including provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs,



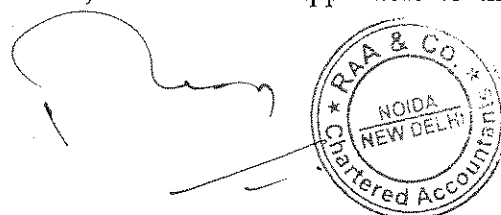
# RAA & Co.

## Chartered Accountants

duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

(b) According to information and explanation given to us, there are no material dues of income tax, TDS & service tax which have not been deposited on account of any dispute.

- viii. According to the information and explanation given to us, Company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- ix. The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, the provisions of clause 3 (ix) of Companies (Auditor's report) Order, 2016 are not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the company or on the Company by its officers/ employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, Section 197 of the Companies Act, 2013 is not applicable to the Company. Therefore, the provisions of clause 3 (xi) of Companies (Auditor's report) Order, 2016 are not applicable to the Company.
- xii. In our opinion and according to the information and explanation given to us, the Company is not a nidhi company. Therefore, the provisions of clause 3 (xii) of Companies (Auditor's report) Order, 2016 are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable Ind AS.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3 (xiv) of Companies (Auditor's report) Order, 2016 are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3 (xv) of Companies (Auditor's report) Order, 2016 are not applicable to the Company.



**RAA & Co.**

*Chartered Accountants*

- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the said clause is not applicable to the company.

  
Rajesh Gupta, FCA

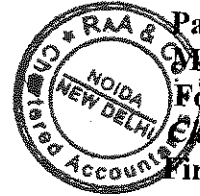
Partner

Membership No.: 091660

For RAA & Co.

*Chartered Accountants*

Firm Regn. No. 022091N



Date: 16.08.2018

Place: New Delhi

**ANNEXURE - B TO THE AUDITORS' REPORT**

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

1. We have audited the internal financial controls over financial reporting of **ELDECO SOHNA PROJECTS LIMITED** ("The Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

2. 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

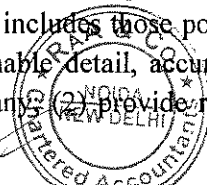
3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards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

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

4. 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 standalone 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



# RAA & Co.

## Chartered Accountants

assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

5. 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

6. 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

  
Rajesh Gupta, FCA

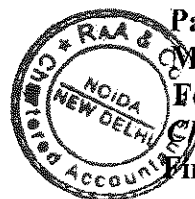
Partner

Membership No.: 091660

For RAA & Co.

Chartered Accountants

Firm Regn. No. 022091N



Date: 16.08.2018

Place: New Delhi

**Eldeco Sohna Projects Limited**  
**CIN: U45200HR2006PLC073744**  
**Standalone Balance Sheet as at March 31, 2018**

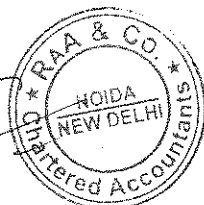
(Amount in Rs.)

Particulars	Note No.	As at		
		March 31, 2018	March 31, 2017	April 01, 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, plant, and equipment	5	654,712	772,884	940,846
(b) Financial Assets	6			
(i) Loans	6(a)	564,250	564,250	564,250
(ii) Other financial assets	6(b)	129,606	129,606	100,000
(c) Deferred tax Assets (Net)	7	36,499,947	33,416,333	14,335,242
(d) Other non-current assets		-	-	-
		<b>37,848,515</b>	<b>34,883,072</b>	<b>15,940,338</b>
<b>Current assets</b>				
(a) Inventories	8	2,441,166,890	2,244,106,632	2,883,023,948
(b) Financial assets	9			
(i) Trade receivables	9(a)	32,881,140	54,546,413	-
(ii) Cash and cash equivalents	9(b)	16,880,914	5,270,679	5,645,420
(iii) Bank balances other than (ii) above	9(c)	38,189,590	26,248,841	24,439,259
(iv) Loans		-	-	-
(v) Other financial assets	9(d)	14,521,661	12,790,499	29,027,974
(c) Current tax assets (net)	10	2,884,723	1,910,810	2,011,723
(d) Other current assets	11	75,004,026	143,010,674	16,273,953
		<b>2,621,528,945</b>	<b>2,487,884,548</b>	<b>2,960,422,277</b>
<b>TOTAL ASSETS</b>		<b>2,659,377,460</b>	<b>2,522,767,621</b>	<b>2,976,362,615</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	12	60,000,000	60,000,000	60,000,000
(b) Other Equity	13	(106,225,591)	(75,584,801)	(32,888,125)
<b>Total Equity</b>		<b>(46,225,591)</b>	<b>(15,584,801)</b>	<b>27,111,875</b>
<b>Non-Current liabilities:</b>				
(a) Financial liabilities	14			
(i) Borrowings	14(a)	1,815,083,562	1,969,144,299	1,903,273,239
(ii) Other financial liabilities	14(b)	-	-	-
(b) Provisions		-	-	-
		<b>1,815,083,562</b>	<b>1,969,144,299</b>	<b>1,903,273,239</b>
<b>Current liabilities:</b>				
(a) Financial liabilities	15			
(i) Borrowings		-	-	-
(ii) Trade payables	15a	61,542,160	57,071,310	56,424,215
(iii) Other financial liabilities	15b	611,928,903	351,216,655	275,336,454
(b) Other current liabilities	16	216,861,686	160,625,482	713,692,038
(c) Provisions	17	186,740	294,677	524,794
(d) Current tax liabilities (Net)		-	-	-
		<b>890,519,490</b>	<b>569,208,124</b>	<b>1,045,977,501</b>
<b>Total Liabilities</b>		<b>2,705,603,052</b>	<b>2,538,352,422</b>	<b>2,949,250,740</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,659,377,460</b>	<b>2,522,767,621</b>	<b>2,976,362,615</b>
Summary of significant accounting policies				

The accompanying notes form an integral part of the financial statements.  
This is the standalone balance sheet referred to in our report of even date.

For RAA & Co.  
Chartered Accountants  
(FRN-022091-N)

Rajesh Gupta, FCA  
Partner  
M. No. : 091660



Place : New Delhi  
Dated : August 16, 2018

For and on behalf of the Board of Directors  
Eldeco Sohna Projects Limited

Parag Arvind Gupta  
(Director)  
DIN: 05179313

Sanjay Kumar Singh  
(Director)  
DIN: 03355806

**Eldeco Sohna Projects Limited**  
**CIN: U45200HR2006PLCo73744**  
**Standalone Statement of Profit & Loss for the year ended March 31, 2018**

(Amount in Rs.)

Particulars	Note No.	For the year ended	
		March 31, 2018	March 31, 2017
<b>Revenue</b>			
Revenue from operations	18	223,550,567	1,041,703,468
Other income	19	2,201,384	2,246,685
<b>Total Revenue</b>		<b>225,751,951</b>	<b>1,043,950,153</b>
<b>Expenses</b>			
Cost of sales	20	230,499,167	1,076,743,060
Finance costs	21	5,588	1,637
Depreciation and amortization expense	5	246,471	230,753
Other expenses	22	28,725,129	28,752,471
<b>Total expenses</b>		<b>259,476,354</b>	<b>1,105,727,921</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>(33,724,403)</b>	<b>(61,777,768)</b>
Exceptional item			
<b>Profit/(Loss) before tax</b>		<b>(33,724,403)</b>	<b>(61,777,768)</b>
<b>Tax expense:</b>			
(1) Current tax			
(2) Deferred tax		(3,083,614)	(19,081,091)
<b>Profit/(Loss) for the Year</b>		<b>(30,640,789)</b>	<b>(42,696,677)</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit and loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the Year</b>		<b>(30,640,789)</b>	<b>(42,696,677)</b>
<b>Earnings per equity share</b>	23		
(1) Basic		(5.11)	(7.12)
(2) Diluted		(5.11)	(7.12)

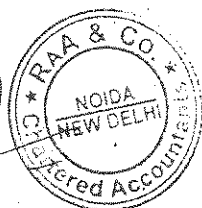
The accompanying notes form an integral part of the financial statements.

This is the standalone statement of profit and loss referred to in our report of even date.

For RAA & Co.  
Chartered Accountants  
(FRN-022091-N)

Rajesh Gupta, FCA  
Partner  
M. No. : 091660

Place : New Delhi.  
Dated : August 16, 2018



For and on behalf of the Board of Directors  
Eldeco Sohna Projects Limited

Parag Arvind Gupta  
(Director)  
DIN: 05179313

Sanjay Kumar Singh  
(Director)  
DIN: 03355806



**ELDECO SOHNA PROJECTS LIMITED**

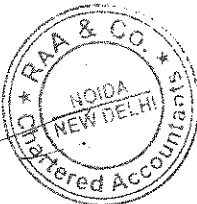
CIN:U45200HR2006PLC073744

**Standalone Cash Flow Statement for the period ending March 31, 2018**

Particulars	Rs.	31 March 2018	31 March 2017
<b>Cash flow from Operating Activities:</b>			
Net Profit / (Loss) before Tax		(33,724,403)	(61,777,768)
Adjustments for:			
Depreciation		246,471	230,753
<b>Operating Profit/(Loss) Before Working Capital Changes</b>		<b>(33,477,932)</b>	<b>(61,547,015)</b>
- (Increase) / Decrease in Project in Progress/Inventory	(197,060,258)		638,917,316
- (Increase) / Decrease in Trade Receivables	21,665,273		(54,546,413)
- (Increase) / Decrease in Other Current Financial Assets	(1,731,162)		16,237,475
- (Increase) / Decrease in Current tax Assets (Net)	(973,913)		100,912
- (Increase) / Decrease in Other Current Assets	68,006,648		(126,736,720)
- (Increase) / Decrease in Other Bank Balances	(11,940,749)		(1,839,188)
- Increase / (Decrease) in Trade Payables	4,470,850		647,095
- Increase / (Decrease) in Other current financial liabilities	68,723,074		75,880,201
- Increase / (Decrease) in Other current liabilities	56,236,204		(553,066,556)
- Increase / (Decrease) in Provisions	(107,937)	7,288,029	(230,117)
<b>Cash Generated from Operations</b>		<b>(26,189,903)</b>	<b>(66,183,010)</b>
Less- Direct Taxes Paid			
<b>Net Cash Flow from Operating Activities</b>		<b>(26,189,903)</b>	<b>(66,183,010)</b>
<b>Cash Flow from Investing Activities</b>			
Acquisition of property, plant and equipment	(128,300)	(128,300)	(62,790)
<b>Net Cash Flow from Investing Activities</b>		<b>(128,300)</b>	<b>(62,790)</b>
<b>Cash Flow from Financing Activities</b>			
- Increase/(Decrease) in Borrowing from HDFC Bank	(113,541,215)		(83,513,844)
- Increase/(Decrease) in Long Term Borrowing from related parties	(190,519,522)		149,384,903
- Increase/(Decrease) in Borrowing from ICICI Bank	341,989,174	37,928,437	
<b>Net Cash Flow from Financing Activities</b>		<b>37,928,437</b>	<b>65,871,059</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>		<b>11,610,234</b>	<b>(374,741)</b>
Add: Opening Balance of Cash & Cash Equivalents		5,270,679	5,645,420
<b>Total:</b>		<b>16,880,914</b>	<b>5,270,679</b>
<b>Closing Balance of Cash &amp; Cash Equivalents</b>		<b>16,880,914</b>	<b>5,270,679</b>

**Note:**  
Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

As per our report of even date attached  
For RAA & Co.  
Chartered Accountants  
(FRN-022091-N)



Rajesh Gupta, FCA  
(Partner)  
M.No.: 091660

Place : New Delhi  
Dated : August 16, 2018

For and on behalf of the Board of Directors  
Eldeco Sohna Projects Limited

*(Signature)*  
Parag Arvind Gupta  
(Director)  
DIN: 05179313

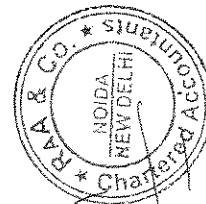
*(Signature)*  
Sanjay Kumar Singh  
(Director)  
DIN: 03355806

**Eldeco Sohna Projects Limited**  
**Standalone Statement of Change in Equity for the year ended March 31, 2018**

Description	Equity share capital (A)	Other Equity (B)				Total other equity (B)	Total Equity (A+B)
		Share premium	Retained earnings	Other comprehensive IV/OCI reserve	Other items of OCI		
<b>As at April 01, 2016</b>	<b>60,000,000</b>		<b>(32,888,125)</b>			<b>(32,888,125)</b>	<b>27,111,875</b>
Profit/(Loss) for the year			(42,696,677)			(42,696,677)	
Dividend & Tax paid							
Change in fair value of investments, net of tax effect							
Remeasurement of the net defined benefit liability/ asset, net of tax effect							
OCI reclassified to retained earnings							
<b>As at March 31, 2017</b>	<b>60,000,000</b>		<b>(75,584,801)</b>			<b>(75,584,801)</b>	<b>(15,584,801)</b>
Profit/(Loss) for the year			(30,640,789)			(30,640,789)	
Change in fair value of investments, net of tax effect							
Dividend & Tax paid							
Remeasurement of the net defined benefit liability/ asset, net of tax effect							
OCI reclassified to retained earnings							
<b>As at March 31, 2018</b>	<b>60,000,000</b>		<b>(106,225,591)</b>			<b>(106,225,591)</b>	<b>(46,225,591)</b>

The accompanying notes form an integral part of the financial statements.  
 This is the standalone statement of changes in equity referred to in our report of even date.

For RAA & Co.  
 Chartered Accountants  
 (FRN-022091-N)



Rajesh Gupta, FCA  
 Partner  
 M. No. : 091666

Place : New Delhi  
 Dated : August 16, 2018

For and on behalf of the Board of Directors  
 Eldeco Sohna Projects Limited

Parag Arvind Gupta  
 (Director)  
 DIN: 05179313

Sanjay Kumar Singh  
 (Director)  
 DIN: 03355806

**Eldeco Sohna Projects Limited**  
**Notes to financial statements for the year ended 31 March 2018**  
(All amounts are in Rupees)

**1.1 Background**

Eldeco Sohna Projects Limited ("the Company"), was incorporated on 04th September 2006 and is wholly owned subsidiary of Eldeco Infrastructure & Properties Limited. The Company's registered office is situated at New Delhi. The company is principally involved in business of development of integrated town which includes the construction and sale of residential cum commercial properties at village Sohna, Sector-2, District Gurgaon.

**1.2 General information and statement of compliance with the Ind AS**

These financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company has uniformly applied the accounting policies during the periods presented.

These financial statements for the year ended 31 March 2018 are the first financial statements which the Company has prepared in accordance with Ind AS. For all periods up to and including the year ended 31 March 2017, the Company had prepared its financial statements in accordance with accounting standards notified under Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP), which have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. For the purpose of comparatives, financial statements for the year ended 31 March 2017 and opening balance sheet as at 1 April 2016 are also prepared as per Ind AS. The financial statements for the year ended 31 March 2018 were authorised and approved for issue by the Board of Directors on 16 August 2018

**2 Basis for preparation**

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies.

**3 Recent Accounting Pronouncement**

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying amendments to Ind AS 12, 'Income taxes', Ind AS 21, 'The effects of changes in foreign exchange rates' and also introduced new revenue recognition standard Ind AS 115 'Revenue from contracts with customers'. These amendments rules are applicable to the Company from 1 April 2018.

Ind AS 115 'Revenue from Contracts with Customers' (Ind AS 115)

Ministry of Corporate Affairs ('MCA') has notified new standard for revenue recognition which overhauls the existing revenue recognition standards including Ind AS 18 - Revenue and Ind AS 11 - Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

1. Identification of the contracts with the customer
2. Identification of the performance obligations in the contract
3. Determination of the transaction price
4. Allocation of transaction price to the performance obligations in the contract (as identified in step 2)
5. Recognition of revenue when performance obligation is satisfied.

The Company is evaluating the requirements of the amendment and its impact on the financial statements.

Amendment to Ind AS 12

The amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit. The Company has evaluated the requirements of the amendment and its impact on the financial statements.

**4 Significant accounting policies**

The financial statements have been prepared using the significant accounting policies and measurement basis summarized below. These were used throughout all periods presented in the financial statements, except where the company has applied certain accounting policies and exemptions upon transition to Ind-AS.

**4.1 Current and non-current classification**

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

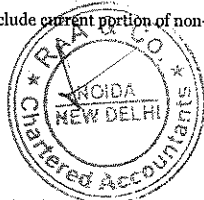
Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.



#### 4.2 Property, plant and equipment

##### Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred

##### Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives as prescribed in Schedule II to the Act.

Asset class	Useful life
Computers	3 years
Office Equipment	5 years
Furniture & Fixtures	10 years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year

##### De-recognition

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

#### 4.3 Revenue recognition

I) For construction projects and sale thereof, the Group is following 'Percentage Completion Method' of accounting for recognising the expenses and revenue as follows:

Revenue is computed based on the "percentage of completion method" and on the percentage of actual project costs incurred thereon to total estimated project cost, subject to such actual cost incurred being 30 percent or more of the total estimated project cost.

Revenue from constructed properties for all projects commenced on or after 1 April 2012 or project where the revenue is recognised for the first time on or after the above date, is recognised in accordance with the Revised Guidance Note issued by the Institute of Chartered Accountants of India ("ICAI") on "Accounting for Real Estate Transactions (Revised 2012)." As per this Guidance Note, the revenue has been recognised on percentage of completion method provided all of the following conditions are met at the reporting date:

- required critical approvals for commencement of the project have been obtained,
- atleast 25% of estimated construction and development costs (excluding land cost) has been incurred,
- atleast 25% of the saleable project area is secured by the Agreements to sell/application forms (containing salient terms of the agreement to sell); and
- atleast 10% of the total revenue as per agreement to sell are realised in respect of these agreements.

Revenue is recognised in accordance with the term of duly executed, agreements to sell/application forms containing salient terms of agreement to sell). Estimated project cost includes cost of land/ development rights, borrowing costs, overheads, estimated construction and development cost of such properties. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognised in the period in which such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, loss is recognised immediately.

II) Maintenance, electricity and other charges from customer are accounted for on the accrual basis, as per the terms of the contract, except in cases where ultimate collection is considered doubtful.

III) All administrative and other expenses not directly allocable to any specific project are charged to statement of profit and loss.

IV) Income from club membership, delayed payment charges and holding and transfer charges are recognised when the recovery is reasonably certain.

V) Interest income is recorded on accrual basis.

#### 4.4 Project in Progress

Project in progress is valued at lower of cost or net realizable value. Project in progress includes cost of land, acquisition expenses, construction costs, borrowing costs capitalized and other expenditure directly attributable to the construction/development of the project.

#### 4.5 Unbilled receivables

Unbilled receivables represent Revenue recognized based on percentage of completion method, as per policy on revenue, over and above the amount due as per the payment plans agreed with the customers

#### 4.6 Borrowing cost

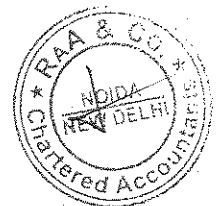
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

#### 4.7 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

#### 4.8 Expenditure

Expenses are accounted for on accrual basis and provisions are made for all known probable losses and liabilities.



*Signature*

*Handwritten mark*

#### 4.9 Taxation

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ("MAT") credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

#### 4.10 Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

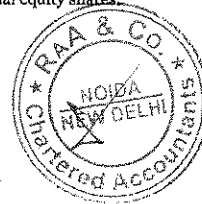
- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

#### 4.11 Earning per equity share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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



*[Handwritten signature]*

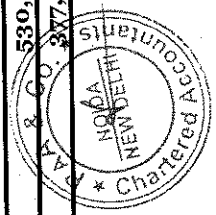
*[Handwritten signature]*

**Eldeco Sohna Projects Limited**

Notes to Standalone financial statements for the year ended March 31, 2018

Particulars	(Amount in Rs.)			
	Computers	Furniture and fixtures	Office equipments	Total
Gross carrying amount				
Deemed cost as at April 01, 2016	131,145	194,130	806,410	1,131,685
Additions	62,790	-	-	62,790
Disposals (-)	-	-	-	-
Other adjustments				
<b>At March 31, 2017</b>	<b>193,935</b>	<b>194,130</b>	<b>806,410</b>	<b>1,194,475</b>
Additions	128,300	-	-	128,300
Disposals(-)	-	-	-	-
Other adjustments				
<b>At March 31, 2018</b>	<b>322,235</b>	<b>194,130</b>	<b>806,410</b>	<b>1,322,775</b>
<b>Accumulated depreciation</b>				
At April 01, 2016	45,196	22,914	122,729	190,839
Charge for the year	58,471	19,064	153,218	230,753
Disposals(-)	-	-	-	-
Other adjustments				
<b>At March 31, 2017</b>	<b>103,667</b>	<b>41,978</b>	<b>275,947</b>	<b>421,592</b>
Charge for the year	74,190	19,064	153,218	246,471
Disposals(-)	-	-	-	-
Other adjustments				
<b>At March 31, 2018</b>	<b>177,856</b>	<b>61,042</b>	<b>429,165</b>	<b>668,063</b>
<b>Net block</b>				
At April 01, 2016	85,949	171,216	683,681	940,846
At March 31, 2017	90,269	152,152	530,463	772,884
At March 31, 2018	144,379	133,088	377,245	654,712

*[Handwritten Signature]*



Note 6 Non-current Financial Assets

Note 6(a) Loans

Particulars	(Amount in Rs.)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Security deposits	564,250	564,250	564,250
<b>Total</b>	<b>564,250</b>	<b>564,250</b>	<b>564,250</b>

Note 6(b) Other financial assets

Particulars	(Amount in Rs.)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Other non-current assets</b>			
Fixed deposits held for more than 12 months	129,606	129,606	100,000
Interest accrued but not due on fixed deposits	-	-	-
<b>Total</b>	<b>129,606</b>	<b>129,606</b>	<b>100,000</b>

Note 7 Deferred tax Assets

Particulars	(Amount in Rs.)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Deferred Tax Assets</b>			
Opening Net Deferred Tax Asset	33,416,333	14,335,242	8,298,526
<b>Tax effect of items constituting deferred tax assets</b>			
Disallowances under Section 43B of the Income Tax Act, 1961	-	-	-
Disallowances under Section 40(a)(a) of the Income Tax Act, 1961	-	-	-
Depreciation and Amortisation	26,725	3,714	(8,239)
Business Loss and Unabsorbed Depreciation	8,626,278	19,077,377	6,044,956
Less: Downward Revaluation impact on opening deferred tax assets due to reduction in effective rate of tax	(5,569,389)	-	-
<b>Deferred tax Asset as at 31.03.2018</b>	<b>36,499,947</b>	<b>33,416,333</b>	<b>14,335,242</b>
Less: Opening Deferred tax Assets	33,416,333	14,335,242	-
<b>Deferred tax Income/(Expense) transferred to Statement of Profit &amp; Loss Account</b>	<b>3,083,614</b>	<b>19,081,091</b>	<b>14,335,242</b>

Note 8 Inventories

Particulars	(Amount in Rs.)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Project in progress			
Land #	1,029,032,341	1,058,613,347	1,564,031,149
Land development and other expenses *			
*Includes unconsumed material amounting to Rs. 67,13,367/- (March 31, 2017: Rs. 84,54,044/- and April 01, 2016: 61,68,552/-)	1,421,314,549	1,185,493,285	1,318,992,799
<b>Total</b>	<b>2,441,156,890</b>	<b>2,244,106,632</b>	<b>2,883,023,948</b>

#1. The Company has given its immovable properties as and by way of extension of first mortgage as security for the Construction Loan not exceeding Rs. 75 Crores sanctioned by the HDFC Bank Ltd. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the State of Haryana together with all buildings and structures thereon. An intimation has been filed with ROC regarding the charge effecting from 03.02.2014 on 10.03.2014.

#2. The Company has given its immovable properties as and by way of extension of first mortgage as security for the Construction Loan not exceeding Rs. 60 Crores sanctioned by the HDFC Bank Ltd. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the State of Haryana together with all buildings and structures thereon. An intimation has been filed with ROC regarding the charge effecting from 01.10.2014 on 30.10.2014.

#3. The Company has given the security of its immovable properties as and by way of extension of first equitable mortgage for the construction finance loan not exceeding Rs. 40 Crores sanctioned by HDFC Ltd. to its Holding Company M/s Eldeco Infrastructure and Properties Limited. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the state of Haryana together with all buildings and structures, present and future, thereon. An intimation regarding the charge effecting from 13.10.2015 has been filed with ROC as on 10.11.2015.

#4. The Company has given its immovable properties as and by way of extension of first mortgage as security for the Construction Loan not exceeding Rs. 45 Crores sanctioned by the HDFC Bank Ltd. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the State of Haryana together with all buildings and structures thereon. An intimation has been filed with ROC regarding the charge effecting from 28.12.2015 on 23.01.2016.

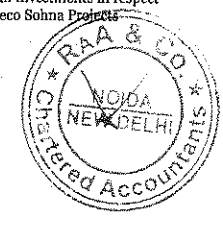
#5. The Company has given the security of its immovable properties as and by way of extension of first equitable mortgage for the construction finance loan not exceeding Rs. 60 Crores sanctioned by HDFC Ltd. to its Holding Company M/s Eldeco Infrastructure and Properties Limited. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the state of Haryana together with all buildings and structures, present and future, thereon. An intimation regarding the charge effecting from 11.01.2016 has been filed with ROC as on 18.01.2016.

#6. The Company has given the security of its immovable properties and title deeds (Reg No. 4210, 4211, 4212) as by way of extension of first equitable mortgage for the construction finance loan not exceeding Rs. 40 Crores sanctioned by HDFC Ltd. to its Holding Company M/s Eldeco Infrastructure and Properties Limited. The immovable property consists of Land admeasuring 13.22 acres situated at Sec.-2, Village Sohna, District Gurgaon in the state of Haryana together with all buildings and structures, present and future, thereon. An intimation regarding the charge effecting from 15.12.2017 has been filed with ROC as on 02.01.2018.

#7. The Company has given its extension of first charge by way of hypothecation of DSR account and all monies credited / deposited there in and all investments in respect thereof (in what ever form the same may be) for the Financial Facilities not exceeding Rs. 30 Crores sanctioned by the ICICI Bank Ltd. to M/s Eldeco Sohna Projects Limited. An intimation regarding the charge effecting from 20.02.2018 has been filed with ROC.

*[Handwritten signature]*

*[Handwritten signature]*



**Note 9 Current Financial Assets**

**Note 9(a) Trade receivables**

Particulars	(Amount in Rs.)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good	32,881,140	54,546,433	-
<b>Total</b>	<b>32,881,140</b>	<b>54,546,433</b>	<b>-</b>

**Note 9(b) Cash and cash equivalents**

Particulars	(Amount in Rs.)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Cash on hand	156,626	165,847	3,432
Balances with banks - in current accounts	16,724,288	5,104,832	5,641,988
<b>Total</b>	<b>16,880,914</b>	<b>5,270,679</b>	<b>5,645,420</b>

**Note 9(c) Other bank balances**

Particulars	(Amount in Rs.)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Fixed deposit (with remaining maturity less than 12 months) (includes deposits aggregating to Rs. 2,22,28,100 pledged with the bank against bank guarantees)	38,189,590	26,248,841	24,439,259
Interest accrued on fixed deposits	-	-	-
<b>Total</b>	<b>38,189,590</b>	<b>26,248,841</b>	<b>24,439,259</b>

**Note 9(d) Other current financial assets**

Particulars	(Amount in Rs.)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Interest accrued on fixed deposits	1,241,830	1,234,282	1,254,554
Advances recoverable in cash or in kind or for value to be received	19,279,831	11,556,217	27,775,440
<b>Total</b>	<b>14,321,661</b>	<b>12,790,499</b>	<b>29,027,974</b>

**Note 10 Current tax Assets (Net)**

Particulars	(Amount in Rs.)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Income tax Refundable	2,884,723	1,010,810	2,011,723
<b>Total</b>	<b>2,884,723</b>	<b>1,010,810</b>	<b>2,011,723</b>

**Note 11 Other current assets**

Particulars	(Amount in Rs.)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unbilled receivables	52,780,515	120,830,773	-
Prepaid expenses	30,598	16,131	11,004
Amount recoverable from government authorities: - Service tax/Goods & Services tax	22,192,933	22,163,769	16,262,049
<b>Total</b>	<b>75,004,026</b>	<b>143,010,674</b>	<b>16,273,053</b>

**Note 12 Equity share capital**

Particulars	(Amount in Rs.)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Authorized shares</b> 6,000,000 (March 31, 2017: 6,000,000 and April 01, 2016: 6,000,000) Equity Shares of Rs. 10/- each	60,000,000	60,000,000	60,000,000
<b>Total</b>	<b>60,000,000</b>	<b>60,000,000</b>	<b>60,000,000</b>
<b>Issued, subscribed and fully paid-up shares</b> 6,000,000 (March 31, 2017: 6,000,000 and April 01, 2016: 6,000,000) Equity Shares of Rs. 10/- each	60,000,000	60,000,000	60,000,000
<b>Total</b>	<b>60,000,000</b>	<b>60,000,000</b>	<b>60,000,000</b>

**(a) Reconciliation of the Equity shares outstanding at the beginning and at the end of the reporting period**

Particulars	No. of Shares	Amount
At the April 1, 2016	6,000,000	60,000,000
Add: Issued during the year	-	-
Less:- Shares bought back during the year	-	-
At the March 31, 2017	6,000,000	60,000,000
Add: Issued during the year	-	-
Less:- Shares bought back during the year	-	-
At the March 31, 2018	6,000,000	60,000,000

**(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having the par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. 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.

**(c) Details of aggregate number of shares bought back during the period of five years are as follows**

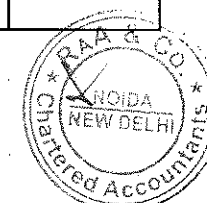
The Company has not issued any bonus shares nor has there been an issue of shares for consideration other than cash in the current year and preceding five years.

**(d) Details of shareholders holding more than 5% of the equity shares in the Company**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Eldeco Infrastructure & Properties Limited 5,999,994 ((March 31, 2017: 5,999,994, April 01, 2016: 5,999,994), No. of Equity Shares.	100.00%	100.00%	100.00%

*[Handwritten signature]*

*[Handwritten signature]*





**Note 13 Other equity - other reserves**

Particulars	(Amount in Rs.)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>(i) Retained Earnings / surplus</b>			
Balance as per last balance sheet	(75,584,801)	(32,888,125)	(32,888,125)
Net Impact of Ind AS	(30,640,789)	(42,696,677)	-
Add:- Profit/(Loss) for the year as per Statement of Profit & Loss	-	-	-
Add:- Other Comprehensive Income (net of Taxes)	(106,225,591)	(75,584,801)	(32,888,125)
<b>Transfer to General Reserves</b>			
Dividend & tax paid	(106,225,591)	(75,584,801)	(32,888,125)
<b>(ii) Capital redemption reserve</b>			
Balance as per last balance sheet	-	-	-
<b>(iii) Share premium</b>			
Balance as per last balance sheet	-	-	-
<b>(iv) General reserve</b>			
Balance as per last balance sheet	-	-	-
Add:- Transfer from Statement of Profit & Loss	-	-	-
<b>Total</b>	<b>(106,225,591)</b>	<b>(75,584,801)</b>	<b>(32,888,125)</b>

**Note 14 Non-current Financial Liabilities**

**Note 14(a) Long Term Borrowings**

Particulars	(Amount in Rs.)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Term Loan (secured)</b>			
- from ICICI bank *	150,000,000	-	-
- from HDFC bank #	520,000,000	633,641,215	717,055,058
<b>Unsecured Loan</b>			
Loan from related parties			
- Eldeco Jalandhar Properties Private Limited (Sister Concern)	897,000,000	897,000,000	800,000,000
- Eldeco Infrastructure & Properties Ltd (Holding Company)	248,083,562	438,603,084	386,218,181
<b>Total</b>	<b>1,815,083,562</b>	<b>1,969,344,299</b>	<b>1,903,273,239</b>

Details of terms of repayment for the long-term borrowings and security provided in respect of the secured long-term borrowings:

**Term loans from banks:**

**ICICI Bank**

- \* 1. The Loan from ICICI bank is secured by first charge by way of equitable mortgage on Other Property I, Other Property II, Other Property III and Other Property IV.
- 1.1 Other Property I owned by Eldeco Jalandhar Properties Pvt. Ltd, Mehak Realtors Private Limited, Kedamath Buildwell Pvt. Ltd., Shramika Infrastructure Pvt. Ltd., Ethenic Buildwell Pvt. Ltd.)
- 1.2 Other Property II is owned by Eldeco Infrastructure & Properties Limited
- 1.3 Other Property III is owned by A.P. Projects Limited, Adhikari Properties Limited, Chiranjiv Builders Limited, Savana Realtors Company Limited
- 1.4 Other Property IV is owned by A.P. Projects Limited, Adhikari Properties Limited, Chiranjiv Builders Limited, S.M. Buildcon Limited, Savana Realtors Company Limited, Eldeco Infrastructure & Properties Limited, Amazon Infracon Limited, Amazon Real Estate Limited

\*2. Extension of first charge by way of equitable mortgage on the Other Project Jalandhar excluding sold units specified in Annexure 1C hereto.

\*3. Extension of first charge by way of hypothecation on the schedule receivables of Other Project and all insurance proceeds, both present and future.

\*4. Extension of first charge by way of hypothecation on the Escrow Account I of the Other Project Jalandhar and Escrow Account II of Other Project Faridabad and Escrow Account III of Other Project Panipat all monies credited/deposited therein (in whatever form the same may be), and all investment in respect thereof (in whatever form the same may be)

\*5. Extension of first charge on DSR account

\*6. Post creation of security, the borrower shall maintain a security cover of 1.50 times and net receivable cover of 1.33 times the outstanding facility amount in the form of Properties/Project during the entire tenure of the facility. In case the value of Properties/Project secured to the Lender falls below the security cover specified above, the borrower shall create security on additional assets in favour of the Lender in order to maintain the security and net receivable cover specified above.

\*7. Irrevocable and Unconditional Corporate Guarantee of Land Owners of Other Property I, Other Property II, Other Property III and Other Property IV.

\*8. Personal guarantee of Mr. Pankaj Bajaj.

**HDFC Bank**

# 1. The Loan from HDFC Ltd is secured by First Equitable Mortgage of residential project land "Eldeco Sohna", admeasuring 13.22 acres, located at Village Sohna, Sector 2 of Sohna, District Gurgaon, Haryana with construction thereon, present and future.

# 2. Extension of First Equitable Mortgage of residential project land "Eldeco Utopia", admeasuring 18.22 acres, located at Sector 93-A, Noida, with construction thereon, present and future.

# 3. Extension of First Equitable Mortgage of "Eldeco Estate One" project land admeasuring 121.11 acres, located at Sector 40, Main G.T. Karnal Road, Opposite Babbarpur Mandi, Panipat, Haryana with construction thereon, present and future.

# 4. Extension of First Pari-Passu Charge on the "Eldeco Amantran" project land admeasuring 14.38 acres, located at Sector 119, Noida, Uttar Pradesh with construction thereon, present and future.

# 5. Extension of First Equitable Mortgage of "Eldeco Estate One" project land admeasuring 77.99 acres, located at Village Bhattian, Ludhiana Jalandhar GT Road, Ludhiana, Punjab with construction thereon, present and future.

# 6. Extension of First Equitable Mortgage of "Eldeco County" project land admeasuring 65.215 acres, located at Sector 19, G.T. Karnal Road, Sonipat, Haryana with construction thereon, present and future.

# 7. Extension of Charge on office premises admeasuring 16230 sqft located at 201-212, 2nd Floor, Splendor Forum, Jasola Vihar, New Delhi.

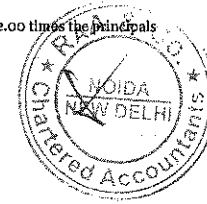
# 8. Personal Guarantee of Mr. Pankaj Bajaj.

# 9. Corporate Guarantee of EPL.

# 10. Any other security of higher or equivalent amount as may be acceptable to HDFC so to maintain the said Loan-Asset-Cover at a minimum of 2.00 times the Principals outstanding at all times.

*(Signature)*

*(Signature)*



Note 14(b) Other non current financial liabilities

(Amount in Rs.)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Interest payable on amount received	-	-	-
<b>Total</b>	-	-	-

Note 15 Current Financial Assets

Note 15(a) Trade payables-Current

(Amount in Rs.)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Dues to micro enterprises and small enterprises	-	-	-
Others	61,542,160	57,071,310	56,424,235
<b>Total</b>	61,542,160	57,071,310	56,424,235

Disclosures under Micro, Small and Medium Enterprises Act, 2006

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as micro, small or medium enterprises. Consequently, the information required to be furnished in terms of para 6, after sub-para F of Part I of Schedule III to the Companies Act, 2013 with respect to the amount unpaid as at the year end to such enterprises together with the interest paid/payable to such parties has not been disclosed.

Further, in the absence of such information being available in respect of MSME as above, the "total outstanding dues of micro enterprises and small enterprises" as required to be disclosed vide para 4 (b) of Part I of Schedule III to the Companies Act, 2013 has been disclosed as nil on the face of the Balance Sheet. As a consequence, the total amount payable to suppliers as at the year end has been classified as "total outstanding dues of creditors other than Micro enterprises and small enterprises" under Trade Payables in the Balance Sheet."

Note 15(b) Other Current financial liabilities

(Amount in Rs.)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current maturities of long-term borrowings	101,089,174	-	-
Interest payable on amount received from:			
- Eldeco Infrastructure & Properties Ltd (Holding Company)	283,162,477	263,269,921	241,001,296
- Eldeco Jalandhar Properties Private Limited (Sister Concern)	123,030,561	74,592,561	28,487,211
Security Deposits (Payable)/Retention Money	13,746,691	13,354,173	5,847,945
<b>Total</b>	611,928,903	351,216,655	275,336,452

Note 16 Other current liabilities

(Amount in Rs.)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Realisation under agreement to sell	206,166,353	149,564,720	695,471,438
Statutory dues	9,433,058	10,798,487	18,220,600
Advance received for Scrap	1,262,276	1,262,276	-
Payable to related parties	-	-	-
<b>Total</b>	216,861,686	160,625,482	713,692,038

Note 17 Short term-Provisions

(Amount in Rs.)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for employee benefits	186,740	294,677	524,794
Other provisions	-	-	-
<b>Total</b>	186,740	294,677	524,794

*(Handwritten signature)*

*(Handwritten signature)*



**Eldeco Sohna Projects Limited**  
**Notes to Standalone financial statements for the year ended March 31, 2018**

**Note 18 Revenue from Operations**

(Amount in Rs.)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<u>Operating Revenue</u>		
Revenue from constructed properties	223,550,567	1,040,080,927
<u>Other Operating Revenues</u>		
Income from sale of scrap	-	1,622,541
<b>Total</b>	<b>223,550,567</b>	<b>1,041,703,468</b>

**Note 19 Other income**

(Amount in Rs.)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on Fixed Deposit	2,163,507	2,020,625
Interest Received on Delayed Payment	132	54,150
Interest received on Income tax Refund	-	40,410
Miscellaneous income	37,745	131,500
<b>Total</b>	<b>2,201,384</b>	<b>2,246,685</b>

**Note 20 Cost of sales**

(Amount in Rs.)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<u>Opening Stock</u>		
Construction material		-
Completed Units		-
Project in progress	2,244,106,632	2,883,023,948
<u>Add : Expenditure during the year</u>		
Land/Development Right		
Construction Material, Labour and other costs including Arch	427,559,425	437,825,744
	2,671,666,057	3,320,849,692
<u>Closing Stock</u>		
Construction Material		-
Completed units		-
Project in Progress	2,441,166,890	2,244,106,632
<b>Total</b>	<b>230,499,167</b>	<b>1,076,743,060</b>

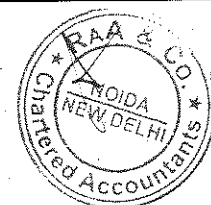
**Note 21 Finance Cost**

(Amount in Rs.)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest cost	162,234,883	161,525,912
Subvention Charges	9,018,069	5,330,685
Loan processing fees	10,233,260	1,842,165
Bank Commision Charges on Bank Guarantee	2,492,160	2,455,838
Bank charges	5,588	1,637
	183,983,960	171,156,237
Less: finance cost transferred to project cost	(183,978,372)	(171,154,600)
<b>Total</b>	<b>5,588</b>	<b>1,637</b>

*[Handwritten signature]*

*[Handwritten signature]*



**Note 22 Other expenses**

(Amount in Rs.)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Advertisement & Publicity	22,485,028	15,083,476
Auditors Remuneration	125,000	50,000
Books & Periodicals	2,360	1,449
Brokerage & Commission	1,989,444	8,764,084
Business Promotion	342,625	283,710
Domestic Travelling-Staff	45,336	28,683
Electricity Charges	462,198	430,561
Filing Fees	28,495	2,869
Freight & Cartage	1,770	140,332
Insurance Expenses	415,085	156,328
Legal & Professional Charges	259,180	172,735
Office Expense	46,141	6,209
Postage, Courier & Telegram	24,521	34,888
Printing & Stationery	14,667	24,636
Rates & Taxes	2,043,540	2,999,804
Repair & Maintenance	77,075	63,461
Site Expense	240,191	339,260
Social Welfare Expenses-CSR	90,000	140,597
Telephone Expenses	32,473	29,389
<b>Total</b>	<b>28,725,129</b>	<b>28,752,471</b>

Payment to auditors' (excluding service tax/GST) as under:

Statutory audit fee	125,000	50,000
Out of pocket expenses	-	-

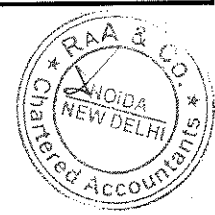
**Note 23 Earning per equity share**

(Amount in Rs.)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Net profit/(Loss) attributable to equity shareholders</b>		
Net profit/(loss) for the year	(30,640,789)	(42,696,677)
Nominal value of equity share ( ₹ )	10	10
Weighted average number of equity shares	6,000,000	6,000,000
<b>Earning per share</b>		
Basic	(5.11)	(7.12)
Diluted	(5.11)	(7.12)

*Handwritten signature*

*Handwritten signature*



(All amounts in ₹ unless otherwise stated)

24 Related Party Transactions

a) Holding Company

Eldeco Infrastructure & Properties Limited (EIPL)

b) Fellow Subsidiaries

AP Projects Limited  
AP Utility Services Limited  
Adhikari Infrastructure and Builders Limited  
Adhikari Properties Limited  
Amazon Infra Realtors Limited  
Amazon Infracon Limited  
Amazon Real Estate Limited  
Eldeco Jalandhar Properties Private Limited  
Apollo Infracon Limited  
Chiranjiv Builders Limited  
Eldeco County Limited  
Eldeco Greens Limited  
Eldeco Hospitality Limited  
Eldeco SIDCUL Industrial Park Limited  
Eldeco Townships and Housing Limited  
Ethenic Projects Private Limited  
Ethenic Real Estate Private Limited  
Green Park Buildwell Limited  
Green Park Infracon Limited  
Green Park Infrastructure Limited  
Hi - Pride Infracon Limited  
Maksad Estate & Hardware Limited  
Maksad Properties Limited  
Mansarover Realtors Limited  
Pigeon Infrastructure Limited

Pigeon Properties Limited  
S M Buildcon Limited  
Savana Builders Company Limited  
Savana Infrastructure & Properties Limited  
Savana Realtors Company Limited  
Shri Ajitnath Buildcon Limited  
Swabhiman Buildtech Limited  
Best View Infracon Limited  
Welcome Infra Developers Private Limited  
Popular Infratech Private Limited  
Mars Buildtech Private Limited  
Welcome Infrabuild Private Limited  
Ability Construction Private Limited  
Mchak Realtors Private Limited  
Kcdarnath Buildwell Private Limited  
Shramika Infrastructure Private Limited  
Ethenic Realtors Private Limited  
Ethenic Buildwell Private Limited  
Turbo Real Estate And Promoters Pvt Ltd  
Wondrous Buildmart Private Limited  
Santur Builders Private Limited  
JITF ESIPL CETP (Sitarganj) Limited

c) Key Management Personnel

- a) Mr. Naveen Kashyap  
b) Mr. Sanjay Kumar Singh  
c) Parag Arving Gupta  
d) Anil Tewari  
d) Prabhat Kumar

Director  
Director  
Director  
Independent  
Director  
Independent  
Director

d) The following transactions were carried out with related parties in the ordinary course of business and their respective outstanding balances:

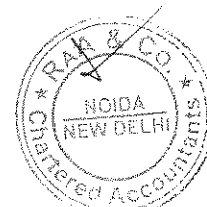
Transactions during the year:	Transaction during the year		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<b>Eldeco Infrastructure &amp; Properties Limited (EIPL)</b>				
i) Repayment of Loan	330,000,000	77,432,771	330,000,000	77,432,771
ii) Reimbursement of expenses	-	-	-	-
iii) Interest on Loan	22,102,842	24,742,916	22,102,842	24,742,916
iv) Management fee	13,106,032	10,963,998	13,106,032	10,963,998
<b>Eldeco Jalandhar Properties Private Limited (EJPPL)</b>				
i) Repayment of Loan	-	-	-	-
ii) Reimbursement of expenses	-	-	-	-
iii) Interest on Loan	53,820,000	51,228,164	53,820,000	51,228,164
iv) Management fee	-	-	-	-
<b>Outstanding Balances</b>				
	<b>31 March 2018</b>	<b>31 March 2017</b>	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>Eldeco Infrastructure &amp; Properties Limited (EIPL)</b>				
i) Borrowings	248,083,562	438,603,084	248,083,562	438,603,084
ii) Other financial liabilities	326,671,689	294,785,704	326,671,689	294,785,704
iii) Security deposits	-	-	-	-
<b>Eldeco Jalandhar Properties Private Limited (EJPPL)</b>				
i) Borrowings	897,000,000	897,000,000	897,000,000	897,000,000
ii) Other financial liabilities	123,030,561	74,592,561	123,030,561	74,592,561
iii) Security deposits	-	-	-	-

25 The cost of land, external development charges and internal development charges are recognized in the financial statements only to the extent of payments made. Accordingly, the financial statements do not include liabilities amounting to Rs.19.07 Crore (previous year Rs.9.51 Crore) excluding penal interest, which would be accounted upon final settlement of dues. The Management of the Company is in the process of negotiating the dues with the appropriate authority.

26 Figures have been rounded off to nearest rupee and since this rounding off is generated by the computer, there might be apparent differences in some totals in final accounts print out which is to be ignored

27 Previous year figures have been regrouped/reclassified, wherever necessary

*(Handwritten signatures)*



**Eldeco Sohna Projects Limited**

**Note-29**

**First time adoption of Ind AS**

**Transition to Ind AS**

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

The accounting policies set out in Note 4 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS Statement of Financial Position at 1 April 2016 (the company's date of transition). In preparing its opening Ind AS Statement of Financial Position, 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 or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

**Reconciliations between previous GAAP and Ind AS**

**Note 29.1**

Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at date of transition (1 April 2016)

**Effect of Ind AS adoption on the Balance Sheet as at April 01, 2016**

(Amount in Rs.)

Particulars	Notes to first time adoption			
		Previous GAAP *	Adjustment	IND AS Amount
<b>Assets</b>				
<b>Non-current assets</b>				
(a) Property, plant, and equipment	5	940,846	-	940,846
(b) Financial assets	6			
(i) Loans	6(a)	564,250	-	564,250
(ii) Other financial assets	6(b)	100,000	-	100,000
(c) Deferred tax Asset (Net)	7	14,335,242	-	14,335,242
(d) Other non-current assets		-	-	-
		<b>15,940,338</b>	-	<b>15,940,338</b>
<b>Current assets:</b>				
(a) Inventories	8	2,883,023,948	-	2,883,023,948
(b) Financial assets	9			
(i) Trade receivables	9(a)	-	-	-
(ii) Cash and cash equivalents	9(b)	5,645,420	-	5,645,420
(iii) Bank balances other than (iii) above	9(c)	24,439,259	-	24,439,259
(iv) Loans		-	-	-
(v) Other financial assets	9(d)	29,027,974	-	29,027,974
(c) Current tax assets (net)	10	2,011,723	-	2,011,723
(d) Other current assets	11	16,273,953	-	16,273,953
		<b>2,960,422,277</b>	-	<b>2,960,422,277</b>
<b>Total Assets</b>		<b>2,976,362,615</b>	-	<b>2,976,362,615</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
(a) Equity share capital	12	60,000,000	-	60,000,000
(b) Other Equity	13	(32,888,125)	-	(32,888,125)
<b>Total Equity</b>		<b>27,111,875</b>	-	<b>27,111,875</b>
<b>Non-Current liabilities:</b>				
(a) Financial liabilities	14			
(i) Borrowings	14(a)	1,903,273,239	-	1,903,273,239
(ii) Other Financial Liabilities	14(b)	-	-	-
(b) Provisions		-	-	-
(c) Other non-current liabilities		-	-	-
		<b>1,903,273,239</b>	-	<b>1,903,273,239</b>
<b>Current liabilities:</b>				
(a) Financial liabilities	15			
(i) Borrowings		-	-	-
(ii) Trade payables	15(a)	56,424,215	-	56,424,215
(iii) Other financial liabilities (other than those specified in (c) below, to be specified)	15(b)	275,336,454	-	275,336,454
(b) Other current liabilities	16	713,692,038	-	713,692,038
(c) Provisions	17	524,794	-	524,794
(d) Current tax liabilities (Net)		-	-	-
		<b>1,045,977,501</b>	-	<b>1,045,977,501</b>
<b>Total Liabilities</b>		<b>2,949,250,740</b>	-	<b>2,949,250,740</b>
<b>Total Equity and Liabilities</b>		<b>2,976,362,615</b>	-	<b>2,976,362,615</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



*Rajiv Kumar*

*[Signature]*

**Note 29.2**

Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at date of transition (31 March 2017)

**Effect of Ind AS adoption on the Balance Sheet as at March 31, 2017**

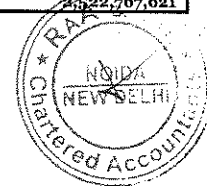
(Amount in Rs.)

Particulars	Notes to first time adoption	(Amount in Rs.)		
		Previous GAAP *	Adjustment	IND AS Amount
<b>Assets</b>				
<b>Non-current assets</b>				
(a) Property, plant, and equipment	5	772,884	-	772,884
(b) Financial assets	6			
(i) Loans	6(a)	564,250	-	564,250
(ii) Other financial assets	6(b)	129,606	-	129,606
(c) Deferred tax Asset (Net)	7	33,416,333	-	33,416,333
(d) Other non-current assets		-	-	-
		<b>34,883,073</b>	-	<b>34,883,073</b>
<b>Current assets:</b>				
(a) Inventories	8	2,244,106,632	-	2,244,106,632
(b) Financial assets	9			
(i) Trade receivables	9(a)	54,546,413	-	54,546,413
(ii) Cash and cash equivalents	9(b)	5,270,679	-	5,270,679
(iii) Bank balances other than (iii) above	9(c)	26,248,841	-	26,248,841
(iv) Loans		-	-	-
(v) Other financial assets	9(d)	12,790,499	-	12,790,499
(c) Current tax assets (net)	10	1,910,810	-	1,910,810
(d) Other current assets	11	143,010,674	-	143,010,674
		<b>2,487,884,548</b>	-	<b>2,487,884,548</b>
<b>Total Assets</b>		<b>2,522,767,621</b>	-	<b>2,522,767,621</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
(a) Equity share capital	12	60,000,000	-	60,000,000
(b) Other Equity	13	(75,584,802)	-	(75,584,802)
<b>Total Equity</b>		<b>(15,584,802)</b>	-	<b>(15,584,802)</b>
<b>Non-Current liabilities:</b>				
(a) Financial liabilities	14			
(i) Borrowings	14(a)	1,969,144,299	-	1,969,144,299
(ii) Other Financial Liabilities	14(b)	-	-	-
(b) Provisions		-	-	-
(d) Other non-current liabilities		-	-	-
		<b>1,969,144,299</b>	-	<b>1,969,144,299</b>
<b>Current liabilities:</b>				
(a) Financial liabilities	15			
(i) Borrowings		-	-	-
(ii) Trade payables	15(a)	57,071,310	-	57,071,310
(iii) Other financial liabilities (other than those specified in (c) below, to be specified)	15(b)	351,216,655	-	351,216,655
(b) Other current liabilities	16	160,625,482	-	160,625,482
(c) Provisions	17	294,677	-	294,677
(d) Current tax liabilities (Net)		-	-	-
		<b>569,208,124</b>	-	<b>569,208,124</b>
<b>Total Liabilities</b>		<b>2,538,352,423</b>	-	<b>2,538,352,423</b>
<b>Total Equity and Liabilities</b>		<b>2,522,767,621</b>	-	<b>2,522,767,621</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

*Handwritten signature*

*Handwritten signature*



**Note 29.3**

Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2017.

Year ended March 31, 2017  
(Latest period presented under previous GAAP)

Particulars	Notes to first time adoption	Effect of transition to		
		Previous GAAP	Ind AS	Ind AS
Revenue from operations	18	1,041,703,468	-	1,041,703,468
Other Income	19	2,246,685	-	2,246,685
<b>Total Revenue</b>		<b>1,043,950,153</b>	<b>-</b>	<b>1,043,950,153</b>
<b>Expenses</b>				
Cost of Sales	20	1,076,743,060	-	1,076,743,060
Finance costs	21	1,637	-	1,637
Depreciation & Amortization expense	5	230,753	-	230,753
Other expenses	22	28,752,471	-	28,752,471
<b>Total Expenses</b>		<b>1,105,727,921</b>	<b>-</b>	<b>1,105,727,921</b>
<b>Profit/(Loss) before exceptional items &amp; tax</b>		<b>(61,777,768)</b>	<b>-</b>	<b>(61,777,768)</b>
Exceptional items		-	-	-
<b>Profit/(Loss) before tax</b>		<b>(61,777,768)</b>	<b>-</b>	<b>(61,777,768)</b>
Tax Expense:				
(1) Current tax		-	-	-
(2) Deferred tax		(19,081,091)	-	(19,081,091)
Net tax expense		(19,081,091)	-	(19,081,091)
<b>Profit/(Loss) for the Year</b>		<b>(42,696,677)</b>	<b>-</b>	<b>(42,696,677)</b>
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Re-measurement gains/(losses) on defined benefit plans (net off tax)		-	-	-
Net gain on FVTOCI of equity securities		-	-	-
<b>Total Comprehensive Income for the Year</b>		<b>(42,696,677)</b>	<b>-</b>	<b>(42,696,677)</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

**Note 29.4**

Reconciliation of total equity as at 31 March 2017 and 1 April 2016

Particulars	Notes to first time adoption	As at 31 March 2017	As at 1 April 2016
Total equity (shareholder's funds) as per previous GAAP		(15,584,801)	27,111,875
Adjustments:			
<b>Total equity as per Ind AS</b>		<b>(15,584,801)</b>	<b>27,111,875</b>

**Note 29.5**

Reconciliation of total comprehensive income for the year ended 31 March 2017

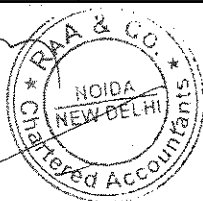
Particulars	Notes to first time adoption	As at 31 March 2017
As per previous GAAP for March 2017		(42,696,677)
Total adjustments		-
<b>Total profit/(loss) for the year</b>		<b>(42,696,677)</b>
Other comprehensive income		-
<b>As per Ind AS for March 2017</b>		<b>(42,696,677)</b>

**Note 29.6**

Reconciliation of the cash flow presented in the statement of cash flow prepared as per Indian GAAP and as per Ind AS as at 31 March 2017 is as follows:

Particulars	Per previous GAAP	Ind AS adjustments	Per Ind AS
Net cash used in operating activities (A)	(26,189,903)	-	(26,189,903)
Net cash used in investing activities (B)	(128,300)	-	(128,300)
Net cash used in financing activities (C)	37,928,437	-	37,928,437
Net decrease in cash and cash equivalents (A+B+C)	11,610,234	-	11,610,234
Cash and cash equivalents at 1 April 2016	5,270,679	-	5,270,679
<b>Cash and cash equivalents at 31 March 2017</b>	<b>16,880,914</b>	<b>-</b>	<b>16,880,914</b>

Rajesh Gupta, FCA  
Partner  
Membership No. 091660  
For RAA & Co.  
Chartered Accountants  
Firm Registration No. 022091N



Place: Delhi  
Date: August 16, 2018

For and on behalf of the Board of Directors

*(Signature)*  
Parag Arvind Gupta  
(Director)  
DIN: 05179313

*(Signature)*  
Sanjay Kumar Singh  
(Director)  
DIN: 03355806

