

Notice

Notice is hereby given that the 13th Annual General Meeting of the Members of Model Economic Township Limited will be held on Tuesday, 6th day of August, 2019, at 11.00 am at 3rd Floor, 77-B, IFFCO Road, Sector-18, Gurugram - 122015 (Haryana) to transact the following Businesses:

ORDINARY BUSINESS:

1. To consider and adopt the audited Financial Statement of the Company for the Financial year ended on March 31, 2019 and the Report of the Board of Directors and the report of Auditors thereon and in this regard, pass the following resolutions as Ordinary Resolutions:

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March, 31, 2019 and reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint Shri Shrivallabh Goyal, who retire by rotation and being eligible, offers himself for re-appointment as a Director, in this regard and consider to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 152 of the Companies, Act, 2013, Shri Shrivallabh Goyal (DIN No. 00021471), who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

3. To ratify the remuneration of Cost Auditors of the Company for the financial year ending March 31, 2020, in this regard and pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration of 50,000/- (Rupees Fifty Thousand only) plus Goods and services tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending 31st March, 2020 as approved by the Board of Directors of the Company in its meeting held on 9th April, 2019, be paid to M/s Shome & Banerjee, Cost Accountants (Registration No.000001), for conducting cost audit of the Company for the Financial Year ended on 31st March, 2020, be and is hereby ratified and confirmed.”



RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Place: Gurugram
Dated: 12th July, 2019

By Order of the Board
For Model Economic Township Limited


Asha Damani
Membership No.A31051



Registered Office:
3rd Floor, 77B, IFFCO Road,
Sector 18, Gurugram (Haryana)

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the company. The Proxy form in order to be effective should be duly completed, stamped and signed and must be deposited at the Registered Office of the company not less than forty eight hours before the commencement of the Meeting.

A Person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the meeting.

2. Corporate Members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company, a certified copy of the relevant Board Resolution together with the specimen signature of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
4. In terms of Section 152 of the Act, Shri Shrivallabh Goyal, retire by rotation at the meeting. The Nomination and Remuneration Committee of the Board of Directors and the Board of Directors commend his re-appointment.
5. Shri Shrivallabh Goyal is interested in the Ordinary Resolution set out at item No 2 of the Notice with regard to his appointment. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relative are in any way concerned or interested financially or otherwise, in the Ordinary Business set out under item no 1 to 2 of the Notice.



**Model Economic
Township Limited**

6. As per the Section 152(6) of the Companies Act, 2013, Shri Shrivallabh Goyal, Whole time Director retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. Shri Shrivallabh Goyal He is Chartered Accountant and a Company Secretary, M.Com (Post Graduate in Commerce) from University of Indore, Law Graduate from University of Jabalpur. He has also done Management Education Program (MEP) from Indian Institute of Management, Ahmedabad (IIMA). An astute Finance and Commercial professional, with more than 29 years of rich and varied experience in all major areas with India's largest Business House. Prior to handling the present project of Infrastructure as a Business Head, he was holding the position of Sector Commercial Head – Polymer Sector of RIL. The Company has received consent of Shri Shrivallabh to act as Director of the Company and also a declaration that he is not disqualified to be appointed as Director under section 164(2) of the Companies Act, 2013. The Board of Director of the Company recommends his re-appointment.
7. Members/Proxies/ Authorized Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance Slip(s) and copy(ies) of their Annual Report.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
9. Relevant documents referred to in the Notice are open for inspection by the members at the registered office of the Company on all working days (that is, except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will also available for inspection by members at the Meeting.
10. Queries on the Annual report of the Company, if any, may please be sent to the Company seven days prior to the date of the meeting so that the answers may be made available at the Meeting.
11. The Company's Registrars & Transfer Agents for its share registry (both physical as well as electronic) is Karvy Computershare Private Limited ("Karvy") having its office at Karvy Selenium Tower B, Plot 31-21, Gachibowli Financial District, Nanakramguda, Hyderabad 500 032
12. Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants (DP) with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank mandates to the Company / Karvy.
13. Attention of the member is drawn to the provision of Section 124 & 125 of the Act, which requires the Company to transfer in the name of IEPF Authority, dividend and shares in respect of which dividend has not been paid or claimed for 7 (Seven) consecutive year. The action has not been initiated for the Transfer of Dividend and shares in respect of which dividend has not been paid or claimed to Investor Education Investor Protection Fund as no dividend has been declared in any previous year(s).
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Member holding shares in electronic form, are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.



15. Members who have not registered / updated their e-mail addresses with Karvy, if share are hold in physical mode or with their DPs, if shares are hold in electronic mode, are requested to do so for receiving all future communications from the Company including Annual Reports, Notices, Circulars, etc., electronically.
16. The Results shall be declared on or after the Annual General Meeting of the Company and shall be deemed to be passed on the date of Annual General Meeting.



Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act")

Item No. 3-

Ratification of remuneration to the Cost Auditors Pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration of 50,000 plus Goods and service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending 31st March, 2020 as approved by the Board of Directors of the Company in its meeting held on 9th April, 2019, to be paid to M/s Shome & Banerjee, Cost Accountants (Registration No.000001), for conducting cost audit of the Company for the Financial year ended on 31st march, 2020 is required to be ratified and confirmed by the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relative are in any way concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board recommends the Ordinary Resolutions set forth in Item No. 3 for approval of the Members.



Model Economic Township Limited
(Formerly known as Reliance Haryana SEZ Limited)

ATTENDANCE SLIP

CIN: U70106HR2006PLC036415
Registered Office: 3rd Floor, 77-B, IFFCO Road, Sector-18, Gurgaon-122015

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint shareholders may obtain additional Slip at the venue of the meeting.

DP ID*	
CIN/SPID*	

Trading No.	
Boat/Sharing	

NAME
ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company held on Tuesday, August 6, 2019 at 11 am at 3rd Floor, 77-B, IFFCO Road, Sector-18, Gurgaon-122015.

Signature of Shareholder / Proxy

PROXY FORM

(Formal to Section 175 of the Companies Act, 2013 and Rule 176 of the Companies (Management and Administration) Rules, 2014)

Model Economic Township Limited
(Formerly known as Reliance Haryana SEZ Limited)

CIN: U70106HR2006PLC036415
Registered Office: 3rd Floor, 77-B, IFFCO Road, Sector 18, Gurgaon-122015

Name of the member(s)		Email ID	
Registered address		Followed * (Email ID)	
		*DPID	

I, being the member(s) of Model Economic Township Limited, hereby appoint

....., son of having a mail id and whose signature(s) are appended below as my proxy to attend and vote (on a poll for me and on my behalf) at the Annual General Meeting of the Company, to be held on Tuesday August 6, 2019 at 11 am at 3rd Floor 77-B, IFFCO Road, Sector 18, Gurgaon-122015 and at any adjournment thereof in respect of such resolutions as are indicated below.

* with my/our Proxy to vote in the manner as indicated in the text below:

Resolutions	For	Against
1. To consider and adopt the audited Balance Sheet for March 31, 2019; the Statement of Profit and Loss for the year ended on that date and the report of the Board of Directors and Auditors thereon.		
2. To appoint Director in place of those retiring by rotation.		
3. To ratify the remuneration of Cost Auditors of the Company for the financial year ending March 31, 2020.		

Signed by: day of 2019

Signature of shareholder

Affix
Recent
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

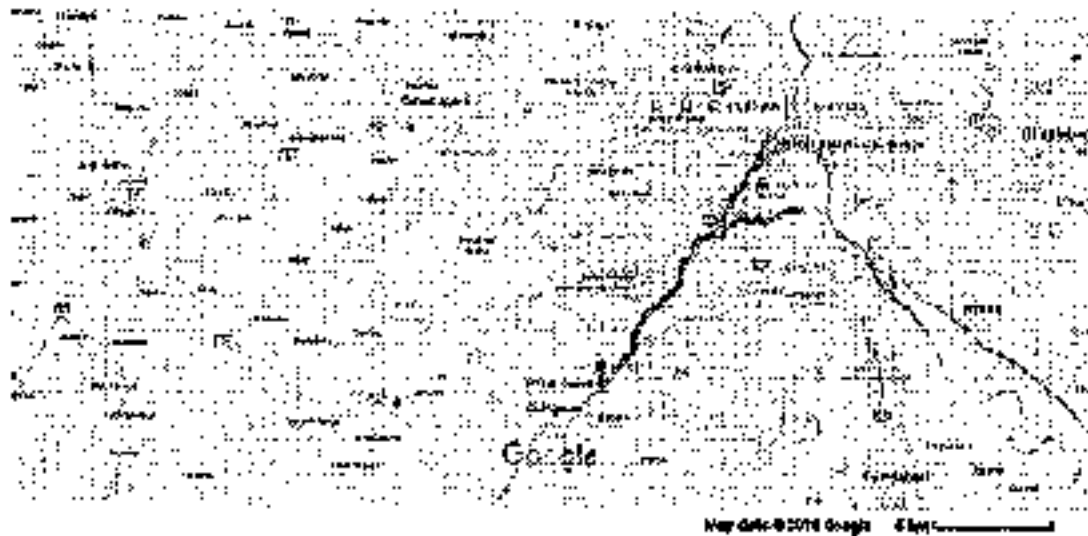
- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A proxy can act as a proxy on behalf of members, not exceeding fifty and holding in the aggregate not more than

10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person at shareholders' meeting.

- *(4) This is only optional. Please put a 'V' in the appropriate column against the resolutions indicated in the list if you agree the 'For' or 'Against' column. Blank against any or all the resolutions your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

(5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

(6) In the case of joint holders, the signature of any one holder will be sufficient but names of all the joint holders should be stated.



Old Delhi Railway Station

Drive from Idgah Rd, Rand Jhansi Rd and
Vendemataram Marg to Dhaula Kuan Enclave 2

Starts 0.13 km

1. Head east on Shivama Prasad Mukherji Marg

40 m

2. Make a U-turn



Pass by National Club (on the left in 345 m)

345 m

3. Turn left onto Church Mission Rd
(at the intersection with the road to the right)

250 m

4. Turn right after Delhi is Best of India (on the right)

750 m

5. Turn left onto Connaught



at the intersection with the road to the right

400 m



6. Turn right onto Idgah Rd
 (1) Pass by Masjid Takia Wadi (on the right in 1.0 km)
 1.2 km
7. At Idgah Cr, take the 1st exit onto Rani Jhansi Rd
 (1) Pass by Reformist Fozeh (on the left in 200 m)
 1.0 km
8. At the roundabout, take the 2nd exit and stay on Rani Jhansi Rd
 450 m
9. At Veer Chaud Singh Gadhwa Chowk, take the 2nd exit onto Dr Bhim Rao Ambedkar Marg
 (1) Pass by Lift of Pump (on the left in 550 m)
 700 m
10. At the roundabout, take the 2nd exit onto Vandemataram Marg
 1.5 km
11. At the roundabout, take the 3rd exit and stay on Vandemataram Marg
 (1) Pass by the park (on the left in 1.3 km)
 470 m

Follow NH to Mehruli-Gurgaon Rd in DLF

Phase 2, Gurgaon: Take the exit from NH3:

12. Slight left
 500 m
13. Keep right to continue towards NH3
 200 m
14. Keep right to continue along slightly left towards NH3
 600 m
15. Merge onto NH
 (1) Go to DLF Phase 2, Gurgaon
 2.0 km
16. Turn left to stay on NH
 2.0 km
17. Keep right to stay on NH
 0.2 km
18. Keep right to stay on NH
 2.2 km



- 19. Take the exit towards Mehruli-Gurgaon Rd

750m

Drive to Mehruli-Gurgaon Rd in Clock B

1 min (850m)

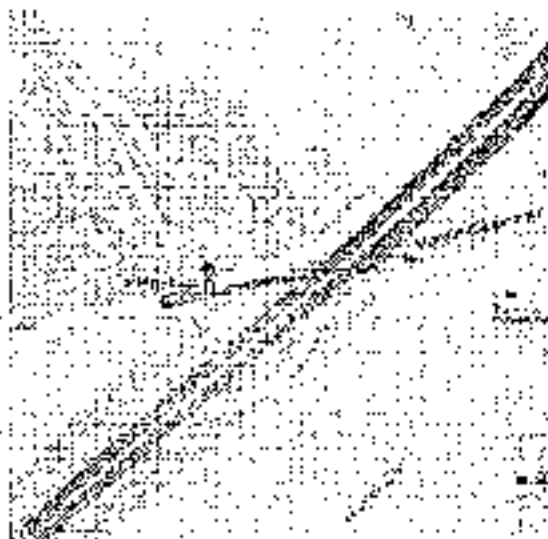
- 20. Keep right to continue on Mehruli-Gurgaon Rd

- 21. Make a U-turn

Destination will be on the left.

300 m

64 m



IFFCO Chowk

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors are pleased to present the Thirteenth Annual Report together with the Audited Financial Statements of Accounts of Model Economic Township Limited for the year ended March 31, 2019.

Financial Performance

The Company's standalone financial results for the year ended March, 31, 2019 is summarized below:

Particulars	Rs. in Laes	
	Financial Year ended	
	31 st March, 2019	31 st March, 2018
Revenue from operations	21675	16793
Compensation/enhanced compensation on compulsory acquisition of land	-	685
Interest and other income	1156	98
Profit / (Loss) Before depreciation, exceptional item and taxes	(795)	(824)
Deducting Depreciation	31	36
Profit/(loss) Before Tax	(826)	(860)
Deducting Taxes	(253)	(134)
Profit after tax	(1079)	(726)
Less: Appropriation:	-	-
Amount Transferred to Reserve	-	-
Other comprehensive Income	(6)	3
Balance Carried to Balance Sheet	(1085)	(723)

Financial Results

During the year, the total income of Company has been Rs. 22,831 lakhs as compared to Rs 17 576 lakhs in the previous year. The increase is mainly on account of sale of both developed plots as well as undeveloped land parcels.

Capital/ Finance

The paid up equity capital as on 31st March, 2019 is Rs. 97 00 00 000 consisting of 9 70 00 000 equity shares of Rs. 10 each. There is no Change in the Capital.



Business Review/State of the company's affairs

The Company has been pursuing the development of Model Economic Township in the Industrial Colony format.

Your Company has initiated License for approx 1715 acres of land and has initiated full-scale development over ~ 845 acres. The Company has planned its first phase of development along the State Highway 15A on the Farukhnagar to Jhajjar Road. The Company has awarded Contract for internal development works as well as external infrastructure namely water transmission, water treatment, construction of 220 KV and 33 KV sub-stations in addition to water distribution and power distribution works inside the licensed colonies.

Further, during the year, your company continued to make efforts in land consolidation to make land parcels contiguous for development, coordinate with Government of Haryana for various approvals and with the potential buyers/co-developers/investors to partner with your company for development of the Model Economic Township project.

Your Company has been able to create a base platform and also launched the MET project to the next level of large scale development as under.

Your Company has received registrations for 284.131 acres and 561.11 acres for the development and sale of industrial component of licensed area from the Haryana Real Estate Regulatory Authority (HRERA) Panchkula.

With the work on ground becoming visible, the Company has been able to execute booking/ sale of plots for approx. 244 acres to different Units. It may be noted that Units of Panasonic, Denso, Amber and NDC of Reliance are already operational in the area.

During the year, your Company has sold 92.51 acres of un-developed land to two wholly owned subsidiaries of Allcargo Logistics Limited for development of a logistics hub comprising of a rail linked Private Freight Terminal.

The Company owns consolidated land of ~550 acres along the four lane MDR (major district road) 136 near Badsa AIIMS Campus. Recently, Government of Haryana has issued draft development plan for this area. Upon publication of the final development plan your Company will initiate planning and development of the land.

External Infrastructure Approvals

Your Company upon obtaining the electrification plan approval for a sanctioned load of 107 MVA, for total the licensed area of ~845 acres (at present under development) has awarded the work for construction of the 220/33 KV substation to CGPL and the construction of 220 KV transmission line has been provided to HVPNL against deposit cost. The system is likely to be completed during the year 2020-21. Your Company has also renewed its Ground water extraction approval allowing it to extract 3.38 MLD of ground water to meet the requirements of water till such time the construction of the 18 km transmission lines from the NCR Channel along with the construction of the water treatment plant is completed during the year 2019-20.

Credit Rating

The Company's financial discipline and prudence is reflected in the strong credit rating ascribed by rating agency CARE Rating Limited by awarding CARE: AAA Stable rating for its non-fund based long term bank guarantee.



Dividend

No dividend has been recommended by the Directors during the year.

Fixed Deposits

Your Company has neither invited nor accepted any deposits from public falling within the purview of section 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules 2014 during the year. There is no unclaimed or unpaid deposit lying with the Company.

Secretarial Standard

The Directors state that applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

Awards

During the year under review, your Company has received many awards and recognitions Best Private Developers from ASSOCHAM.

Directors' Responsibility Statement

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors states that:

- (a) in the preparation of the annual accounts for the year ended March, 31, 2019, the applicable accounting standards read with requirements set out under schedule III to the Act have been followed along with proper explanation relating to material departures from the same;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March, 31, 2019 and of the loss of the company for the year ended on that date;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Holding Company and Subsidiaries, Joint Ventures and Associate Companies

Your Company continues to be a Subsidiary of Reliance Ventures Limited, which is a wholly owned subsidiary of Reliance Industries Limited.



During the year, names of three wholly owned subsidiary companies of your Company namely Resolute Land Consortium Projects Limited, Santol Commercials Private Limited and Tangerine Agro Private Limited, who had applied for the removal of name under section 248(2) of the Companies Act, 2013 to the Registrar of Companies, Delhi & Haryana and Registrar of Companies, Maharashtra, in the preceding year, were removed from the register of companies.

The Company does not have any associate company or joint venture and there has been no change in the same during the year under review.

Directors and Key Managerial Personnel

In accordance with the provision of the Companies Act, 2013, Mr. Shrivallabh Goyal (DIN: 00021471), Whole-Time Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Shri Goyal has been re-appointed as Whole-Time Director of your Company w.e.f 5th December, 2018 for the period of three years on the terms and conditions as recommended by the Board and approved by the members of your Company in its extra ordinary general meeting held on 17th October, 2018.

Due to superannuation, Shri Dheeraj Kandhari (Membership no A20935), Secretary of your Company, resigned w.e.f 9th January, 2019 and the Board of your Company appointed Mrs. Asha Damani (Membership no A31051) as Secretary of your Company w.e.f 10th January, 2019.

Declaration by Independent Directors

The Company has received declaration of independence from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act 2013.

Board Evaluation

The Company has in place a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors.

On the basis of the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, feedback was obtained from all the Directors by way of a structured questionnaire for the evaluation of the Board, its Committees and the individual directors covering, inter-alia, various aspects of their performance including composition and skills, board dynamics, understanding of Company's operations, contribution at meetings and inter-personal skills. The responses received were evaluated by the Board.

The Extract of both the Policies for Selection of Directors and determining Directors' independence; and Remuneration Policy for Directors, Key Managerial Personnel and other employee's is available on the website of the company under the link <http://www.modeleconomictownship.com/investors-relations.html>

Details of Board meetings

During the year, four number of Board meetings were held, details of which are given below:

Date of the meeting	No. of meeting	No. of Directors	Name of Directors attended the meeting
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		attended the meeting	
13 th April, 2018	63 rd	3	Shri Shrivallabh Goyal Shri Kishore Sinha Shri Anil Sharma
13 th July, 2018	64 th	3	Shri Shrivallabh Goyal Shri Kishore Sinha Shri Anil Sharma
9 th October, 2018	65 th	4	Shri Shrivallabh Goyal Shri Shanker Adawal Shri Ramesh Damani Shri Anil Sharma
9 th January, 2019	66 th	3	Shri Shrivallabh Goyal Shri Anil Sharma Shri Kishore Sinha

Corporate Governance

Board Committees

As required by sections 177 and 178 of the Companies Act 2013, your Directors constituted two Board Committees namely Audit Committee and Nominations and remuneration Committee in their 46th meeting held on 26th August, 2015, which has following composition of members:

Audit Committee

S.N.	Name of Director	Status in Committee
1.	Shri Shrivallabh Goyal	Chairman
2.	Shri Kishore Sinha	Member
3.	Shri Anil Kumar Sharma	Member

During the year all the recommendations made by the Audit committee were accepted by the Board.

The term of reference of Audit Committee is per **Annexure I**.

Nominations and remuneration Committee

S.N.	Name of Director	Status in Committee
1.	Shri Kishore Sinha	Chairman
2.	Shri Shanker Adawal	Member
3.	Shri Anil Kumar Sharma	Member

The term of reference of Nomination and Remuneration Committee is as per **Annexure II**.

Details of Committee meetings

Audit Committee

Date of the meeting	No. of meeting	No. of Directors attended the meeting	Name of Directors attended the meeting



13 th April, 2018	15 th	3	Shri Shrivallabh Goyal Shri Kishore Sinha Shri Anil Sharma
13 th July, 2018	16 th	3	Shri Shrivallabh Goyal Shri Kishore Sinha Shri Anil Sharma
9 th October, 2018	17 th	2	Shri Shrivallabh Goyal Shri Anil Sharma
9 th January, 2019	18 th	3	Shri Shrivallabh Goyal Shri Kishore Sinha Shri Anil Sharma

Nomination and Remuneration Committee

Date of the meeting	No. of meeting	No. of Directors attended the meeting	Name of Directors attended the meeting
13 th April, 2018	6 th	2	Shri Kishore Sinha Shri Anil Sharma
13 th July, 2018	7 th	2	Shri Kishore Sinha Shri Anil Sharma
9 th January, 2019	8 th	2	Shri Kishore Sinha Shri Anil Sharma

Risk Management

Your Directors had approved the risk management framework and constituted Business Risk and Assurance Committee consisting of Heads of each of the function to (a) monitor risk and effectiveness of risk management; (b) review the effectiveness of control system to minimize /mitigate the risk; (c) report adequacy of internal control systems and process and their effectiveness of implementation. The Committee is required to oversee that all the risk that the organization faces, such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory and other risk, had been identified and assessed and there is an adequate risk management system in place capable for addressing those risk.

The Company has in place a Risk Management Framework which provides for a robust risk management mechanism to identify and assess risks such as operational, financial, regulatory and other risks. It outlines the objectives, scope, process and monitoring mechanism for risk management in the Company There is an adequate risk management infrastructure in place capable of addressing these risks.

You company manages, monitors and reports on principal risk and uncertainties that can impact its ability to achieve its strategic objectives. Your company has made out detailed standard operating procedures and identified various risk associated with each of its activity / sub-activity along with mitigation approach. You company has implemented legal compliance portal where various compliances under the applicable laws have been uploaded to avoid occurrence of any non-compliance.

Statutory Auditors, their Report and Notes to Financial Statements

M/s. DTS & Associates, Chartered Accountants were appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years , at the Annual General Meeting held on 11th



September, 2017. They have confirmed that they are not disqualified from continuing as Auditor of the Company.

The Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Audit

Pursuant to section 148 of the Companies Act, 2013 the Board of Directors on the recommendation of the Audit Committee appointed M/s Shome & Banerjee, Cost Accountants, (Registration No.000001) as the Cost Auditors of the company for the Financial Year 2019-20 and has recommended their Remuneration to the Shareholders for their ratification at the ensuing Annual General Meeting.

M/s Shome & Banerjee, have confirmed that their appointment is within the limits of the Section 139 of the Companies Act, 2013, and have also certified that they are free from any disqualifications specified under Section 141 of the Companies Act, 2013. The Audit Committee has also received a certificate from the Cost Auditor certifying their independence and arm's length relationship with the company.

Subsequent to the above, the Cost Audit, as stipulated in the Companies (Audit and Auditors) Rules, 2014, as amended, is not applicable to your company in the Financial Year 2018-19, hence no filing is required under the Companies Act.

Secretarial audit

The Board has appointed M/s P.I. & Associates, Practicing Company Secretaries, required in Section 204 of the Companies Act, 2013, to conduct the secretarial audit of the company for the year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith marked as "Annexure III" to this report. The Secretarial Audit report does not contain any qualification, reservation, adverse remark or disclaimer.

Related party transactions

All the contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

Your Directors draw attention of the members to Note 29.1 & 29.2 to the financial statement which sets out related party disclosures pursuant to Ind AS.

Internal Financial Controls and its adequacy

You company has in place adequate internal financial controls with reference to financial statements. During the year such controls were tested and no reportable material weakness in the designs or operations were observed.

During the year, your Board has appointed M/s Ravi Rajan & Co., Chartered Accountants as Internal Auditors to conduct internal audit of the Company. The scope of the internal audit covers all the business activities, including transaction Audit and Tax compliances. The internal Auditors have also reviewed the internal financial control systems established by the Company and have reported that these systems are adequate and working effectively.



Corporate Social Responsibility

Though the provisions of Section 135 of the Companies Act 2013 are not applicable to the Company, as a part of its social responsibility, it has been undertaking various initiatives in the villages. Its community engagement programmes include health services through mobile health vans, camps for eye treatment, vet care programmes and woman empowerment programs. In the past, your Company had also developed village infrastructure such as construction of village roads, cremation ground upgradation, construction of community centers, provision of water etc. In the field of education, the Company has undertaken school level intervention to upgrade skills, adopted 3 Government run ITIs to improve their programs and other processes. The Company has also arranged job related vocational training programmes for the children of land sellers. It has also tied up with skill council for telecom to impart training and facilitate employment to village youth in telecom companies, which has been a very successful program.

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

(a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	Your Company is in the process of development of Model Economic Township Project. During the development, your company will evaluate various energy conservation options and implement them wherever found feasible and thereafter report. As an initial step towards energy conservation measures your Company has installed LED based street lights
(ii)	the steps taken by the company for utilizing alternate sources of energy	
(iii)	the capital investment on energy conservation equipment	

(b) Technology absorption

(i)	the efforts made towards technology absorption	Your company will evaluate various technologies for building construction, treatment of water and waste water, power management etc for implementation and absorption during the development for deriving benefits in cost and product development.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported (b) the year of import; (c) whether the technology been fully absorbed (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not applicable
(iv)	the expenditure incurred on Research and Development	Nil



(c) Foreign exchange earnings and Outgo

During the year, the foreign exchange expenditure is Rs. 4, 77,443.

Extract of Annual Return

Pursuant to section 92(3) of the Companies Act, 2013 ("the Act") and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is Annexed as **Annexure IV**.

Particulars of Employees

Being an unlisted Company, the details of employee remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

Human Resources

Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs with focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation, job enrichment training and job enlargement.

Reporting of Fraud

The Auditors of your Company have not reported any fraud as specified under section 143 (12) of the Companies Act 2013. Further no case of fraud has been reported to the management of your Company from any other source.

General

Your Director state that no disclosure or reporting is required in respect of the following items, as there were no transactions on these items during the year under review:

- (a) Issue of Equity shares with differential rights as to dividend, voting or otherwise.
- (b) Issue of shares (including sweat equity shares and ESOS) to employees of the Company under any scheme.
- (c) The provision of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year
- (d) No significant or material orders were passed by the Regulators or Courts or Tribunals.
- (e) The company has not given any loans, made any investment, given any guarantees or provided any securities in terms of Section 186 of the Companies Act, 2013.
- (f) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- (g) There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and date of this report.
- (h) The Company has in place the Policy of Prevention of Sexual Harassment of Women at Workplace and The Company has formed an Internal Complaint committee to redress complaints received regarding Sexual Harassment
- (i) The company is maintaining the cost records under section 148 and rule 3 of the Companies (Audit and Auditors) Rules, 2014



Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgement

Your Directors place on record their appreciation for the contribution of employees at all levels towards the growth and performance of your Company.


Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments, and other statutory authorities for their continued support.

For and on behalf of the Board

For Model Economic Township Limited


Shrivallabh Goyal
(Whole-time Director)


Shanker Adawal
(Director)



Date : 9th April, 2019
Place : Gurugram (Haryana)

The term of reference of the Audit Committee includes:

- (i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (ii) The recommendation for appointment, reappointment, remuneration and terms of appointment of the auditors of the Company;
- (iii) Recommending to the Board, the replacement or removal of Statutory Auditors including Cost Auditors;
- (iv) Review and monitor the auditor's independence and performance and effectiveness of audit process;
- (v) Examination of the financial statement and the auditor's report thereon;
- (vi) Approval or any subsequent modification of transactions of the Company with related parties;
- (vii) Scrutiny of inter- corporate loans and investments;
- (viii) Valuation of undertakings or assets of the company, whenever it is necessary;
- (ix) Evaluation of internal financial controls and risk management systems;
- (x) Monitoring the end use of funds raised through public offers and related matters;
- (xi) Approval of payment to Statutory Auditors including Cost Auditors for any other services rendered by them;
- (xii) To call for the comments of the auditors about internal control systems, scope of audit, observations of auditors;
- (xiii) Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;



- (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by the management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of related party transactions;
 - (g) Qualifications in draft audit report.
- (xiv) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- (xv) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (xvi) Reviewing with the management, the performance of Statutory Auditors including Cost Auditors and Internal Auditors;
- (xvii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- (xviii) Discussion with Internal Auditors, any significant findings and follow up thereon;
- (xix) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (xx) Discussion with Statutory Auditors including Cost Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- (xxi) To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;



- (xxii) To review the functioning of the Whistle Blower Mechanism, if applicable;
- (xxiii) Approval of appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (xxiv) Carrying out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company;
- (xxv) To review the following information:
 - (a) The management discussion and analysis of financial condition and results of operations;
 - (b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - (c) Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
 - (d) Internal audit reports relating to internal control weaknesses; and
 - (e) The appointment, removal and terms of remuneration of Internal Auditors.
- (xxvi) Reviewing the financial statements and in particular the investments made by the unlisted subsidiaries of the Company.



Annexure II

The terms of reference of the Nomination and Remuneration Committee are as under:

- (i) To identify persons who are qualified to become directors in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal;
- (ii) To identify persons who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal;
- (iii) To carry out evaluation of every director's performance;
- (iv) To establish criteria and processes for and assist the Board and each of its Committees in their performance evaluations;
- (v) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- (vi) To recommend / review remuneration of the Managing Director(s) and Whole-time Director(s), if any, based on their performance and defined assessment criteria.
- (vii) To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme, if any, including:
 - (a) the quantum of options to be granted under Employees' Stock Option Scheme per employee and in aggregate;
 - (b) the conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
 - (c) the exercise period within which the employee should exercise the option and that the option would lapse on failure to exercise the option within the exercise period;
 - (d) the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;



- (e) the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
 - (f) the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others;
 - (g) the granting, vesting and exercising of options in case of employees who are on long leave; and the procedure for cashless exercise of options.
- (viii) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- (ix) To perform such other functions as may be necessary or appropriate for the performance of its duties.
- (x) The Committee shall, while formulating the policy as per clause (v) above ensure that:
- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.



FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Model Economic Township Limited

(U70109HR2006PLC036416)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Model Economic Township Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, during the audit period covering the financial year ended on March 31, 2019, the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/confirmation, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019, according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (not applicable to the Company during the period under review)

Page 1 of 5

CORPORATE OFFICE

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LOCATIONS

Hyderabad | Trivandrum | Vadodara

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- iii. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (not applicable);
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment; (not applicable to the Company during the period under review)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (not applicable to the Company during the period under review)
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (not applicable to the Company during the period under review)
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable to the Company during the period under review)
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014; (not applicable to the Company during the period under review)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the Company during the period under review)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act; (not applicable to the Company during the period under review)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (not applicable to the Company during the period under review)
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (not applicable to the Company during the period under review)
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (not applicable to the Company during the period under review)

With respect to the below mentioned laws which are specifically applicable on the Company we have relied on the compliance certificates shared by the management of the Company:



A handwritten signature in blue ink, consisting of stylized, overlapping loops and strokes.

- Applicable Environment Laws
- Applicable Labor Laws
- Applicable Land Acquisition and Estates Development Laws and
- Applicable Infrastructure Laws

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s), if applicable; (not applicable to the Company during the period under review)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following:

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except one meeting of Board, Audit committee and Nomination & Remuneration Committee which was rescheduled due to some external exigencies for which consent of shorter notice of all directors have been obtained, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company has deployed a compliance management system to monitor the compliances applicable on it.



We further report that during the audit period, no event took place in the Company that has major bearing on the affairs of the Company.

For PI & Associates,
Company Secretary

Ankit Singhi

Partner

ACS No.: A20642

C P No.: 16274



Date: April 08, 2019

Place: New Delhi

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

To,
The Members,
Model Economic Township Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For PI & Associates,
Practising Company Secretary**


Ankit Singh
Partner
ACS No.: A20642
C P No.: 16274



Date: April 08, 2019
Place: New Delhi

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

Model Economic Township Limited
As on 31st March, 2019

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

I. REGISTRATION AND OTHER DETAILS:

(i) CIN : U70109HR2006PLC036416

(ii) Registration Date: 9th October, 2006

(iii) Name of the Company: Model Economic Township Limited, (Formerly known as Reliance Haryana SEZ Limited)

(iv) Category / Sub-Category of the Company: Public Company / Limited by share

(v) Address of the Registered Office: 3rd Floor, 77-B, IFFCO Road, Sector-18, Gurugram- 122015
Contact No. : 0124-3527369

(vi) Whether listed company No

(vii) Registrar & Transfer Agents (RTA): Karvy Computershare Private Limited
Address: 6th Floor, Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District Nanakramguda, Hyderabad - 500 032
Contact No- 040- 67161717

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Land Development	Division 68 Real estate activities Group 681 Real estate activities with own or leased property	100%



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. NO	Name and Address of the company	CIN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Reliance Industries Limited	L17110MH1973PLC019786	Ultimate Holding	100%	Section 2(46)
2.	Reliance Ventures Limited (Including nominees)	U24120MH1999PLC121009	Holding Company	100%	Section 2(46)

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	-	-	-	-	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s) undertaking	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	96999949	51	*97000000	100%	97000000	-	*97000000	100%	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total	96999949	51	*97000000	100%	97000000	-	*97000000	100%	-
(A) (1):-									
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other – Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-	-
(A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	96999949	51	*97000000	100%	97000000	-	*97000000	100%	-
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-



(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-									
2. Non Institutions									
(a) Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									-
Grand Total (A+B+C)	96999949	51	*97000000	100%	97000000	-	*97000000	100%	-

*Includes 6 shares each held by 6 nominees jointly with Reliance Ventures Limited (RVL), Beneficial Interest is with RVL.



(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change In share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Reliance Ventures Limited	97000000	100%	NIL	97000000	100%	NIL	No Change

(iii) Change in Promoters' Shareholding

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	97000000	100%		
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	No Change			
	At the end of the year	97000000	100%		

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL			
	Date wise Increase / Decrease in Share holding during the year specifying the				



	reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year (or on the date of separation, if Separated during the year)	NIL			

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year 1 st April, 2018 to 31 st March, 2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year					
1.	Shri Adawal Shanker nominee of Reliance Ventures Limited	10	0.00%	10	0.00%
2.	Shri Shrivallabh Goyal nominee of Reliance Ventures Limited	10	0.00%	10	0.00%
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):		Date of Transfer		Increase/ Decrease	Reason of Increase/ Decrease
1.	Shri Adawal Shanker nominee of Reliance Ventures Limited	31.03.2019		Decrease	Transfer
2.	Shri Shrivallabh Goyal nominee of Reliance Ventures Limited	31.03.2019		Decrease	Transfer
At the end of the year					
1.	Shri Adawal Shanker nominee of Reliance Ventures Limited	1	0.00%	1	0.00%
2.	Shri Shrivallabh Goyal nominee of Reliance Ventures Limited	1	0.00%	1	0.00%

V. INDEBTEDNESS

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

(Rs. in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	238134.00	-	238134.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	238134.00	-	238134.00
Change in Indebtedness during the financial year				



• Addition (Principal Amount)	-	34760.00	-	34760.00
•Reduction (Principal Amount)	-	30575.00	-	30575.00
• Addition (Interest Amount)	-	19525.18	-	19525.18
•Reduction (Interest Amount)	-	19525.18	-	19525.18
Net Change (Principal Amount)	-	4185.00	-	4185.00
Net Change (Interest accrued but not due)	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	242319	-	242319
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	242319	-	242319

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(in lakhs)

S. N.	Particulars of Remuneration	Name of Whole Time Director Shri Shrivallabh Goyal
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under	189.11 -
2.	Stock Option	-
3.	Sweat Equity	-
4.	. Commission - as % of profit - others, specify...	- - -
5.	Others, (Sitting Fees)	0.40
	Total (A)	189.51
	Ceiling as per the Act

B. Remuneration to other directors:

(in lakhs)

SL No.	Particulars of Remuneration	Name of Directors		Total Amount (1)
		Kishore Kumar	Anil Sharma	
1.	Independent Directors • Fee for attending board meetings	0.75	1.00	1.75
	Fee for attending Audit committee meetings	0.75	1.00	1.75



	Fee for attending Nomination & Remuneration committee meetings	0.75	0.75	1.50
	• Commission	-	-	
	• Others, please specify	-	-	
	Total	2.25	2.75	5.00
		Name of the Directors		Total Amount (2)
		Shanker Adawal	Ramesh Damani	
2.	Other Non-Executive Directors	0.05	0.05	0.10
	• Fee for attending board meetings			
	Fee for attending Audit committee meetings	-	-	-
	Fee for attending Nomination & Remuneration committee meetings	-	-	-
	• Commission	-	-	-
	• Others, please specify	-	-	-
	Total	0.05	0.05	0.10
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD (in lakhs)

S. N.	Particulars of Remuneration	Key Managerial Personnel			
		Shri Sudhir Jain-CFO	Shri Dheeraj Kandhari CS*	Ms. Asha CS*	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	102.99	25.61	1.55	130.15
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total				

*Shri Dheeraj Kandhari was Company Secretary till 9th January, 2019.

** Ms. Asha Damani was appointed as the Company Secretary from 10th January, 2019.



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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



INDEPENDENT AUDITOR'S REPORT

To the Members of Model Economic Township Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Model Economic Township Limited ("the Company")**, which comprise the Balance Sheet as at 31st March, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its loss, including comprehensive income, the changes in Equity for the year ended on that date.

Basis of Opinion

We conducted our audit of financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the director's report included in the annual report but does not include the financial statements and our auditor's report thereon.



Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 implementation and maintenance of work of 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.



Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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 Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 (including other comprehensive income), and the Cash Flow Statement and statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:


In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.



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

- i. The Company has disclosed the impact of pending litigations as at 31st March, 2019 on its financial position in its financial statements. Refer Note no.30 to the financial Statements.
- ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long - term contracts
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For D T S & Associates
Chartered Accountants
(Firm Registration No.142412W)


Nirmal Kumar Burad
Partner
Membership No.71041

Place: Mumbai,
Dated: 9th April, 2019



"ANNEXURE A " TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of Model Economic Township Limited on the financial statements for the year ended on 31st March 2019)

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification as compared to the book records.
 - (c) According to the information and explanations given by the management, the company does not hold any immovable properties as fixed assets except investment property, the title deeds of which are held in the name of the Company.
- (ii) The inventories of the Company consist of the land and projects under development /construction. During the year the management has conducted physical verification of the inventories and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loan secured or unsecured to companies, firms, or other parties covered in the register maintained under section 189 of the Act. Therefore the provisions of Clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any investments and not granted any loan or provided any guarantee or security during the year to parties covered under section 185 of the Act and hence provision of section 185 & 186 are not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.



- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the construction activities, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) According to the information and explanations given to us, and the records of the Company examined by us:
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income tax, custom duty, Goods and Service Tax, Cess and any other statutory dues with appropriate authorities as applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding, as at 31st March, 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us there are no dues of Income Tax, Sales Tax, duty of custom, duty of excise, Value added tax and goods and service tax which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not borrowed from financial institution, bank or government. Accordingly, the provisions of Clause (viii) of paragraph 3 of the Order are not applicable to the Company.
- (ix) According to the information and explanations given to us the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and no term loans were raised and hence provisions of Clause (ix) of paragraph 3 of the Order are not applicable to the Company.
- (x) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the company or on the Company by the officers and employees of the company has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, managerial remuneration paid/provided by the company is in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.



- (xii) In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable Indian accounting standards.
- (xiv) According to the information and explanations provided to us and on an overall examination of balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause (xiv) of paragraph 3 of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of Clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- (xvi) According to the information and explanations provided to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934, are not applicable to the Company.

For D T S & Associates

Chartered Accountants

(Firm Registration No. 142412W)

Nirmal Kumar Burad

Partner

Membership No. 71041

Place: Mumbai,

Dated: 9th April, 2019



"ANNEXURE (B)" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under the heading "report on other legal and regulatory requirements" of our report of even date on the financial statements of Model Economic Township Limited for the year ended 31st March 2019)

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

We have audited the internal financial controls over financial reporting of **Model Economic Township Limited** ("the Company") as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For D T S & Associates
Chartered Accountants
(Firm Registration No.142412W)



Nirmal Kumar Burad
Partner
Membership No.71041



Place: Mumbai,
Dated: 9th April, 2019

MODEL ECONOMIC TOWNSHIP LIMITED
BALANCE SHEET AS AT 31ST MARCH 2019

	Notes	As at 31st March 2019 (Rs in Lakhs)	As at 31st March 2018 (Rs in Lakhs)
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	95	99
Investment Property	4	233	-
Intangible Assets	3	1	1
Financial Assets			
Other Financial Assets	5	70	1 286
Other Non Current Assets	6	2 232	1 447
Total Non -Current assets		2 631	2 833
Current assets			
Inventories	7	6 79 043	6 67 890
Financial Assets			
Trade Receivables	8	15	3
Cash and Cash Equivalents	9	844	112
Other Financial Assets	10	8	19
Current Tax Assets (Net)	11	447	41
Other Current Assets	12	5 187	3 633
Total Current assets		6 85 544	6 71 698
TOTAL ASSETS		6 88 175	6 74 531
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	9 700	9 700
Other Equity	14	4 12 265	4 13 466
Total Equity		4 21 965	4 23 166
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	15	2 42 319	2 38 134
Provisions	16	1 970	1 797
Other Non Current Liabilities	17	2	-
Deferred Tax Liabilities (Net)	18	988	630
Total Non-Current Liabilities		2 45 279	2 40 561
Current Liabilities			
Financial Liabilities			
Trade Payables Due to	19	701	449
Micro and Small Enterprise		161	43
Other than Micro and Small Enterprise		540	406
Provisions	20	2 322	1 595
Other Current Liabilities	21	17 968	8 760
Total Current Liabilities		20 931	10 804
Total Liabilities		2 68 210	2 51 365
Total Equity and Liabilities		6 88 175	6 74 531
Significant Accounting Policies			
See accompanying Notes to the Financial Statements 1 to 44			

As per our Report of even date
For D T S & Associates

Chartered Accountants
Registration No : 142412W

Nirmal Kumar Burad
Partner
Membership No : 71041

Place : Mumbai
Date : 09.04.2019



For and on behalf of the Board

Shrivallabh Goyal
(Director)
DIN- 00021471

Sudhir Jain
(Chief Financial Officer)
Membership No : 084440

Place : Gurugram
Date : 09.04.2019

Shanker Adawal
(Director)
DIN- 01039400

Asha Damani
(Company Secretary)
Membership No : A31051



MODEL ECONOMIC TOWNSHIP LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019

	Notes	2018 -19 (Rs in Lakhs)	2017 - 18 (Rs in Lakhs)
Income			
Revenue from Operations	22	21 675	17 478
Other Income	23	1 156	98
Total Income		<u>22 831</u>	<u>17 576</u>
Expenses			
Changes in Inventories	24	(11 199)	(14 685)
Employee Benefits Expense	25	1 295	1 102
Finance Costs	26	19 677	19 084
Depreciation and Amortization Expense	3	31	36
Other Expenses	27	13 849	12 809
Total Expenses		<u>23 657</u>	<u>18 436</u>
Loss before tax		<u>(826)</u>	<u>(860)</u>
Tax expense			
(1) Current Tax		253	(134)
(2) Deferred Tax		253	(134)
Loss for the Year		<u>(1 078)</u>	<u>(728)</u>
Other Comprehensive Income			
(a) Items that will be reclassified to Profit or Loss			
Income tax relating to items that will be reclassified to Profit or Loss		-	-
(b) Items that will not be reclassified to Profit or Loss			
Remeasurement of the Defined Benefit Plan		(9)	5
Income tax relating to items that will not be reclassified to Profit or Loss		3	(2)
Total Comprehensive Income for the Year		<u>(1 085)</u>	<u>(723)</u>
Earning per Equity Share of face value of Rs 10 each			
(1) Basic (in Rs)		(1.11)	(0.75)
(2) Diluted (in Rs)		(1.11)	(0.75)

Significant Accounting Policies

See accompanying Notes to the Financial Statements

1 to 44

As per our Report of even date

For D T S & Associates

Chartered Accountants

Registration No :142412W

Nirmal Kumar Bared

Partner

Membership No : 71041



Place : Mumbai

Date : 09.04.2019

For and on behalf of the Board

Shrivallabh Goyal

(Director)

DIN- 00021471

Shanker Adawal

(Director)

DIN- 01039400

Sudhir Jain

(Chief Financial Officer)

Membership No : 084440

Asha Damani

(Company Secretary)

Membership No : A31051

Place : Gurugram

Date : 09.04.2019



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019

A. Equity Share Capital

	As at 31 March 2019		As at 31 March 2018	
	Numbers	(Rs in Lakhs)	Numbers	(Rs in Lakhs)
Equity Shares at the Begning of the Year	9 70 00 000	9 700	9 70 00 000	9 700
Add: Shares Issued during the Year	-	-	-	-
Equity Shares at the end of the Year	9 70 00 000	9 700	9 70 00 000	9 700

B. Other Equity

	Instruments classified as Equity	Reserves and Surplus			Total
		Capital Reserve	Retained Earning	Other Comprehensive Income	
Balance at the beginning of the year	4 12 582	5 818	(4 902)	(42)	4 13 466
IND AS Transitional Difference Adjustment due to Surrender of Lease Deed	-	-	(9)	-	(9)
IND AS 115 Adjustment in Opening Balance as on 01.04.2018	-	-	(107)	-	(107)
Total Comprehensive Income for the Year	-	-	(1 079)	(6)	(1 085)
Balance at the End of the Year	4 12 582	5 818	(6 097)	(48)	4 12 265

As per our Report of even date
For DTS & Associates
Chartered Accountants
Registration No :142412W

Nirmal Kumar Burad
Partner
Membership No : 71041

Place : Mumbai
Date : 09.04.2019



For and on behalf of the Board

Shrivallabh Goyal
(Director)
DIN- 00021471

Sudhir Jain
(Chief Financial Officer)
Membership No : 084440

Place : Gurugram
Date : 09.04.2019

Shanker Adawal
(Director)
DIN- 01039400

Asha Damani
(Company Secretary)
Membership No : A31051



MODEL ECONOMIC TOWNSHIP LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	2018-19 (Rs in Lakhs)	2017-18 (Rs in Lakhs)
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Loss Before Tax as per Profit and Loss Statement	(826)	(800)
Adjusted for:		
Depreciation and Amortisation	31	36
Provision for Estimated Cost Over Revenue	493	887
Loss/(Profit) on Sale/ Discarding of Property, Plant & Equipment (Net)	-	13
Interest Income	(152)	(75)
Interest on Unsecured Loan	19 525	18 974
Operating Profit before Working Capital Changes	19 071	18 975
Adjusted for:		
Non Current Assets & Liabilities		
Other Current Financial Assets	17	10
Provisions- Non Current	173	446
Other Non Current Liabilities	2	-
Other Non Current Financial Assets	(794)	(529)
Current Assets & Liabilities		
Trade Payables	252	191
Other Current Liabilities	8 148	3 456
Current Provisions	234	25
Inventories	(11 385)	(14 685)
Trade Receivables	(12)	8
Other Current Assets	(1 581)	156
Cash Generated From Operations	15 145	8 053
Tax Paid (Net of Refund of TDS)	406	(50)
	406	(50)
Net Cash Flow From Operating Activities (A)	14 739	8 103
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Payment for Property, Plant & Equipment	(27)	(11)
Proceeds from disposal of Property, Plant & Equipment	-	9
Investment	-	(9)
Disposal of Investment in Subsidiaries	-	8
Profit on Merger of Subsidiaries	-	(2)
Bank Deposit with more than 12 months maturity	1 199	(304)
Interest Income	161	74
Net Cash Flow (Used In) Investing Activities (B)	1 333	(235)
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Borrowings - Non Current	34 760	62 925
Repayment of Borrowings - Non Current	(30 575)	(19 050)
Interest on Unsecured Loan	(19 525)	(51 772)
Net Cash Flow from/ (Used In) Financing Activities (C)	(15 340)	(7 897)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	732	(29)
Opening Balance of Cash and Cash Equivalents	112	141
Closing Balance of Cash and Cash Equivalents (refer note no. 9)	844	112

Changes in Liability Arising from Financing Activities

	As at 1st April, 2018	Cash Flow	Foreign exchange movement	As at 31st Mar, 2019
Borrowing - Non Current (Refer note 15)	2 38 134	4 185	-	2 42 319
Borrowing - Current	-	-	-	-
	2 38 134	4 185	-	2 42 319

Notes:

- (1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS-7-Cash Flow Statement.
(2) Figures in the Brackets indicate Outflow.

As per our Report of even date

For D T S & Associates
Chartered Accountants
Registration No :142412W

Nirmal Kumar Burad
Partner
Membership No : 71041

Place : Mumbai
Date : 09.04.2019



For and on behalf of the Board

Shrivallabh Goyal
(Director)
DIN- 00021471

Sudhir Jain
(Chief Financial Officer)
Membership No : 064440

Place : Gurgaon
Date : 09.04.2019

Shanker Adawal
(Director)
DIN- 01039400

Asha Damani
(Company Secretary)
Membership No : A31051



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

A. CORPORATE INFORMATION

1. Model Economic Township Limited is public limited company having its registered office at Plot no. 77 B, third floor, IFFCO Road, Sector 18, Gurugram-122015, Haryana.

Presently, the Company is carrying out development activities in its industrial colonies, for which licenses are obtained and has also continued to consolidate the purchased land as well as to coordinate and obtain various government approvals etc.

2. The company is unlisted entity and intermediate wholly owned subsidiary of Reliance Venture Limited and ultimate subsidiary of Reliance Industries Limited and accordingly in view of Rule 2 of Companies (Accounts) Amendment Rules 2016 notified on 27th July 2016, the provision related to preparation of Consolidated Financial Statements of the Company and its subsidiary are not applicable to the Company and hence not prepared.

B. SIGNIFICANT ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- i) Defined Benefit Plans - Plan Assets,
- ii) Annuity Payment for Future Period to Land Sellers,
- iii) Lease Rentals Receivable from Customers on Long Term Lease

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ("Ind AS"), including the rules notified under the relevant provisions of the Companies Act, 2013.

With effect from 1st April 2018, Ind AS 115 – "Revenue from Contracts with Customers" (Ind AS 115) supersedes Ind AS 18 – "Revenue" and related Appendices. The Company has adopted Ind AS 115 using the modified retrospective approach. The application of Ind AS 115 did not have any material impact on recognition and measurement principles. However, it results in additional presentation and disclosure requirements for the company.

The Financial Statements of the Company are presented in Indian Rupees, which is its functional currency and all values are rounded to the nearest Lakh (Rs.00,000) except when otherwise indicated.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/Non-Current classifications.

As asset is treated as Current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period.

All other assets are classified as non-current

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no un-conditional right to defer the settlement of the liability for atleast twelve months after the reporting period.



The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to assets.

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 entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work – in - Progress.

Depreciation on Property, Plant and Equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

(c) Investment Property

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment Properties are measured initially at cost, including transaction cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Properties are transferred from investment properties to development properties when and only when there is a change in use, evidenced by commencement of development with a view to sell or inventurize if they are sold without any further development. Such transfers are made at the carrying value of the properties at date of transfer.

(d) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

For the assets given under finance lease, the lease premium received initially is recognised as income of the Company at the inception of the lease. Annual lease rentals receivable in future are recognised at their present value. The corresponding amount due from the lessee is included in the balance sheet as lease rents receivable.

Lease rents received by the Company are apportioned between finance income and reduction of the lease receivables so as to achieve a constant rate of interest on the remaining balance of the lease. Finance income is recognised immediately in Statement of profit and loss. Contingent rentals are recognised as income in the periods in which they are received.

For the assets given under operating lease, the lease rentals received by the Company, as per the terms of the lease, are recognised by the Company as income in Statement of profit and loss.



(e) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

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 entity and the cost can be measured reliably.

Other indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Intangible Assets Under Development.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of profit or loss when the asset is derecognised.

The Company's intangible assets comprises assets with finite useful lives which are amortized on a straight line basis over the period of their expected useful lives.

A summary of the amortization policies applied to the Company's intangible assets to the extent of depreciable amount is, as follows:

Particular	Depreciation
Computer Software	Over a period of 5 years

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

(f) Cash and Cash Equivalent

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

(g) Finance Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(h) Inventories

Items of inventories are measured at lower of cost and net realisable value.

Inventory comprises of cost of Industrial Township and other Projects under development (Work-in-progress). Cost of inventory comprises of cost of land, annuity cost, land development expenses, material, services, construction cost, interest and finance charges and other expenses related to development of projects.

(i) Impairment of Non-Financial Assets, Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The Recoverable amount is higher of an asset's fair value less costs of disposal and value in use. Value in use is based on the estimated future cash flows discounted to their present value, using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the assets.



The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Employee Benefits Expense

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid at 15 days salary for every completed year of service as per the payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by the respective Income tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefits plans in respect of post-employment are charged to the Other Comprehensive Income.

(l) Tax Expenses

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in Equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

- Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

- Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses, can be utilized

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.



(m) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

The agreement for sale or long term lease of land, including development and provision of infrastructure facilities/services, where substantial risk & rewards are conveyed to buyer/lessee, is considered as sale of land. Revenue from such sale of land is recognized on execution of sale/lease deeds, by which substantial risks and rewards are conveyed to Buyers/Lessee. Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

Revenue in respect of projects under development/construction is recognized on the "Percentage of Completion method" of accounting which is the percentage of the actual cost incurred, including the cost of land and its development, to the total estimated cost of the project subject to such actual cost incurred being 25% or more of the total estimated cost. The estimated cost of the project is based on company's estimate of the cost expected to be incurred till the final completion of the project and includes cost of land, annuity costs, construction and development expenses, materials, services, interest and finance charges and other expenses related to development of projects. The estimates of the costs are revised periodically by the Company and effect of such changes in estimates is recognized in the period in which such changes are determined. Any projected losses on agreements executed are recognized in full when identified. Recognition of revenue relating to agreements entered into with the buyers, which are subject to fulfilment of obligations/conditions imposed by the statutory authorities, is postponed till such obligations are discharged. When sale price is realized on deferred payment basis, the difference between fair value of sale price receivable as per normal credit terms and sale price receivable over deferred payment terms will be accounted as interest income over the credit period.

Interest Income

Interest Income from a Financial Assets is recognised using effective interest rate method.

Dividend Income

Dividend Income is recognised when the Company's right to receive the amount has been established.

(n) Earnings per Share

Basic earnings per share is calculated by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share, if any. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

a) Depreciation/Amortization and useful lives of Property Plant and Equipment/ Intangible Assets

Property, Plant and Equipment / Intangible assets are depreciated/amortized over their estimated useful lives, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortization to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortization for future periods is revised if there are significant changes from previous estimates.



b) Recoverability of Trade Receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

f) Recognition of Deferred Tax Assets and liabilities

Deferred tax Assets and Liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

D. STANDARDS ISSUED BUT NOT EFFECTIVE

The Ministry of Corporate Affairs (MCA), vide notification dated March 30, 2019, has issued and amended following Ind-AS effective from financial year beginning on or after April 1, 2019:

Issued Ind AS 116 – Leases

Ind-AS 116 will supersede the current standard on leases i.e., Ind AS 17-Leases. As per Ind AS 116, the Lessor will record in its financial statement all the non-cancellable portion of leasing arrangement.

Amendment to existing Ind-AS

- (a) Ind AS 101- First time adoption of Indian Accounting Standards
- (b) Ind-AS 109 – Financial Instruments;
- (c) Ind-AS 12 - Income Taxes;
- (d) Ind-AS 19 - Employee Benefits;
- (e) Ind-AS 23 - Borrowing Costs;
- (f) Ind-AS 28 - Investments in Associates and joint ventures *

The application of this standard is not expected to have any significant impact on the company's financial statement.



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

3. Property, Plant and Equipment and Intangible Assets

(Rs in Lakhs)

Description	Gross Block			Depreciation			Net Block	
	As at	Additions	Deductions / Adjustments	As at	For the Year	Deductions / Adjustments	As at	As at
	1st April 2018	2018-2019	2018-2019	31st March, 2019	1st April 2018	2018-2019	31st March, 2019	31st March 2018
Tangible Assets (Owned)								
Building	49	-	-	49	31	8	39	18
Plant and Equipment	1	-	-	1	1	-	1	0
Office Equipments	218	21	-	237	179	13	192	37
Furniture & Fixture	34	6	-	40	31	1	32	3
Vehicles	42	-	-	42	20	5	25	22
Others (Electrical Installation)	47	-	-	47	28	4	32	19
Total (A)	389	27	-	416	290	31	321	99
Intangible Assets								
Computer Software*	16	-	-	16	15	-	15	1
Total (B)	16	-	-	16	15	-	15	1
Total (A+B)	405	27	-	432	305	31	336	100
Previous Year	451	11	57	405	306	36	305	100

* Other than internally generated



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	As at 31st March 2019 (Rs in Lakhs)	As at 31 March 2018 (Rs in Lakhs)
4. Investment Property		
Cost of Investment Property	233	-
Total	233	-
5. Other Financial Assets-Non Current		
Lease Rent Receivable in Future (refer note no. 38)	60	77
Bank Deposits with more than 12 months maturity	10	1 209
Total	70	1 286
6. Other Non Current Assets (Unsecured and Considered Good)		
Security Deposits	32	32
Amount Recoverable from Prospective Customers	1 405	292
Prepaid Expenses	16	21
Balance with GST Authorities	459	782
Claim Receivable	320	320
Total	2 232	1 447



	As at 31st March 2019 (Rs in Lakhs)	As at 31 March 2018 (Rs in Lakhs)
7. Inventories		
Work-in-Progress	6 79 043	6 67 890
Total	6 79 043	6 67 890

7.1. During the year, the Company has taken steps to consolidate the purchased land, undertaken land development activities in its licensed industrial colonies, coordinated and obtained various government approvals etc. The developed land will be provided to the end users for various purposes, such as industrial, residential, commercial etc. Presently, the intention of the Company is to either sell the developed land or convey the land on long term lease with upfront lease premium which would qualify to be finance lease as per the requirements of Indian Accounting Standard - 17 "Leases". Accordingly the Company has been classifying the entire land as Inventory and also interest on borrowings of Rs. 19 525 Lakh incurred during the year (Previous Year Rs 18 974 Lakh) have been considered as part of Inventory.

**8. Trade Receivables
(Unsecured and considered good)**

Trade Receivables	15	3
Total	15	3

9. Cash & Cash Equivalents

(i) Cash in Hand	67	67
(ii) Balances with Banks		
*in Current Accounts	23	24
	90	91
(iii) Other Bank Balance		
*Balance in current account for compliance (refer note no. 9.1)	754	21
Total	844	112
Cash and Cash Equivalents as per Cash Flow Statement	844	112

9.1 Represent the amount deposited in separate account, in terms of the Real Estate (Regulation and Development) Act 2016 and Haryana Real Estate (Regulation and Development) Rule 2017.

10. Other Financial Assets - Current

Interest Accrued on Fixed Deposits (Rs 6 890)	0	9
Lease Rent Receivable in Future (refer note 38)	8	10
Total	8	19

11. Current tax Assets (Net)

Tax Deducted at Source	447	41
Total	447	41

12. Other Current Assets

Balance with GST Authorities	26	19
Prepaid Expenses	45	22
Others Advances	5 116	3 592
Total	5 187	3 633



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

13. Share Capital

	As at 31st March, 2019 (Rs in Lakhs)	As at 31st March, 2018 (Rs in Lakhs)
Authorized Share Capital		
60 00 00 000 Equity Shares of Rs 10/- each (Previous year 60 00 00 000 equity shares of Rs 10/- each)	60 000	60 000
Issued, Subscribed & Paid up		
9 70 00 000 Equity Shares of Rs 10/- each fully paid up (Previous year 9 70 00 000 Equity Shares of Rs 10/- each fully paid up)	9 700	9 700
Total	9 700	9 700

13.1. Reconciliation of Numbers of Shares Outstanding at the beginning and at the end of the year

	As at 31st March, 2019		As at 31 March 2018	
	Numbers	(Rs in Lakhs)	Numbers	(Rs in Lakhs)
Shares outstanding at the beginning of the Year	9 70 00 000	9 700	9 70 00 000	9 700
Add: Shares issued on right basis during the year	-	-	-	-
Shares outstanding at the end of the year	<u>9 70 00 000</u>	<u>9 700</u>	<u>9 70 00 000</u>	<u>9 700</u>

a. Details of Shareholding more than 5% in the Company

	As at 31st March, 2019		As at 31 March 2018	
	Number of Shares	% holding in the class	Number of Shares	% holding in the class
Holding Company- Reliance Ventures Limited & its Nominees (Equity Shares of Rs 10 each fully paid)	9 70 00 000	100%	9 70 00 000	100%
Total	<u>9 70 00 000</u>	<u>100%</u>	<u>9 70 00 000</u>	<u>100%</u>

b. Terms/right attached to equity shares

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

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	As at 31st March 31st March, 2019 (Rs in Lakhs)	As at 31 March 2018 (Rs in Lakhs)
14. Other Equity		
Instrument classified as equity		
Zero Coupon Optionally Fully Convertible		
Unsecured Debentures		
As per last Balance Sheet	4 12 592	4 12 592
Total	<u>4 12 592</u>	<u>4 12 592</u>

14.1. The Company had issued 412 59 20 000 number of Zero Coupon Optionally fully convertible unsecured Debentures having face value of Rs 10/- each to Reliance World Trade Private Limited. Total tenure is 15 years from date of allotment and Company will settle the outstanding debentures on expiry of 15 years. The Company has the option for early conversion at any time by giving one month notice. The conversion of debenture will be based on the face value as at 31st March, 2016. The equity shares arising out of conversion of debenture will rank pari passu in all respects with the then outstanding shares of the Company on the date of such conversion except for dividend if declared, shall be paid on pro rate basis from the date of allotment of such equity shares. The debentures are not marketable and will not be listed on any stock exchange in India and abroad.

Reserves & Surplus

Capital Reserve (Pursuant to Scheme of Amalgamations)

As per last Balance Sheet	5 818	5 818
Add: Accretion during the year	-	-
Closing Balance	<u>5 818</u>	<u>5 818</u>

Retained Earnings

As per last Balance Sheet	(4 902)	(4 174)
Add: Impact of IND AS 115	(107)	-
Add: IND AS Transitional difference adjustment due to surrender of lease deed	(9)	-
Add: Amount pursuant to scheme of arrangement	-	(2)
Add: Net Profit/(Loss) for the year	(1 079)	(726)
Closing Balance	<u>(6 097)</u>	<u>(4 902)</u>

Other Comprehensive Income (OCI)

As per last Balance Sheet	(42)	(45)
Add: Movement in OCI (net) during the year	(6)	3
Closing Balance	<u>(48)</u>	<u>(42)</u>

Total	<u>4 12 265</u>	<u>4 13 466</u>
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	As at 31st March 2019 (Rs in Lakhs)	As at 31 March 2018 (Rs in Lakhs)
15. Borrowings		
Unsecured Loans		
Loans from Related Parties		
From Fellow Subsidiary (refer note 15.1 and 29.1)	2 42 319	2 38 134
Total	2 42 319	2 38 134
15.1 Loans outstanding as on 31st March, 2019 are repayable on 31st March, 2021 and carrying interest @ 8.75% p.a.		
16. Provisions- Non Current		
Annuity (refer note no. 37)	1 970	1 797
Total	1 970	1 797
17. Other Non-Current Liabilities		
Security Deposits received from Customers	2	-
Total	2	-
18. Deferred Tax Liability (Net)		
At the start of the year	630	762
Add: Effect of IND AS 115	107	-
Charge/(credit) to profit or loss (refer note no. 42)	251	(132)
At the end of the year	988	630
19. Trade Payables		
Trade Payables Due to (refer note no. 19.1)		
- Micro and Small Enterprises	161	43
- Other than Micro and Small Enterprises	540	406
Total	701	449

19.1 Trade Payable

There are no overdue amounts as at March 31, 2019 and as such no interest is payable to Micro, Small and Medium Enterprises. Accordingly, the disclosures required pursuant to schedule III of Companies Act, 2013 are not applicable.



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	As at 31st March 2019 (Rs in Lakhs)	As at 31 March 2018 (Rs in Lakhs)
20. Provisions		
(a) Provision for Employee Benefits		
Provision For Leave Encashment	67	64
Provision for Superannuation (Rs 10 503)	0	11
Provision for Gratuity	-	1
(b) Others		
Provision for Estimated Cost Over Revenue*	1 506	1 013
Annuity (refer note no. 37)	749	506
Total	2 322	1 595

* The Company has recognized foreseeable loss based on substantial degree of estimation for estimated cost over revenue from Industrial Township Project. Actual outflow is expected in the subsequent financial years.

21. Other Current Liabilities		
Advance received from Customers	14 473	6 164
Annuity (refer note no. 37)	2 367	2 162
Other Liabilities*	1 068	434
Total	17 908	8 760

* Includes statutory dues and employees benefits.



MODEL ECONOMIC TOWNSHIP LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	2018 -19 (Rs in Lakhs)		2017 - 18 (Rs in Lakhs)
22. Revenue From Operations *			
Sale of Land			
- Undeveloped	13 037		18 383
- Developed	8 530		(1 709)
- Compensation for Compulsorily Acquisition	-	21 567	685
			17 359
Lease Rent		7	-
Other Operating Income			
Common Service Charges	119		140
Less: Service Tax/GST Recovered	18	101	21
Total		21 675	17 478

(*) The Company has applied Ind AS 115 using the cumulative effect method. Under this method the comparative information is not restated.

23. Other Income

Interest Income			
- On Fixed Deposit with scheduled bank	152		75
- Others	599	751	11
		6	86
Finance Income against Lease Rental			5
Profit on Sale of Property, Plant & Equipment (Previous year Rs 7 876)		-	0
Dividend Received from Subsidiary Company (refer note no. 29.1)		-	7
Miscellaneous Income (Previous year Rs 25 720))		399	0
Total		1 156	98

24. Changes in Inventories

Projects under Development (Work-in-Progress at commencement)	6 67 890		6 53 205
Add: Transitional impact of IND AS 115	343		-
Less: Adjustment in Opening balance	(156)		-
Less: Transfer to Investment Property	(233)	6 67 844	6 53 205
Projects under Development (Work-in-Progress at close)		6 79 043	6 67 890
Total		(11 199)	(14 685)

25. Employee Benefits Expense

Salaries and Wages	1 171		1 080
Contribution to Provident and Other Fund	68		65
Staff Welfare Expenses	60		67
Total	1 299		1 192

26. Finance Costs

Interest on Unsecured Loan	19 525		18 974
Guarantee Commission	69		51
Finance Charges-Discounting Difference	83		69
Total	19 677		19 094



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	2018 -19 (Rs in Lakhs)	2017 - 18 (Rs in Lakhs)
27. Other Expenses		
Land	5 064	4 719
Land Development	3 939	2 916
Annuity Expenses (refer note no. 36)	2 257	2 377
Salaries & Wages - Contractors	501	372
Rent	184	169
Rates & Taxes (Previous year Rs 31 802)	1	0
Insurance	33	32
Telephone Expenses	12	9
Traveling & Local Conveyance	167	179
Power & Fuel	57	57
Repair & Maintenance		
- Plant and Machinery	8	10
- Buildings	34	29
- Others	46	9
Professional & Consultancy Fees	442	294
Security Expenses	408	256
Social Programme Expenses	20	143
Payment to Auditors (Refer note 27.1)	23	20
Director Sitting Fees	7	5
Loss on Sale of Property, Plant & Equipment	-	13
Investment Written off (Refer note 27.2)	-	16
General Expenses	496	285
Provision/(Reversal) for Estimated Cost Over Revenue	150	887
Total	13 849	12 809
27.1. Payment to Auditors As		
Statutory Audit fees *	22	17
Certification Fees (Rs 10 600)	0	3
Out of Pocket Expenses	-	-
Total	23	20

* (Current year figure includes Good and Service Tax)

27.2. During the previous year, the Company made investments in equity shares of Resolute Land Project Consortium Limited, Tangerine Agro Private Limited and Santol Commercials Private Limited and as a result, these companies became wholly owned subsidiaries of the Company on 18th July, 2017. Subsequent to it, these Company filed application under section 248 (2) of the Companies Act 2013 for removal of their names from register of companies as a result of which they have been de-activated in records of registrar of companies. Considering the above and also that these companies have no asset, the Company has written off the investment in these companies aggregating to Rs. 16 Lakhs.

28. Earning per Share (EPS)

Net Loss after tax as per Statement of Profit and Loss (Rs.)	(1 079)	(726)
Weighted Average number of equity shares used as denominator for calculating EPS	970	970
Basic Earning per share (Rs.)	(1.11)	(0.75)
Diluted Earning per share (Rs.) #	(1.11)	(0.75)
Face Value per equity share (Rs.)	10	10

The effects of ZOFCO on the earning per share are anti-dilutive and hence, the same is not considered for the purpose of calculation of dilutive earning per share.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2019

29.1 As per Indian Accounting Standard 24- "Related Party Disclosures", the disclosures of transactions with the related parties are given below :

i) List of Related Parties Where control exists and Relationships:

Sr. No	Name of the Related Party	Relationship
1	Reliance Ventures Limited (RVL)	Holding Company
2	Reliance Industries Limited	Holding Company of RVL
3	Resolute Land Consortium Projects Limited (strike off from register of Companies as on 09 th August18)	Subsidiary Companies with effect from 19 th July, 2017.
4	Santol Commercials Private Limited (strike off from register of Companies as on 23 rd June18)	
5	Tangerine Agro Private Limited (strike off from register of Companies as on 23 rd June18)	
6	Reliance Jio Infocomm Limited	Fellow Subsidiary of Holding Company
7	Reliance Retail Limited	
8	Reliance Industrial Investments and Holdings Limited	
9	Reliance World Trade Private limited	
10	Reliance Corporate IT Park Limited	
11	Reliance Eminent Trading and Commercial Private Limited	Key Managerial Personnel
12	Shri Shrivallabh Goyal, Whole Time Director	
13	Shri Sudhir Jain , Chief Financial Officer	
14	Shri Dheeraj Kandhari, Company Secretary till 09.01.2019	
15	Ms Asha Damani, Company Secretary since 10.01.2019	

ii) Transactions and Closing Balance during the year with the Related Parties:

(Rs in Lakhs)

S. N.	Nature of Transaction	Holding Company of RVL	Subsidiary Company	Fellow Subsidiaries of Holding Company	Key Managerial Personnel
(A) Transactions during the year					
1.	Unsecured Loans Received	-	-	34 760	-
		-	-	62 925	-
2.	Unsecured Loans Repaid	-	-	30 575	-
		-	-	19 050	-
3.	Interest on unsecured loan	-	-	19 525	-
		-	-	18 974	-
4.	Lease Rent Received	7	-	-	-
		-	-	-	-
5.	Finance Income against Lease Rental	6	-	-	-
		5	-	-	-
6.	Payment to Key Managerial Personnel	-	-	-	305
		-	-	-	266
7.	Issue of Zero Coupon Optionally Fully Convertible Debentures	-	-	-	-
		-	-	-	-
8.	Corporate Guarantee received (net)	675	-	-	-
		18 274	-	-	-
9.	Cancellation of bank guarantee for the Company	(1 439)	-	-	-
		-	-	-	-
10.	Fixed Assets Purchased/(Sale)(Net) (Rs 42 240)	-	-	0	-
		-	-	4	-
11.	Other Expenses	-	-	57	-
		-	-	77	-
12.	Purchase of investments	-	-	-	-
		-	16	-	-
13.	Dividend received	-	-	-	-
		-	7	-	-
14.	Sale of land	-	-	-	-
		-	-	-	-
15.	Investment written off	-	-	16 309	-
		-	16	-	-



MODEL ECONOMIC TOWNSHIP LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2019

16	Payment for Surrender of Lease Reliance Industries Limited	1 756 -	- -	- -	- -
(B) Balance as at 31st March 2019					
1.	Unsecured Loans	-	-	2 42 319	-
		-	-	2 38 134	-
2.	Zero Coupon optionally Fully Convertible Debentures	-	-	4 12 592	-
		-	-	4 12 592	-
3.	Corporate Guarantee received	21 294	-	-	-
		22 059	-	-	-

Note: Figures in italics represent that of previous year.

Disclosure in Respect of Material Related Party Transactions during the year:

(Rs in Lakhs)

S.N.	Particulars	Relationship	2018-19	2017-18
1.	Unsecured Loans Received Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	34 760	62 925
2.	Unsecured Loans Repaid Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	30 575	19 050
3.	Interest on unsecured loan Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	19 525	18 974
4.	Lease Rent Received Reliance Industries Limited	Holding Company of RVL	7	-
5.	Finance Income against Lease Rental	Holding Company of RVL	6	5
6.	Payment to Key Managerial Personnel Shri Shrivallabh Goyal Shri Sudhir Jain Shri Dheeraj Kandhari Ms Asha Damani	Key Managerial Personnel Key Managerial Personnel Key Managerial Personnel Key Managerial Personnel	181 98 24 2	159 87 20 -
7.	Corporate Guarantee received for issue of bank guarantee of the Company Reliance Industries Limited	Holding Company of RVL	675	18 274
8.	Cancellation of bank guarantee for the Company Reliance Industries Limited	Holding Company of RVL	(1 439)	-
9.	Fixed Assets Purchased Reliance Retail Limited (Rs 42 240)	Fellow Subsidiary	0	4
10.	Other Expenses Reliance Corporate IT Park Limited (Previous year Rs 4 601) Reliance Jio Infocomm Limited Reliance Retail Limited	Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary	- 10 47	0 1 76
11.	Purchase of investments Resolute Land Consortium Projects Limited Santol Commercials Private Limited Tangerine Agro Private Limited	Subsidiary Subsidiary Subsidiary	- - -	5 6 5
12.	Dividend Received Santol Commercials Private Limited Tangerine Agro Private Limited	Subsidiary Subsidiary	- -	4 3
13.	Sale of Land Reliance Eminent Trading and Commercial Private Limited	Fellow Subsidiary	-	16 309
14.	Investment Written off Resolute Land Consortium Projects Limited Santol Commercials Private Limited Tangerine Agro Private Limited	Subsidiary Subsidiary Subsidiary	- - -	5 6 5



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2019

15	Payment for surrender of Lease of Land Reliance Industries Limited	Holding Company of RVL	1 756	-
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Balance at the end of the year includes:

(Rs. In Lakhs)				
S.N.	Particulars	Relationship	2018-19	2017-18
1	Unsecured Loan Received Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	2 42 319	2 38 1 34
2	Issue of Zero Coupon Optionally Fully Convertible Debentures Reliance World Trade Private limited	Fellow Subsidiary	4 12 592	4 12 592
3	Corporate Guarantee utilized for issue of bank guarantee of the Company (net) Reliance Industries Limited	Holding Company of RVL	21 294	22 059

29.2 Compensation of Key managerial personnel

The remuneration of director and other member of key management personnel during the year was as follows:

(Rs. In Lakhs)			
S.N.	Particulars	2018-19	2017-18
1.	Short term benefits	305	266
2.	Post-employment benefits	14	11
	Total	319	277

30 Contingent Liability & Commitments

	2018 - 19	(Rs in Lakhs) 2017-18
Contingent Liabilities		
(i) Bank Guarantees	21 294	22 059

(ii) In respect of private purchase of land by the Company, 21 civil suits (previous year 38 civil suits) of various nature are pending in district courts. Company is of the view that most of these cases are not tenable and no material liability will arise.

Commitments		
Others		
a. Estimated amount of contracts remaining to be executed as on 31 st March, 2019 (net of advances) and not provided for	21 066	2 509
b. MoUs executed with Land Sellers (net of advances)	445	373
c. Estimated cost to be incurred in connection with development of Industrial colonies under license issued by Directorate of Town & Country Planning, Government of Haryana not included in (a) above	12 578	6827
d. Rent of offices for unexpired period of rent agreement.	846	1 025

Capital Management

The Company adheres to robust capital Management framework. It proactively reviews its debt structure and tries to optimize the impact of finance cost by adopting suitable debt mix.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2019

(Rs in Lakhs)		
Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Gross Debt	2 42 319	2 38 134
Cash and Marketable Securities	844	112
Net Debt (A)	2 41 475	2 38 022
Total Equity (As per Balance Sheet) (B)	4 21 964	4 23 166
Net Gearing (A/B)	0.57	0.56

31 Financial Instruments

Fair value measurement hierarchy (Rs. in Lakhs)				
Particulars	As at 31 st March, 2019		As at 31 st March, 2018	
	Carrying amount	Level of inputs used	Carrying amount	Level of inputs used
Financial Assets				
At amortized cost				
Trade Receivables	15	-	3	-
Cash and Cash Equivalents	844	-	112	-
Other Financial Asset	78	-	1 305	-
At FVTPL	-	-	-	-
At FVTOCI	-	-	-	-
Financial Liability				
At Amortised cost				
Trade Payable	701	-	449	-
Other Financials Liability	-	-	-	-
At FVTPL	-	-	-	-
At FVTOCI	-	-	-	-

Interest rate risk

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period is as follows:

(Rs in Lakhs)		
Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Borrowing-Non Current	2 42 319	2 38 134

Impact on interest expenses for the year on 1% change in interest rate

Interest rate sensitivity	As at 31 st March, 2019		As at 31 st March, 2018	
	Up Move	Down Move	Up Move	Down Move
Impact on equity	-	-	-	-
Impact on Profit or Loss	-	-	-	-

Credit Risk

Credit risk is the risk that a customer or counter party to a financial instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit risk arises from company's activities in investments and outstanding receivables from customers.

The Company has prudent and conservative process for managing its credit risk arising in the course of its business activities. Sale of developed plots /un-developed plots is made on receipt of full amount of consideration. The Company has payment delay risk on recovery of lease rentals and common maintenance charges from customers setting up their units in licensed colonies of the Company.

Liquidity Risk

Liquidity risk arises from the company's inability to meet its cash flow commitments on time. Since the Company is subsidiary of Reliance Industries Limited, the cash flow deficits are funded by its holding Company.

- 32 The Company's activities during the year revolved around development of land and Industrial Township Project (Referred to in Note no. 1). Considering the nature of Company's business and operations, there is only one operating segment as per Indian Accounting Standard 105 – "Operating Segments".



- 33 During the year the Government of Haryana (GoH) has acquired NIL acres (Previous Year 2.038 acres) land for the public purpose out of the private purchased land of the Company. Cost of this land amounting to Rs NIL (Previous Year Rs. 342 Lakhs) and compensation of Rs NIL (Previous Year Rs. 686 Lakh) received by the Company from GoH on such compulsory acquisition of land have been recognized in the Statement of Profit and Loss.
- 34 During the previous year, the Company made investments in Resolute Land Consortium Limited, Santol Commercials Private Limited and Tangerine Agro Private Limited, in their equity shares and as a result, these companies became wholly owned subsidiaries of the Company on 19th July, 2017. During the previous year, the Company filed application under section 248 of the Companies Act 2013 for removal of their names from register of companies. During the year, based on the application filed by the Company, their names have been removed from register of companies.
- 35 **Adoption of Ind-AS 115- Revenue from contract and customers**

In respect of sale of un-developed land, the Company recognizes the revenue as soon as the sale deed is executed and physical possession of land handed over to the customers as this creates enforceable right of ownership for the customers.

In respect of developed plots, the Company is developing industrial colonies with complete internal as well as external infrastructure facilities. As a developer of licensed colonies, the Company is required to undertake complete internal development works which include construction of road, street light, water treatment plant, 220/33 KV and 33/11 KV sub-stations, water and power distribution network, construction of storm water drainage system, development of sewage/effluent collection, treatment and disposal system, construction of electrical cable and other utility trenches. Apart from the above, the Company is developing two major external infrastructures namely, water and power transmission system to source and transport the water and power to its licensed colonies for further supply to customers.

While the Company is still executing various infrastructure facilities, it sells/lease out the developed plots to the customers. The Company follows Percentage of Completion method in which the revenue is recognized based on ratio of actual cost to the total estimated cost. Use of the "Percentage of completion method" requires the Company to estimate the costs expended to date as a proportion of the total cost to be expended. It follows cost basis to ascertain the percentage of completion of the project under which cost expended have been used to measure progress towards completion as there is a direct relationship between input used and development activities completed.

Effective from 1st April, 2018, the Company has applied Ind AS 115 - Revenue from Contracts with Customers, which establishes a comprehensive framework for determining whether, how much and when the revenue is to be recognized. Ind AS 115 replaces Ind AS 11 - Construction contracts and Ind AS 18 - Revenue. The Company has applied Ind AS 115 using Cumulative Effect method under which the difference between the revenue, cost and resultant foreseeable loss recognized by adopting Ind-AS 115 and that recognized earlier as per existing accounting standards have been adjusted to the opening balance of retained earnings amounting to Rs. 343 Lakhs. The adoption of standard did not have any material impact on the financial statements of the Company.

The Company recognizes revenue from Contracts with customers based on following five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognize revenue when (or as) the entity satisfies a performance obligation.

In respect of developed plots, Company charges composite price towards the land and infrastructure development activity undertaken by the Company as it sells developed plot to its customers with complete infrastructure facilities. Such composite price is allocated between Land and infrastructure development



activity which are the two performance obligations agreed with the customers. Such allocation is determined in the cost ratio between these two performance obligations. While the revenue to the extent of composite price pertaining to land component is recognized on execution of sale/long term lease, the revenue based on composite price pertaining to the infrastructure development activity is recognized based on actual cost incurred to estimated cost of such activity on each reporting period and amount received from the customers, in excess of the revenue recognized thereon, is shown under the head "Other current liabilities" as advance received from customers.

Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Contracts with Customers in respect of sale of developed plots

During the year the Company has executed Contracts with various customers for sale of developed plots in the industrial area of licensed industrial colonies. Such contracts consist of Agreement to Sell and sale Deed/long term lease. The Agreement to Sell includes description of size of plot, plot number, consideration, respective obligation of parties and more importantly performance obligations of the Company for which consideration is payable. The Sale Deed is executed when the customer has paid full amount of consideration and the possession of the land is transferred thereafter, while the development activities, which is another performance obligation is still in progress. All the contracts signed with the customers have similar terms and conditions with different timelines for execution of sale deed and handing over of possession of plots. The period between Agreement to sell and Sale deed normally ranges from six to eighteen months.

Disintegration of revenue

The details of Contract revenue and costs in respect of sale of un-developed land and developed plots for the year are summarized in the following table:

(Rs in Lakhs)				
Sr.	Particulars	Sale of un-developed land	Sale of developed plots	Total
1	Total revenue	13 037	8 530*	21 567
2	Total cost	13 967	6 674*	20 641
3	Profit / (Loss)	(930)	1 856	926
4	Foreseeable Loss	-	(150)	(150)

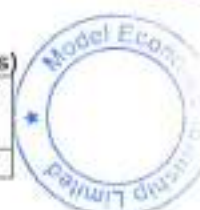
(*) During the year, the Company has taken back 18.10 acres of developed plots from Reliance Industries Limited and executed deed of Surrender of lease. The above figures of revenue and cost are after taking effect of such surrender.

Details of Total contract revenue, Amount received and revenue recognized on percentage of completion method till date

Sr.	Particulars	Unit	2018-19	2017-18
1	Total Project area	acres	845.24	364.73
2	Total area sold (including share in common area)	acres	272.81	212.67
3	No. of Customers	No.	30	6
4	No. of plots sold	No.	45	12
5	Total revenue receivable	Rs in Lakhs	27 311	15 760
6	Total collection received	Rs in Lakhs	27 311	15 760
7	Revenue recognized on percentage of completion method	Rs in Lakhs	20 414	11 890
8	Contract Liability	Rs in Lakhs	6 897	3 870
9	Total estimated project cost	Rs in Lakhs	1 10 947	36 421
10	Total cost incurred till reporting period	Rs in Lakhs	75 785	27 615
11	Estimated cost of plots sold	Rs in Lakhs	29 388	19 541
12	Contract cost recognized	Rs in Lakhs	20 985	14 654

Change in Contract Liability

(Rs in Lakhs)			
Sr.	Particulars	2018-19	2017-18
1	Opening Balance....(1)	3 870	1 757



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2019

2	Sale during the year	11 551	403
	Less: revenue recognized	8 927	313
	Contract liability for the period(2)	2 624	90
3	Contract liability of previous year increased due to reduction in percentage of completion(3)	403	2 023
4	Closing Balance (1+2+3)	6 897	3 870

36 Investment property

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost.

Investment Property represents two land parcels admeasuring 1.3125 acres in revenue village of Dadri Toe and 1.1375 acres in revenue village Badli on operating lease with the intention to earn the rental and capital appreciation. The Company has re-classified both the land parcels as Investment Property. The details are as under:

Particulars	(Rs in Lakhs)
COST:	
As on 1 st April, 2018	-
Additions	233
Transferred to Assets held for Sale	-
Disposals	-
Balance as on 31 st March, 2019	233
Depreciation and Amortization	
As on 1 st April, 2018	-
Depreciation and Amortization during the year	-
Transferred to Assets held for Sale	-
Disposals	-
Balance as on 31 st March, 2019	-
Net Book Value	
As on 31 st March, 2018	-
As on 31 st March, 2019	233

Information regarding income and expenditure of Investment Property

S.N.	Particulars	(Rs in Lakhs)	
		For the year ended 31 st March, 2019	31 st March, 2018
1.	Rental income derived from investment properties	7	-
2.	Less: Direct operating expenses (including repairs and maintenance) that are generating rental income)	-	-
3.	Less: Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
4.	Profit arising from investment property before depreciation	7	-
5.	Less: Depreciation and Amortization for the year	-	-
6.	Loss arising from Investment Properties	-	-

The fair value of the properties are Rs. 360 Lakhs (Previous year – Rs Nil). These valuations are based on the methodology adopted for determination of compensation for land acquired under The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act 2013.

- 37 For the land purchased by the Company, the Company has formulated its own annuity scheme on voluntary basis for the payment of annuity to land sellers meeting the eligibility criteria and has provided for annuity on annual basis. The amount of undiscounted annuity provision as at 31st March, 2019 is Rs 2 367 Lakhs (Previous year Rs. 2 162 Lakhs). In respect of land covered under licensed area and land sold/leased out, the Company has decided to pay annuity on yearly basis to land sellers, irrespective of their meeting the eligibility conditions and in such cases, has made the provision for full term of 33 years. The amount of undiscounted annuity provision for 33 years as at 31st March, 2019 is Rs.9 861 Lakhs (Previous year Rs. 8 355 Lakhs). Thus after carrying out the adjustment as required, the discounted amount of annuity provision as on 31st March, 2019 stands at Rs. 5 087 Lakhs (Previous year – Rs. 4 465 Lakhs). Such provisions will be re-measured in subsequent years as per the requirement of Indian Accounting Standards.

The Company executed long term lease agreements with three of its customers for a period of 99 years. As per the terms of lease, it received one time lease premium and in addition receives lease rentals on annual



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2019

basis during the lease period. Subsequent to adoption of Indian Accounting Standards with transition date as at 1st April, 2015, it has computed the fair value of lease rentals receivable in future. It has thus gross lease rentals receivable with discounted value of minimum lease payments receivable as at end of each of the reporting period as under:

		(Rs in Lakhs)	
S.N.	Particulars	As at	
		31 st March 2019	31 st March 2018
1.	Gross lease rentals receivable	1 325	1515
2.	Present value of minimum lease payments receivable	68	87
(a)	Not later than one year	7	10
(b)	Later than one year but not later than five years	27	34
(c)	Later than five years	34	43
3.	Unearned Finance Income	1 257	1428

- 39 As per the requirement of Ind AS- 37 (provisions, contingent liabilities and contingent assets), following are the details of provisions appearing as on each of the following reporting period:

		(Rs in Lakhs)	
S.N.	Particulars	As at	
		31 st March 2019	31 st March 2018
1.	Balance at the beginning	4,465	3,675
2.	Add provisions made during the year	2,257	2,377
3.	Less:		
	Amount used/charged against the provisions during the year	1,718	1,646
4.	Increase during the year in undiscounted amount arising from unwinding of discounting	83	59
5.	Balance at the end	5,087	4,465

40 Employee Benefits

As per Indian Accounting Standard - 19 "Employee Benefits" the disclosures as defined are given below:

Defined Contribution Plans:

Contribution to Defined Contribution Plan, recognized as expenses for the year is as under:-

	(Rs. in Lakhs)	
	2018-19	2017-18
Employer's Contribution to Provident Fund	38	33
Employer's Contribution to Superannuation Fund	2	2
Employer's Contribution to Pension Scheme	8	7

Defined Benefit Plan

I. Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	(Rs. in Lakhs)	
	Gratuity (Funded)	
	2018-19	2017-18
Defined Benefit Obligation at beginning of the year	143	125
Current Service cost	16	15
Interest Cost	11	9
Actuarial (gain) / loss on obligations due to change in financial assumptions	-	(3)
Actuarial (gain) / loss	9	(1)
Transfer in/ (Out)	-	1
Benefits paid	(14)	(3)
Defined Benefit obligation at year end	165	143



II. Reconciliation of opening and closing balances of fair value of Plan Assets

Particulars	(Rs. in Lakhs)	
	Gratuity (Funded)	
	2018-19	2017-18
Fair Value of Plan Assets at beginning of the year	143	125
Expected Return on Plan Assets	11	10
Liability Transferred In/Acquisitions	-	1
Actuarial Gain / (Loss)	(0)	1
Employers Contribution	25	9
Benefits paid	(14)	(3)
Fair value of Plan assets at year end	165	143

III. Reconciliation of fair value of Assets and Obligations

Particulars	(Rs. in Lakhs)	
	Gratuity (Funded)	
	2018-19	2017-18
Fair value of Plan Assets	165	142
Present value of Obligation	(165)	(143)
Net (Liability)/Asset Recognized in the Balance Sheet	-	(1)

IV. Expenses recognized during the year

Particulars	(Rs. in Lakhs)	
	Gratuity (Funded)	
	2018-19	2017-18
In Income Statement		
Current Service Cost	15	15
Interest Cost	-	-
Net Cost	15	15
In Other Comprehensive Income		
Actuarial (Gain) / Loss	8	(4)
Return On Plan Assets	1	(1)
Net (Income)/ Expense For the period Recognized in OCI	9	(5)

V. Investment Details

Particulars	(Rs. in Lakhs)	
	Gratuity (Funded)	
	2018-19	2017-18
Insurance Fund	165	142

VI. Bifurcation of Net Liability

Particulars	(Rs. in Lakhs)	
	As on 31 st Mar, 2019	As on 31 st Mar, 2018
Current Liability (Short Term)	-	1
Non-Current Liability (Long Term)	-	-

VII. Actuarial assumptions

Particulars	Gratuity (Funded)	
	2018-19	2017-18
	2006-08	2006-08
	(Ultimate)	(Ultimate)
Expected rate of return on Plan Assets (per annum)	8.00%	8.00%
Discount Rate (per annum)	8.00%	8.00%



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2019

Rate of escalation in Salary (per annum)	6.00%	6.00%
Rate of Employee Turnover	2.00%	2.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The Expected Rate of Return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets.

VIII. The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2018-19.

IX. Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

(Rs in Lakhs)				
Particulars	31 st March, 2019		31 st March, 2018	
Defined Benefit Obligation (Base)	164.81		143.47	
Particulars	As at 31 st March, 2019		As at 31 st March, 2018	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+0.5%)	4	(4)	3	3
%age change compared to base due to sensitivity	2.3%	-2.2%	2.2%	-2.0%
Salary growth rate (-/+0.5%)	(4)	4	3	3
%age change compared to base due to sensitivity	-2.2%	+2.3%	-2.1%	2.2%
Attrition rate (-/+ 25%)	(0)	0	0	0
%age change compared to base due to sensitivity	-0.2%	+0.2%	-0.1%	0.1%
Mortality Rate (-/+ 10%)	(0)	0	(0)	0
%age change compared to base due to sensitivity	0.0%	0.0%	0.0%	0.0%

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk: The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of reporting period on investment with LIC.

Interest risk: A decrease in the interest rate will increase the plan liability; however this will be partially offset by an increase in the return on plan debt investments.

Longevity risk: The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.



41 Taxation

The income tax expenses for the year can be reconciled to the accounting profit as follows:

Particulars	(Rs in Lakhs)			
	Year ended			
	31 st 2019	March, 2018	31 st 2018	March, 2018
Loss before tax		(826)		(860)
Applicable tax rate		31.20%		30.90%
Computed tax expense		(258)		(266)
Tax effect of:				
Exempted Income		-		-
Expenses disallowed		(444)		96
Additional allowances net of MAT credit		-		-
Current tax provision (A) *		-		-
Incremental deferred tax asset on account of tangible and intangible assets		(3)		11
Incremental deferred tax asset / (liability) on account of financial assets and other items		(247)		121
Deferred tax provision (B)		(250)		132
Tax expenses recognized in Statement of Profit and Loss (A+B)		(250)		132
Effective tax rate		-		-

* Since there is a Loss before tax, no provision of current tax has been made.

42 The Deferred Tax (Liability) /Asset comprise of the following:

	(Rs in Lakh)			
	As at 31st March, 2018	Charge/(Credit) to profit or loss	Others	As at 31st March, 2019
Deferred Tax (Liabilities) /Asset in relation to				
Property, plant and equipment	16	(3)	-	13
Financial assets at FVTPL	(664)	(358)	-	(1022)
Financial assets at FVTOCI	18	3	-	21
Total	(630)	(358)	-	(988)

43 The figures for the corresponding previous year have been regrouped/ reclassified wherever necessary, to make them comparable.

44 The financial statements were approved for issue by Board of directors on 9th April, 2019.

For DTS & Associates
Chartered Accountants
Registration No.: 142412W

Nirmal Kumar Burad
Partner
Membership No.- 71041



Place: Mumbai

Date: 9th April, 2019

For and on behalf of the Board

Shrivallabh Goyal
(Director)
DIN- 00021471

Sudhir Jain
(Chief Financial Officer)
Membership No.- 084440
Place: Gurugram

Date: 9th April, 2019

Shanker Adawal
(Director)
DIN- 01039400

Asha Damani
(Company Secretary)
Membership No. A31051
Place: Gurugram

Date: 9th April, 2019

