Vatika Limited
Notes to the financial statements for the year ended 31 March 2017

b. Other contingent liabilities (under litigation) include:

- Income-tax demands	14,426.32	24,136.32	24,604.26
- Amount disallowed by income tax authorities in respect of Assessment Year – 2003-04, Assessment Year 2011-12 and Assessment Year 2012-13 in which Company has business losses or assessed under the provisions of Sec 115JB of Income Tax Act, 1961, against which appeals have been filed before CIT(A)	932.35	932.35	932.35
- Income tax matters restored back to the Assessing officer by the Income Tax Appellate Tribunal	29.61	29.61	29.61
Total direct tax contingent liability (i)*	**15,388.28**	**25,098.28**	**25,566.22**
- Service-tax demands	347.67	347.67	246.38
- Sales-tax demands [refer note f]	-	18,667.49	-
Total indirect tax contingent liability (ii)	**347.67**	**19,015.16**	**246.38**
Total (i) + (ii)	**15,735.95**	**44,113.44**	**25,812.60**

*Against demands of ₹ 15,312.39 lakhs (31 March 2016 : ₹ 25,022.39 lakhs ; 01 April 2015 : ₹ 25,490.33 lakhs), the Company has made provisions amounting to ₹ 886.07 lakhs (31 March 2016 : ₹ 886.07 lakhs ; 01 April 2015 : ₹ 886.07 lakhs).

c. The Income tax authorities conducted a search and survey at the office premises of the Company under section 132 and 133 of the Income Tax Act, 1961 on 16 January 2013. During the year ended 31 March 2015, the Company received the Assessment Orders for the assessment years 2007-08 to 2013-14 from the Deputy Commissioner of Income Tax (DCIT) containing income tax demand of ₹ 11,949.33 lakhs . During the current year, the Company has received order dated March 27, 2017 from Commissioner of Income Tax (CIT) (Appeals) against appeal filed by the Company wherein the CIT (Appeals) has allowed relief to the Company on certain matters while the revised demand based on order of CIT (Appeals) is yet to be received by the Company. The management has recomputed its liability amounting to Rs. 2,239.32, included in Note (b) above, based on the order of CIT (Appeals) and based on its internal assessment and upon consideration of advice from the independent legal counsel, believes that the Company has reasonable chances of success before the tax authorities and do not foresee any material liability requiring adjustment in these financial statements at this stage.

d. The Company has outstanding tax demands from the Income tax authorities aggregating to ₹ 15,312.39 lakhs (previous year ₹ 25,022.39 lakhs) pertaining to financial year ended 31 March 1996 to 31 March 2013 on account of various additions to income and disallowances of expenditure. The Company has paid ₹ 6,952.23 lakhs (previous year ₹ 6,952.23 lakhs) under protest towards above tax demands. The Company's appeals against the said demands are pending before courts/appellate authorities.

Based on management assessment and upon consideration of advice from the independent legal counsel, the management believes that the Company has reasonable chances of succeeding before the courts/appellate authorities and does not foresee any material liability. Pending the final decision on the matters, no adjustment has been made in the financial statements.

e. The Company has certain litigations involving customers, stamp duty and other land related matters. Based on advice of in-house legal team, the management believes that no material liability will devolve on the Company in respect of these litigations.

f. The Hon'ble Supreme Court (Larger Bench) in the case of L&T (Larsen & Toubro Limited) v/s State of Karnataka, 2013-VIL-03-SC-LB, had held that under agreement for sale of flat which is to be constructed by the developer/promoter, element of 'works contract' is also involved and hence, the same is liable for the levy of VAT (value added tax). Further, the Court held that the value addition made to the goods transferred after the agreement is entered into with the flat purchaser can only be made chargeable to tax by the State Government.

All the projects being executed by Company are located in the state of Haryana and Rajasthan.

In the state of Rajasthan, vide Notification No. F.12(59)FD/Tax/2014-83 dated 30 July 2014, developers were specifically exempted from paying VAT on the amount received upto 31 March 2014 with regard to the agreement made by them for construction of flats, dwellings or buildings or other premises. The Company has not received any notice from department with respect to additional VAT liability in this regard.

In the state of Haryana, the assessment/reassessment orders were passed by the assessing authority for financial year 2008-09 till financial year 2013-14 against which the Company had filed appeals with respective appellate authorities challenging the period of limitation and the computation of taxable turnover. Further the revision order for financial year 2007-08 was set aside by the Hon'ble High Court of Punjab and Haryana and was remanded back to concerned authorities for disposal in line with the judgment delivered by Hon'ble High Court of Punjab and Haryana.

Haryana Government vide notification issued on 12 September 2016 released Haryana Alternate Tax Compliance Scheme for Contractors, 2016 ("Amnesty Scheme") under Section 59A of the Haryana Value Added Tax Act, 2003 ("H-VAT Act") for the period upto 31 March 2014. During the current year, the Company opted for the Amnesty Scheme, and agreed to pay a lump sum amount of Rs. 3,894.77 lakhs, calculated at the rate of 1% plus surcharge of 5% on the entire aggregate amount (i.e. revenue recognized as per audited financial statements of the relevant financial year or valuable consideration, whichever is higher, in relation to business.), received/receivable. As per the terms of the legally binding agreements with the buyers, the Company has raised demand of the above tax liability and is confident of recovery of the entire recoverable amount and believes that no adjustment is required to be made in the financial statements with respect to this matter.

For VATIKA LIMITED

Authorised Signatory

JAC & COMPANY DELHI Chartered Accountants

Vatika Limited
Notes to the financial statements for the year ended 31 March 2017

g. The Payment of Bonus (Amendment) Act, 2015 dated 31 December 2015 (which was made effective from 01 April 2014) revised the thresholds for coverage of employee eligible for Bonus and also enhanced the ceiling limits for computation of bonus. However, taking cognizance of the stay granted by various High Courts, the Company has not recognized differential amount of bonus amounting to ₹ 8.94 lakhs (previous year Nil) for the period 01 April 2014 to 31 March 2015 and accordingly has recognized the expense as per the amended provisions w.e.f. 1 April 2015 and onwards.

(This space has been intentionally left blank)

DELHI
Chartered Accountants

For VATIKA LIMITED

Authorised Signatory

Vatika Limited
Notes to the financial statements for the year ended 31 March 2017

46 Employee benefit obligations

(₹ in lakhs)

Particulars	31 March 2017		31 March 2016		01 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Gratuity	-	96.77	-	41.00	-	29.13
Compensated absences	12.14	77.66	12.18	74.97	10.38	74.41
Total	**12.14**	**174.43**	**12.18**	**115.97**	**10.38**	**103.53**

A Gratuity (Unfunded)

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days multiplied by the number of years of service.

(i) Amount recognised in the statement of profit and loss is as under:

(₹ in lakhs)

Description	31 March 2017	31 March 2016
Current service cost	40.71	34.55
Net interest cost	3.28	2.33
Net impact on profit (before tax)	**43.99**	**36.88**
Actuarial loss/(gain) recognised during the year	13.56	(8.95)
Amount recognised in the statement of profit and loss	**57.55**	**27.93**

(ii) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:

(₹ in lakhs)

Description	31 March 2017	31 March 2016
Present value of defined benefit obligation as at the start of the year	193.33	177.36
Current service cost	40.71	34.55
Interest cost	15.47	14.19
Actuarial loss/(gain) on obligation	10.73	(9.97)
Benefits paid	(21.21)	(22.81)
Present value of defined benefit obligation as at the start of the year	239.02	193.33

(iii) Movement in the plan assets recognised in the balance sheet is as under:

(₹ in lakhs)

Description	31 March 2017	31 March 2016
Fair Value of plan assets at beginning of year	152.33	148.24
Expected Return on plan assets	12.19	11.86
Employer contribution	1.78	16.05
Benefit Paid	(21.21)	(22.81)
Actuarial gain/(loss) on plan assets	(2.83)	(1.02)
Fair Value of plan assets at the end of the year	142.25	152.33
Actual return on plan assets	9.35	10.84

(iv) Breakup of actuarial (gain)/loss:

(₹ in lakhs)

Description	31 March 2017	31 March 2016
Actuarial (gain)/loss from change in demographic assumption	-	-
Actuarial (gain)/loss from change in financial assumption	16.06	1.02
Actuarial (gain)/loss from experience adjustment	(2.50)	(9.97)
Total actuarial (gain)/loss	13.56	(8.95)

(v) Actuarial assumptions

Description	31 March 2017	31 March 2016	01 April 2015
Discount rate	7.54%	8.00%	8.00%
Future Basic salary increase	6.00%	6.00%	6.00%
Employee turnover			
- Upto 30 years	3.00%	3.00%	3.00%
- From 31 to 44 years	2.00%	2.00%	2.00%
- Above 44 years	1.00%	1.00%	1.00%

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

DELHI
Chartered Accountants

92

93

For VATIKA LIMITED

Authorised Signatory

Vatika Limited
Notes to the financial statements for the year ended 31 March 2017

(vi) Sensitivity analysis for gratuity liability

(₹ in lakhs)

Description	31 March 2017	31 March 2016
Impact of the change in discount rate		
Present value of obligation at the end of the year	239.02	193.33
- Impact due to increase of 0.50 %	(14.62)	(12.10)
- Impact due to decrease of 0.50 %	16.05	13.31
Impact of the change in salary increase		
Present value of obligation at the end of the year	239.02	193.33
- Impact due to increase of 0.50 %	16.21	13.50
- Impact due to decrease of 0.50 %	(14.89)	(12.37)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defind benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(vii) Maturity profile of defined benefit obligation

(₹ in lakhs)

Description	31 March 2017	31 March 2016
Within next 12 months	14.46	17.40
Between 1-5 years	20.71	16.23
More than 5 years	203.85	159.70

(viii) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	31 March 2017	31 March 2016	1 April 2015
	%	%	%
Investments with Life Insurance Corporation of India	100	100	100

The Company made annual contribution to the Life Insurance Corporation of India ('LIC') of an amount advised by the LIC. The Company was not informed by LIC of the investment made or the breakdown of plan assets by investment type, accordingly related disclosures are not included in these financial statements.

(ix) The Company expects to contribute ₹ 57.23 lakhs (previous year ₹ 45.86 lakhs) to its gratuity fund.

B Compensated absences

The earned leave liability arises on retirement, withdrawal, resignation and death-in-service of an employee. The actuary has used projected unit cost (PUC) actuarial method to assess the plan's liabilities of employees.

(i) Amount recognised in the statement of profit and loss is as under:

(₹ in lakhs)

Description	Earned leave		Sick leave	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Current service cost	18.54	18.57	3.32	3.49
Net interest cost	5.64	5.45	1.33	1.33
Actuarial loss/(gain) recognised during the year	19.53	18.15	(3.91)	(4.86)
Amount recognised in the statement of profit and loss	**43.71**	**42.17**	**0.74**	**(0.04)**

(ii) Movement in net liability

(₹ in lakhs)

Description	Earned leave		Sick leave	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Opening net liability	**70.52**	**68.11**	**16.64**	**16.68**
Expenses as above	43.71	42.17	0.74	(0.04)
Benefits paid	(41.81)	(39.76)	-	-
Closing net liability	**72.42**	**70.52**	**17.38**	**16.64**

(iii) Actuarial assumptions

Description	31 March 2017	31 March 2016	01 April 2015
Discount rate	7.54%	8.00%	8.00%
Future Basic salary increase	6.00%	6.00%	6.00%

Notes:

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

2 The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors on long term basis.

C Provident fund

Contribution made by the Company during the year is ₹ 79.78 lakhs (previous year ₹ 80.73 lakhs).

JAC & COMPANY DELHI Chartered Accountants

93

For VATIKA LIMITED

Authorised Signatory

Vatika Limited
Notes to the financial statements for the year ended 31 March 2017

47. Related party disclosures

a) Relationship and names of related parties:

i) Subsidiaries

*Vatika Hotels Private Limited
*SH Tech Park Developers Private Limited
*Vatika Jaipur SEZ Developers Private Limited
*Aspire Promoters Private Limited
*Famous Dwellers Private Limited
*Valtema Promoters and Developers Private Limited
*Vatika IT Parks Private Limited
*Gates Developers Private Limited
#Trishul Propbuild Limited
*Vatika Overseas Limited
**Blossom Properties Private Limited
**Crazy Properties Private Limited
**Pegasus Infrastructure Private Limited
**Sahar Land and Housing Private Limited
**Espo Developers Private Limited
**Mendell Developers Private Limited
**Caspar Developers Private Limited
**Fermina Developers Private Limited
**Winston Developers Private Limited
**Avenio Developers Private Limited
**Brock Developers Private Limited
**Stedman Developers Private Limited
**Vatika One India Next Private Limited
**Sanskar Buildtech Private Limited
**Nakshatra Buildcon Private Limited
**Vatika Infratech Private Limited
**Magnet Developers Private Limited
**Vatika Infracon Private Limited
**Payton Developers Private Limited
**Vatika One on One Private Limited
**Minorca Developers Private Limited
**Galina Developers Private Limited
**Metis Developers Private Limited
**Pedro Developers Private Limited
**Clara Developers Private Limited
**Aster Promoters & Developers Private Limited
**Eberta Developers Private Limited
**Antonius Developers Private Limited
**Pandora Builders Private Limited
**VLM Projects Private Limited

Note:
* Wholly owned subsidiaries
** Wholly owned subsidiaries through group companies.
# The Company is in the process of voluntary winding up.

ii) Enterprises owned or significantly influenced by key managerial personnel or their relatives with whom there are transactions during the year/balances as at year end:

Agnes Developers Private Limited
Castor Developers Private Limited
Edrea Developers Private Limited
Everlast Project Private Limited
Flax Developers Private Limited
Givon Developers Private Limited
Greenfield Nursery and Landscapes Private Limited
Hagrid Developers Private Limited
Hagrid Developers Private Limited
Kalden Developers Private Limited
Lincoln Developers Private Limited
Marisol Developers Private Limited
Matrimunchies India Private Limited
Rakesh & A Realtors Private Limited
Shivsagar Builders Private Limited
Vatika Education Services Private Limited
Vatika Farms Private Limited
Vatika Homes & Hotels Pvt. Ltd.
Vatika One Express City Private Limited
Vatika One Propbuild Private Limited

DELHI

For VATIKA LIMITED
Authorised Signatory

Vatika Limited
Notes to the financial statements for the year ended 31 March 2017

iii) Joint ventures

Vatika Sovereign Park Private Limited ##
Vatika Seven Elements Private Limited ##

These companies are considered as Joint ventures under Accounting Standard (AS) - 27 'Financial reporting of Interests in Joint Ventures' as both Vatika Limited and the other shareholder have control over composition of board of director.

iv) Trusts with whom transaction have taken place during the year/balances as at year end:

V Care (a charitable trust)

v) Key Management Personnel

Name	Designation
Anil Bhalla	Chairman and Whole Time Director
Gautam Bhalla	Managing Director
Gaurav Bhalla	Director

vi) Relatives of Key Management Personnel with whom there are transactions during the year/balances as at year end

Name	Relationship
Divya Bhalla	Wife of Mr. Gautam Bhalla
Kanchan Bhalla	Wife of Mr. Anil Bhalla

(This space has been intentionally left blank)

& COMPANY
DELHI
Chartered Accountants

For VATIKA LIMITED

Authorised Signatory

Vatika Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

Note 47 (cont'd)

(Rs in Lacs)

Particulars	Subsidiaries and Joint Ventures		Trust		Key management personnel		Relatives of key management personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
b) Transactions during the year												
[redacted]												
Anil Bhalla	-	-	-	-	-	1.65	-	-	-	-	-	1.65
[redacted]												
Anil Bhalla	-	-	-	-	224.39	223.36	-	-	-	-	224.39	223.36
Gautam Bhalla	-	-	-	-	165.29	166.72	-	-	-	-	165.29	166.72
[redacted]												
Anil Bhalla	-	-	-	-	0.13	0.16	-	-	-	-	0.13	0.16
[redacted]												
Greenfield Nursery and Landscapes Private Limited	-	-	-	-	-	-	-	-	-	2.04	-	2.04
Vatika Hotels Private Limited	55.78	24.27	-	-	-	-	-	-	-	-	55.78	24.27
Matrimunchies India Private Limited	-	-	-	-	-	-	-	-	0.15	-	0.15	-
Crazy Properties Private Limited	5,704.02	-	-	-	-	-	-	-	-	-	5,704.02	-
Espo Developers Private Limited	2,026.29	-	-	-	-	-	-	-	-	-	2,026.29	-
Lincoln Developers Private Limited	-	-	-	-	-	-	-	-	212.96	238.04	212.96	238.04
Mendell Developers Private Limited	7,217.91	-	-	-	-	-	-	-	-	-	7,217.91	-
Pegasus Infrastructure Private Limited	4,870.80	-	-	-	-	-	-	-	-	-	4,870.80	-
SH Tech Park Developers Private Limited	589.71	517.34	-	-	-	-	-	-	-	-	589.71	517.34
Vatika One India Next Private Limited	1,449.07	7,915.80	-	-	-	-	-	-	-	-	1,449.07	7,915.80
Femina Developers Private Limited	4,690.91	2,586.24	-	-	-	-	-	-	-	-	4,690.91	2,586.24
Vatika Infracon Private Limited	370.57	-	-	-	-	-	-	-	-	-	370.57	-
Vatika One On One Private Limited	394.42	3,038.70	-	-	-	-	-	-	-	-	394.42	3,038.70
Vatika Soverign Park Private Limited	17.01	480.62	-	-	-	-	-	-	-	-	17.01	480.62
Vatika Seven Elements Private Limited	37.20	708.54	-	-	-	-	-	-	-	-	37.20	708.54
[redacted]												
Vatika Hotels Private Limited	-	72.14	-	-	-	-	-	-	-	-	-	72.14
Crazy Properties Private Limited	39.39	-	-	-	-	-	-	-	-	-	39.39	-
Espo Developers Private Limited	3.58	-	-	-	-	-	-	-	-	-	3.58	-
Magnet Developers Private Limited	-	1.19	-	-	-	-	-	-	-	-	-	1.19
Mendell Developers Private Limited	82.49	-	-	-	-	-	-	-	-	-	82.49	-
Pegasus Infrastructure Private Limited	12.73	-	-	-	-	-	-	-	-	-	12.73	-
Femina Developers Private Limited	2,522.43	81.27	-	-	-	-	-	-	-	-	2,522.43	81.27
Vatika Infracon Private Limited	370.57	-	-	-	-	-	-	-	-	-	370.57	-
Vatika Soverign Park Private Limited	-	82.10	-	-	-	-	-	-	-	-	-	82.10
[redacted]												
Vatika Soverign Park Private Limited	-	8,100.00	-	-	-	-	-	-	-	-	-	8,100.00
Vatika Overseas Limited	-	2,310.00	-	-	-	-	-	-	-	-	-	2,310.00
[redacted]												
Vatika Overseas Limited	-	596.21	-	-	-	-	-	-	-	-	-	596.21
[redacted]												
Vatika One India Next Private Limited	1,877.17	2,422.83	-	-	-	-	-	-	-	-	1,877.17	2,422.83
Femina Developers Private Limited	1,885.70	5,247.10	-	-	-	-	-	-	-	-	1,885.70	5,247.10
[redacted]												
Vatika One India Next Private Limited	194.02	335.55	-	-	-	-	-	-	-	-	194.02	335.55
Femina Developers Private Limited	197.35	685.86	-	-	-	-	-	-	-	-	197.35	685.86

For VATIKA LIMITED

Authorised Signatory

JAC & COMPANY * Chartered Accountants * DELHI

Vatika Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

Note 47 (cont'd)

(Rs in Lacs)

Particulars	Subsidiaries and Joint Ventures		Trust		Key management personnel		Relatives of key management personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
[redacted]												
Everlast Project Private Limited	-	-	-	-	-	-	-	-	0.50	-	0.50	-
Greenfield Nursery and Landscapes Private Limited	-	-	-	-	-	-	-	-	-	30.00	-	30.00
Vatika Farms Private Limited	-	-	-	-	-	-	-	-	0.50	-	0.50	-
Aspire Promoters Private Limited	26,723.66	273,078.00	-	-	-	-	-	-	-	-	26,723.66	273,078.00
Espo Developers Private Limited	-	80.00	-	-	-	-	-	-	-	-	-	80.00
Famous Dwellers Private Limited	9,545.88	78,246.58	-	-	-	-	-	-	-	-	9,545.88	78,246.58
Lincoln Developers Private Limited	-	-	-	-	-	-	-	-	2,399.20	8,583.00	2,399.20	8,583.00
Mendell Developers Private Limited	-	77.00	-	-	-	-	-	-	-	-	-	77.00
Pegasus Infrastructure Private Limited	-	52.00	-	-	-	-	-	-	-	-	-	52.00
SH Tech Park Developers Private Limited	13,736.17	2,718.03	-	-	-	-	-	-	-	-	13,736.17	2,718.03
Vatika One India Next Private Limited	18,413.93	-	-	-	-	-	-	-	-	-	18,413.93	-
Stedman Developers Private Limited	1.25	0.50	-	-	-	-	-	-	-	-	1.25	0.50
Valterna Promoters and Developers Private Limited	6.00	-	-	-	-	-	-	-	-	-	6.00	-
Vatika Jaipur SEZ Developers Private Limited	-	0.53	-	-	-	-	-	-	-	-	-	0.53
Fennina Developers Private Limited	1.00	-	-	-	-	-	-	-	-	-	1.00	-
Vatika One Express City Private Limited	-	-	-	-	-	-	-	-	623.50	4,485.20	623.50	4,485.20
Vatika One On One Private Limited	-	9.00	-	-	-	-	-	-	-	-	-	9.00
Gates Developers Private Limited	56,258.70	157,709.00	-	-	-	-	-	-	-	-	56,258.70	157,709.00
Vatika Homes & Hotels Pvt. Ltd.	-	-	-	-	-	-	-	-	0.50	-	0.50	-
Vatika Sovereign Park Private Limited	1,942.00	-	-	-	-	-	-	-	-	-	1,942.00	-
Shivsagar Builders Private Limited	-	-	-	-	-	-	-	-	0.50	-	0.50	-
Vatika Seven Elements Private Limited	2,189.00	451.31	-	-	-	-	-	-	-	-	2,189.00	451.31
[redacted]												
Everlast Project Private Limited	-	-	-	-	-	-	-	-	0.50	-	0.50	-
Greenfield Nursery and Landscapes Private Limited	-	-	-	-	-	-	-	-	30.00	-	30.00	-
Vatika Farms Private Limited	-	-	-	-	-	-	-	-	35.61	-	35.61	-
Aspire Promoters Private Limited	54,125.47	244,400.58	-	-	-	-	-	-	-	-	54,125.47	244,400.58
Espo Developers Private Limited	-	80.00	-	-	-	-	-	-	-	-	-	80.00
Famous Dwellers Private Limited	10,293.50	78,480.50	-	-	-	-	-	-	-	-	10,293.50	78,480.50
Lincoln Developers Private Limited	-	-	-	-	-	-	-	-	3,488.17	3,241.60	3,488.17	3,241.60
Mendell Developers Private Limited	-	77.00	-	-	-	-	-	-	-	-	-	77.00
Pegasus Infrastructure Private Limited	-	52.00	-	-	-	-	-	-	-	-	-	52.00
SH Tech Park Developers Private Limited	-	12,939.40	-	-	-	-	-	-	-	-	-	12,939.40
Valterna Promoters and Developers Private Limited	6.00	193.15	-	-	-	-	-	-	-	-	6.00	193.15
Vatika IT Parks Private Limited	20.09	-	-	-	-	-	-	-	-	-	20.09	-
Vatika One Express City Private Limited	-	-	-	-	-	-	-	-	61.39	779.00	61.39	779.00
Gates Developers Private Limited	3,118.50	109,181.70	-	-	-	-	-	-	-	-	3,118.50	109,181.70
Vatika Homes & Hotels Pvt. Ltd.	-	-	-	-	-	-	-	-	0.50	-	0.50	-
Vatika Sovereign Park Private Limited	4,171.09	-	-	-	-	-	-	-	-	-	4,171.09	-
Shivsagar Builders Private Limited	-	-	-	-	-	-	-	-	0.50	-	0.50	-
Vatika Seven Elements Private Limited	3,255.98	-	-	-	-	-	-	-	-	-	3,255.98	-
Vatika Overseas Limited	7,517.95	-	-	-	-	-	-	-	-	-	7,517.95	-
[redacted]												
Greenfield Nursery and Landscapes Private Limited	-	-	-	-	-	-	-	-	218.78	122.59	218.78	122.59
Vatika Hotels Private Limited	2,123.00	1,674.10	-	-	-	-	-	-	-	-	2,123.00	1,674.10
Marimunchies India Private Limited	-	-	-	-	-	-	-	-	0.28	-	0.28	-

For VATIKA LIMITED

Authorised Signatory

Vatika Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

Note 47 (cont'd)

(Rs in Lacs)

Particulars	Subsidiaries and Joint Ventures		Trust		Key management personnel		Relatives of key management personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
[redacted]												
Vatika Hotels Private Limited	92.69	100.59	-	-	-	-	-	-	-	-	92.69	100.59
[redacted]												
Vatika Soverign Park Private Limited	1,128.62	-	-	-	-	-	-	-	-	-	1,128.62	-
Vatika Seven Elements Private Limited	3,179.49	-	-	-	-	-	-	-	-	-	3,179.49	-
[redacted]												
Vatika Hotels Private Limited	25.00	-	-	-	-	-	-	-	-	-	25.00	-
Crazy Properties Private Limited	0.50	-	-	-	-	-	-	-	-	-	0.50	-
SH Tech Park Developers Private Limited	5,261.00	-	-	-	-	-	-	-	-	-	5,261.00	-
Vatika One India Next Private Limited	2,076.03	1,761.17	-	-	-	-	-	-	-	-	2,076.03	1,761.17
Edrea Developers Private Limited	-	-	-	-	-	-	-	-	3,000.00	-	3,000.00	-
Castor Developers Private Limited	-	-	-	-	-	-	-	-	3,000.00	-	3,000.00	-
Agnes Developers Private Limited	-	-	-	-	-	-	-	-	3,100.00	-	3,100.00	-
Vatika Education Services Private Limited	-	-	-	-	-	-	-	-	20,000.00	-	20,000.00	-
Vatika One On One Private Limited	4,908.92	-	-	-	-	-	-	-	-	-	4,908.92	-
Hagrid Developers Private Limited	-	-	-	-	-	-	-	-	2,900.00	-	2,900.00	-
[redacted]												
Vatika Soverign Park Private Limited	1,839.48	-	-	-	-	-	-	-	-	-	1,839.48	-
Vatika Seven Elements Private Limited	1,360.27	-	-	-	-	-	-	-	-	-	1,360.27	-
[redacted]												
Famous Dwellers Private Limited	-	7,399.70	-	-	-	-	-	-	-	-	-	7,399.70
[redacted]												
SH Tech Park Developers Private Limited	26.92	23.30	-	-	-	-	-	-	-	-	26.92	23.30
[redacted]												
Crazy Properties Private Limited	0.50	-	-	-	-	-	-	-	-	-	0.50	-
SH Tech Park Developers Private Limited	2,352.70	-	-	-	-	-	-	-	-	-	2,352.70	-
Vatika One India Next Private Limited	624.50	5.00	-	-	-	-	-	-	-	-	624.50	5.00
Agnes Developers Private Limited	-	-	-	-	-	-	-	-	0.50	-	0.50	-
Givon Developers Private Limited	-	-	-	-	-	-	-	-	960.00	-	960.00	-
Vatika One On One Private Limited	7,321.23	-	-	-	-	-	-	-	-	-	7,321.23	-
Hagrid Developers Private Limited	-	-	-	-	-	-	-	-	0.40	-	0.40	-
[redacted]												
Marisol Developers Private Limited	-	-	-	-	-	-	-	-	14,400.00	-	14,400.00	-
[redacted]												
Lincoln Developers Private Limited	-	-	-	-	-	-	-	-	248.85	2,243.74	248.85	2,243.74
[redacted]												
Aspire Promoters Private Limited	-	491.94	-	-	-	-	-	-	-	-	-	491.94
Lincoln Developers Private Limited	-	-	-	-	-	-	-	-	5.20	-	5.20	-
Vatika One India Next Private Limited	42.10	7,833.21	-	-	-	-	-	-	-	-	42.10	7,833.21
Vatika One On One Private Limited	300.65	4,598.80	-	-	-	-	-	-	-	-	300.65	4,598.80
Vatika Soverign Park Private Limited	182.85	-	-	-	-	-	-	-	-	-	182.85	-
Vatika Seven Elements Private Limited	14.84	-	-	-	-	-	-	-	-	-	14.84	-
[redacted]												
Vatika Hotels Private Limited	19.53	73.88	-	-	-	-	-	-	-	-	19.53	73.88
SH Tech Park Developers Private Limited	654.24	958.50	-	-	-	-	-	-	-	-	654.24	958.50
[redacted]												
Vatika Soverign Park Private Limited	-	178.75	-	-	-	-	-	-	-	-	-	178.75

For VATIKA LIMITED

Authorised Signatory

JAG & COMPANY DELHI Chartered Accountants

Vatika Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

Note 47 (cont'd)

(Rs in Lacs)

Particulars	Subsidiaries and Joint Ventures		Trust		Key management personnel		Relatives of key management personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
[redacted]												
Anil Bhalla	-	-	-	-	0.13	2.10	-	-	-	-	0.13	2.10
Gaurav Bhalla	-	-	-	-	5.87	14.75	-	-	-	-	5.87	14.75
Kanchan Bhalla	-	-	-	-	-	-	3.00	0.29	-	-	3.00	0.29
Divya Bhalla	-	-	-	-	-	-	0.79	8.16	-	-	0.79	8.16
[redacted]												
Crazy Properties Private Limited	-	51.58	-	-	-	-	-	-	-	-	-	51.58
Espo Developers Private Limited	-	906.90	-	-	-	-	-	-	-	-	-	906.90
Vatika One India Next Private Limited	-	48.15	-	-	-	-	-	-	-	-	-	48.15
Vatika IT Parks Private Limited	-	191.09	-	-	-	-	-	-	-	-	-	191.09
Pramina Developers Private Limited	-	674.80	-	-	-	-	-	-	-	-	-	674.80
[redacted]												
Vatika One Express City Private Limited	-	-	-	-	-	-	-	-	5,130.64	-	5,130.64	-
[redacted]												
Kalden Developers Private Limited	-	-	-	-	-	-	-	-	13.78	-	13.78	-
[redacted]												
Greenfield Nursery and Landscapes Private Limited	-	-	-	-	-	-	-	-	2.04	-	2.04	-
[redacted]												
Vatika One India Next Private Limited	-	8,255.91	-	-	-	-	-	-	-	-	-	8,255.91
Vatika One On One Private Limited	-	13,359.34	-	-	-	-	-	-	-	-	-	13,359.34
Vatika Soverign Park Private Limited	-	1,622.66	-	-	-	-	-	-	-	-	-	1,622.66
Vatika Seven Elements Private Limited	-	1,607.31	-	-	-	-	-	-	-	-	-	1,607.31
[redacted]												
Divya Bhalla	-	-	-	-	-	-	-	50.00	-	-	-	50.00
[redacted]												
Gautam Bhalla	-	-	-	-	7.59	6.70	-	-	-	-	7.59	6.70
Divya Bhalla	-	-	-	-	-	-	7.10	3.62	-	-	7.10	3.62
[redacted]												
Vatika Soverign Park Private Limited	175.99	140.06	-	-	-	-	-	-	-	-	175.99	140.06
Vatika Seven Elements Private Limited	126.56	159.72	-	-	-	-	-	-	-	-	126.56	159.72
[redacted]												
Vatika Soverign Park Private Limited	680.42	523.35	-	-	-	-	-	-	-	-	680.42	523.35
Vatika Seven Elements Private Limited	1,760.75	1,650.29	-	-	-	-	-	-	-	-	1,760.75	1,650.29
[redacted]												
SH Tech Park Developers Private Limited	-	3,259.35	-	-	-	-	-	-	-	-	-	3,259.35
[redacted]												
SH Tech Park Developers Private Limited	-	1,914.13	-	-	-	-	-	-	-	-	-	1,914.13
[redacted]												
V Care	-	-	82.50	70.00	-	-	-	-	-	-	82.50	70.00
[redacted]												
SH Tech Park Developers Private Limited	-	62.04	-	-	-	-	-	-	-	-	-	62.04
[redacted]												
Vatika Soverign Park Private Limited	1,073.25	990.91	-	-	-	-	-	-	-	-	1,073.25	990.91
[redacted]												
Vatika Soverign Park Private Limited	9.82	9.90	-	-	-	-	-	-	-	-	9.82	9.90
[redacted]												
Vatika Soverign Park Private Limited	-	250.28	-	-	-	-	-	-	-	-	-	250.28

For VATIKA LIMITED

Authorised Signatory

JAC & COMPANY DELHI Chartered Accountants

Vatika Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

Note 47 (cont'd)

(Rs in Lacs)

Particulars	Subsidiaries and Joint Ventures		Trust		Key management personnel		Relatives of key management personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
C.) Balances at year end												
[redacted]												
Marisol Developers Private Limited	-	-	-	-	-	-	-	-	14,950.00	-	14,950.00	-
Femina Developers Private Limited	2,393.51	2,504.97	-	-	-	-	-	-	-	-	2,393.51	2,504.97
Expo Developers Private Limited	2,022.70	-	-	-	-	-	-	-	-	-	2,022.70	-
Mendell Developers Private Limited	7,135.42	-	-	-	-	-	-	-	-	-	7,135.42	-
Vatika Farms Private Limited	-	-	-	-	-	-	-	-	-	35.11	-	35.11
Matrimunchies India Private Limited	-	-	-	-	-	-	-	-	0.15	-	0.15	-
Crazy Properties Private Limited	5,664.64	-	-	-	-	-	-	-	-	-	5,664.64	-
Famous Dwellers Private Limited	42,785.50	43,533.13	-	-	-	-	-	-	-	-	42,785.50	43,533.13
Vatika One Express City Private Limited	-	-	-	-	-	-	-	-	-	3,693.36	-	3,693.36
SH Tech Park Developers Private Limited	5,612.21	-	-	-	-	-	-	-	-	-	5,612.21	-
Pegasus Infrastructure Private Limited	4,858.07	-	-	-	-	-	-	-	-	-	4,858.07	-
Vatika Seven Elements Private Limited	465.94	1,395.02	-	-	-	-	-	-	-	-	465.94	1,395.02
Vatika Sovereign Park Private Limited	668.23	1,926.64	-	-	-	-	-	-	-	-	668.23	1,926.64
Gates Developers Private Limited	101,667.50	48,527.30	-	-	-	-	-	-	-	-	101,667.50	48,527.30
Greenfield Nursery and Landscapes Private Limited	-	32.04	-	-	-	-	-	-	-	-	-	32.04
Aspire Promoters Private Limited	139,890.75	167,292.56	-	-	-	-	-	-	-	-	139,890.75	167,292.56
Rakesh and A Realtors Private Limited	-	-	-	-	-	-	-	-	1.82	1.82	1.82	1.82
Lincoln Developers Private Limited	-	-	-	-	-	-	-	-	7,363.60	6,219.23	7,363.60	6,219.23
Stedman Developers Private Limited	13,861.75	13,860.50	-	-	-	-	-	-	-	-	13,861.75	13,860.50
Vatika IT Parks Private Limited	-	20.09	-	-	-	-	-	-	-	-	-	20.09
Vatika Jaipur SEZ Developers Private Limited	1,997.90	1,997.90	-	-	-	-	-	-	-	-	1,997.90	1,997.90
[redacted]												
Vatika Seven Elements Private Limited	3,497.20	1,912.53	-	-	-	-	-	-	-	-	3,497.20	1,912.53
Vatika Sovereign Park Private Limited	1,218.89	606.51	-	-	-	-	-	-	-	-	1,218.89	606.51
[redacted]												
Vatika Sovereign Park Private Limited	8,100.00	8,100.00	-	-	-	-	-	-	-	-	8,100.00	8,100.00
Vatika Overseas Limited	529.78	8,663.68	-	-	-	-	-	-	-	-	529.78	8,663.68
[redacted]												
Gaurav Bhalla	-	-	-	-	6.95	-	-	-	-	-	6.95	-
Kanchan Bhalla	-	-	-	-	-	-	1.69	-	-	-	1.69	-
[redacted]												
Gaurav Bhalla	-	-	-	-	170.11	158.03	-	-	-	-	170.11	158.03
Kanchan Bhalla	-	-	-	-	-	-	4.07	3.73	-	-	4.07	3.73
[redacted]												
Kalden Developers Private Limited	-	-	-	-	-	-	-	-	5.19	-	5.19	-
Vatika One On One Private Limited	954.98	-	-	-	-	-	-	-	-	-	954.98	-
Vatika One India Next Private Limited	16,689.06	-	-	-	-	-	-	-	-	-	16,689.06	-
[redacted]												
Vatika Hotels Private Limited	8,350.31	8,350.31	-	-	-	-	-	-	-	-	8,350.31	8,350.31
Aspire Promoters Private Limited	1.00	1.00	-	-	-	-	-	-	-	-	1.00	1.00
Famous Dwellers Private Limited	1.00	1.00	-	-	-	-	-	-	-	-	1.00	1.00
Valtema Promoters and Developers Private Limited	1.00	1.00	-	-	-	-	-	-	-	-	1.00	1.00
Vatika IT Parks Private Limited	22.00	22.00	-	-	-	-	-	-	-	-	22.00	22.00
Vatika Jaipur SEZ Developers Private Limited	5.00	5.00	-	-	-	-	-	-	-	-	5.00	5.00
SH Tech Park Developers Private Limited	2,079.83	2,079.83	-	-	-	-	-	-	-	-	2,079.83	2,079.83
Lincoln Developers Private Limited	-	-	-	-	-	-	-	-	34.58	34.58	34.58	34.58
Gates Developers Private Limited	1.00	1.00	-	-	-	-	-	-	-	-	1.00	1.00
Vatika Seven Elements Private Limited	3,179.49	-	-	-	-	-	-	-	-	-	3,179.49	-
Vatika Sovereign Park Private Limited	1,128.62	300.07	-	-	-	-	-	-	-	-	1,128.62	300.07
Trishul Propbuild Limited	10,704.00	10,704.00	-	-	-	-	-	-	-	-	10,704.00	10,704.00
Vatika Overseas Limited	100.00	100.00	-	-	-	-	-	-	-	-	100.00	100.00

For VATIKA LIMITED

Authorised Signatory

DELHI

Vatika Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

Note 47 (cont'd)

(Rs in Lacs)

Particulars	Subsidiaries and Joint Ventures		Trust		Key management personnel		Relatives of key management personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
[redacted]												
Vatika Seven Elements Private Limited	7,478.19	9,297.40	-	-	-	-	-	-	-	-	7,478.19	9,297.40
Vatika Soverign Park Private Limited	3,659.28	2,948.42	-	-	-	-	-	-	-	-	3,659.28	2,948.42
[redacted]												
Vatika One India Next Private Limited	-	(2,377.17)	-	-	-	-	-	-	-	-	-	(2,377.17)
[redacted]												
Vatika Soverign Park Private Limited	(19.73)	(9.90)	-	-	-	-	-	-	-	-	(19.73)	(9.90)
[redacted]												
Vatika Soverign Park Private Limited	(178.75)	(178.75)	-	-	-	-	-	-	-	-	(178.75)	(178.75)
[redacted]												
Gautam Bhalla	-	-	-	-	(50.00)	(50.00)	-	-	-	-	(50.00)	(50.00)
Divya Bhalla	-	-	-	-	-	-	(50.00)	(50.00)	-	-	(50.00)	(50.00)
[redacted]												
Vatika Education Services Private Limited	-	-	-	-	-	-	-	-	(20,000.00)	-	(20,000.00)	-
Edren Developers Private Limited	-	-	-	-	-	-	-	-	(3,000.00)	-	(3,000.00)	-
Hagrid Developers Private Limited	-	-	-	-	-	-	-	-	(2,899.60)	-	(2,899.60)	-
Vatika Hotels Private Limited	(1,745.50)	(730.44)	-	-	-	-	-	-	-	-	(1,745.50)	(730.44)
Castor Developers Private Limited	-	-	-	-	-	-	-	-	(3,000.00)	-	(3,000.00)	-
Agnes Developers Private Limited	-	-	-	-	-	-	-	-	(3,099.50)	-	(3,099.50)	-
Greenfield Nursery and Landscapes Private Limited	-	-	-	-	-	-	-	-	(181.24)	(78.33)	(181.24)	(78.33)
[redacted]												
Gautam Bhalla	-	-	-	-	(13.40)	(6.57)	-	-	-	-	(13.40)	(6.57)
Divya Bhalla	-	-	-	-	-	-	(9.65)	(3.26)	-	-	(9.65)	(3.26)
Vatika One India Next Private Limited	-	(12.70)	-	-	-	-	-	-	-	-	-	(12.70)
[redacted]												
Fermina Developers Private Limited	-	(4,166.64)	-	-	-	-	-	-	-	-	-	(4,166.64)
Vatika One On One Private Limited	-	(1,551.10)	-	-	-	-	-	-	-	-	-	(1,551.10)
Vatika One India Next Private Limited	-	(1,625.42)	-	-	-	-	-	-	-	-	-	(1,625.42)
SH Tech Park Developers Private Limited	-	(5,305.38)	-	-	-	-	-	-	-	-	-	(5,305.38)
Vatika One Express City Private Limited	-	-	-	-	-	-	-	-	(862.33)	-	(862.33)	-
[redacted]												
Anil Bhalla	-	-	-	-	(0.00)	(0.13)	-	-	-	-	(0.00)	(0.13)
Divya Bhalla	-	-	-	-	-	-	-	(0.79)	-	-	-	(0.79)
Gaurav Bhalla	-	-	-	-	(178.24)	(139.55)	-	-	-	-	(178.24)	(139.55)
Lincoln Developers Private Limited	-	-	-	-	-	-	-	-	(221.82)	-	(221.82)	-
Kanchan Bhalla	-	-	-	-	-	-	(247.24)	(4.95)	-	-	(247.24)	(4.95)
[redacted]												
Vatika Hotels Private Limited	45,669.74	11,739.83	-	-	-	-	-	-	-	-	45,669.74	11,739.83
SH Tech Park Developers Private Limited	13,400.00	16,708.20	-	-	-	-	-	-	-	-	13,400.00	16,708.20
Fermina Developers Private Limited	3,700.00	4,332.11	-	-	-	-	-	-	-	-	3,700.00	4,332.11
Vatika Seven Elements Private Limited	8,660.00	8,660.00	-	-	-	-	-	-	-	-	8,660.00	8,660.00
Vatika Soverign Park Private Limited	6,900.00	6,900.00	-	-	-	-	-	-	-	-	6,900.00	6,900.00
[redacted]												
Anil Bhalla	-	-	-	-	-	242,885.61	-	-	-	-	-	242,885.61
Gautam Bhalla	-	-	-	-	-	242,885.61	-	-	-	-	-	242,885.61
Gaurav Bhalla	-	-	-	-	-	238,885.61	-	-	-	-	-	238,885.61
Vatika Soverign Park Private Limited	-	8,100.00	-	-	-	-	-	-	-	-	-	8,100.00
Vatika IT Parks Private Limited	-	15,000.00	-	-	-	-	-	-	-	-	-	15,000.00

For VATIKA LIMITED

Authorised Signatory

Vatika Limited
Notes to the financial statements for the year ended 31 March 2017

48. Leases

In case of assets taken on lease

Operating Lease

The Company has taken space on lease for use as office premises. The lease is for an initial period of 3 years which is further extendable for 2 more terms of 3 years each. There are no restrictions imposed on the Company under the lease arrangement. There are no subleases.

The total of minimum future lease payments under non-cancellable operating lease is as under:

Particulars	31 March 2017	31 March 2016
Lease payments for the year recognised in the Statement of Profit and Loss	405.49	375.52
Minimum lease payments:		
Not later than one year	372.72	227.18
Later than one year but not later than five years	559.08	-
Later than five years		-

In case of assets given on lease

Operating lease:

The Company is in the business of constructing and selling commercial space and classifies the unsold stock of projects as Inventory. During the time, the Company does not find a buyer, it leases out the space to tenants. Lease terms and escalation rates vary as per the agreement entered with the tenant. There are no restrictions imposed on the Company under the lease arrangement.

There is no uncollectible minimum lease payments receivable at the balance sheet date.

Particulars	31 March 2017	31 March 2016
Lease income for the year recognised in the Statement of Profit and Loss (net of lease rentals paid to investors)	5180.76	720.45
Minimum lease incomes:		
Not later than one year	2013.27	490.13
Later than one year but not later than five years	3131.6	1,904.99
Later than five years	35.88	1,620.09

49. **Segment information**

The Company is primarily engaged in the business of real estate development, which as per Indian Accounting Standard - 108 on 'Operating Segments' is considered to be the only reportable segment.

50. Revenue from real estate operations under Operating Revenue includes compensation of Rs. 19,784.48 lakhs (March 31, 2016: Rs. 2,079.77 lakhs), from compulsory acquisition of land by government.

JAC & COMPANY
DELHI
Chartered Accountants

(The space has been intentionally left blank)

For VATIKA LIMITED

Authorised Signatory

51 Fair value disclosures

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are Companyed into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

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

ii) Financial assets measured at fair value - recurring fair value measurements

Level 3	31 March 2017	31 March 2016	1 April 2015
Investment in Optionally convertible debentures in Vatika Seven elements private Limited	12,411	11,528	9,516
Investment in Optionally convertible debentures in Vatika Sovereign park private Limited	5,059	3,488	3,060
Total	17,470	15,016	12,576

(iii) Valuation technique used to determine fair value

Fair value of compulsory convertible debentures have been determined using discounted cash flow anlaysis.This method involves the projection of a series of cash flows from the project. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the project.

(iv) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements and sensitivity analysis if a change to such inputs was made keeping other variables constant:

		Vatika Seven Elements Private Limited		Vatika Sovereign Park Private Limited	
Particulars	Discount rate	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Optionally convertible debentures	-0.5%	12,636.00	11,768.34	5,172.12	3,591.88
	+0.5%	12,190.63	11,293.76	4,948.63	3,387.12

(v) The following table presents the changes in level 3 items for the year ended 31 March 2017 and 31 March 2016:

Particulars	Optionally convertible debentures
As at 1 April 2015	12,575.99
Gain recognised in statement of profit and loss	2,439.66
As at 31 March 2016	15,015.65
Gain recognised in statement of profit and loss	2,453.90
As at 31 March 2017	17,469.56

(vi) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortized cost for which fair value is disclosed is as follows:

(₹ in lakhs)

Particulars	Level	31 March 2017		31 March 2016		01 April 2015	
		Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets							
Security deposit	Level 3	5,600.50	5,402.72	4,775.73	5,102.18	3,139.36	3,511.91
Loan to employee	Level 3	20.88	20.88	21.42	21.42	15.71	15.71
Loan to related parties and others	Level 3	14,699.08	14,681.85	20,646.14	20,971.40	10,623.69	11,136.77
Other financial assets	Level 3	2,144.08	2,144.08	2,456.22	2,456.22	4,434.52	4,434.52
Total financial assets		22,464.55	22,249.53	27,899.52	28,551.22	18,213.28	19,098.92
Borrowings	Level 3	367,794.43	367,794.43	276,102.39	276,102.39	348,863.65	348,863.65
Security deposit	Level 3	34,611.38	33,830.55	35,389.24	35,466.43	45,696.02	46,472.47
Total financial liabilities		402,405.81	401,624.98	311,491.63	311,568.82	394,559.67	395,336.13

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which The fair values of the Company's interest-bearing borrowings, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own nonperformance risk as at 31 March 2016 was assessed to be insignificant.

52 Financial risk management

i) Financial instruments by category

(₹ in lakhs)

Particulars	31 March 2017			31 March 2016			01 April 2015		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets									
Investments*	17,504.14	-	-	15,050.23	-	-	15,837.82	-	-
Security deposits	-	-	5,600.50	-	-	4,775.73	-	-	3,139.36
Receivable from related parties	-	-	14,699.08	-	-	20,646.14	-	-	5,123.69
Receivable from others	-	-	-	-	-	-	-	-	5,500.00
Other financial assets	-	-	9,200.68	-	-	3,755.35	-	-	5,363.91
Trade receivables	-	-	119,393.78	-	-	105,994.76	-	-	137,881.42
Cash and cash equivalents	-	-	1,754.32	-	-	6,154.39	-	-	12,534.37
Other bank balances	-	-	4,581.49	-	-	4,389.94	-	-	2,996.69
Loans	-	-	20.88	-	-	21.42	-	-	15.71
Total	17,504.14	-	155,250.74	15,050.23	-	145,737.73	15,837.82	-	172,555.15
Financial liabilities									
Borrowings	-	-	363,884.42	-	-	264,550.34	-	-	316,694.07
Trade payable	-	-	78,722.80	-	-	64,154.21	-	-	71,922.55
Other financial liabilities	-	-	41,697.36	-	-	60,764.45	-	-	79,823.15
Total	-	-	484,304.58	-	-	389,469.00	-	-	468,439.77

*Investment in equity instrument of subsidiary and Joint venture have been accounted using equity method of accounting and hence, not presented here.

DELHI

For VATIKA LIMITED

Authorised Signatory

ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the company. The company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.
- cash and cash equivalents,
- trade receivables,
- loans & receivables carried at amortised cost, and
- deposits with banks

a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low
B: Medium
C: High

Assets under credit risk –

(₹ in lakhs)

Credit rating	Particulars	31 March 2017	31 March 2016	01 April 2015
A: Low	Loans	20,320.47	25,443.30	13,778.76
	Investments	89,933.73	85,351.79	122,182.24
	Other financial assets	9,200.68	3,755.35	5,363.91
	Other bank balances	4,581.49	4,389.94	2,996.69
	Cash and cash equivalents	1,754.32	6,154.39	12,534.37
B: Medium	Trade receivables	119,064.57	105,805.97	137,738.63
D: Doubtful	Trade receivables	329.21	188.79	142.79

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade receivables

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become past due one year.

Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

Trade receivables

The Company's trade receivables does not have any expected credit loss as registry of properties sold is generally carried out once the Company receives the entire payment. During the periods presented, the Company made no write-offs of trade receivables and no recoveries from receivables previously written off.

(This space has been intentionally left blank)

DELHI

For VATIKA LIMITED

Authorised Signatory

Other financial assets measured at amortised cost

Company provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the company can draws to apply consistently to entire population For such financial assets, the Company's policy is to provides for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.
Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity Companyings based on their contractual maturities for all non-derivative financial liabilities.
The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in lakhs)

31 March 2017	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings including interest	10,019.39	179,556.05	49,450.07	239,025.52
Security deposit received	985.46	604.22	34,453.44	36,043.12
Short term borrowings	68,533.14	31,620.90	38,040.00	138,194.04
Trade payable	78,722.80	-	-	78,722.80
Other financial liabilities	33,003.12	-	-	33,003.12
Total	191,263.92	211,781.17	121,943.51	524,988.60

(₹ in lakhs)

31 March 2016	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings including interest	17,177.82	45,500.08	65,278.36	127,956.26
Security deposit received	872.94	659.89	35,164.52	36,697.35
Short term borrowings	37,672.60	51,140.04	70,082.73	158,895.37
Trade payable	64,154.21	-	-	64,154.21
Other financial liabilities	44,943.41	-	-	44,943.41
Total	164,820.99	97,300.01	170,525.61	432,646.61

(₹ in lakhs)

01 April 2015	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings including interest	37,206.96	90,334.79	72,188.05	199,729.80
Security deposit received	315.00	670.67	45,864.72	46,850.39
Short term borrowings	40,222.97	51,281.70	69,630.36	161,135.03
Trade payable	71,922.55	-	-	71,922.55
Other financial liabilities	45,434.48	-	-	45,434.48
Total	195,101.95	142,287.16	187,683.13	525,072.25

JAC & COMPANY
DELHI
Chartered Accountants

For VATIKA LIMITED
Authorised Signatory

Vatika Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2017

b) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2017, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in Fixed Deposits all pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

(₹ in lakhs)

Particulars	31 March 2017	31 March 2016	01 April 2015
Variable rate borrowing	367,398.21	275,200.68	348,673.90
Fixed rate borrowing	396.22	901.70	189.75
Total borrowings	367,794.43	276,102.39	348,863.65

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

(₹ in lakhs)

Particulars	31 March 2017	31 March 2016
Interest sensitivity*		
Interest rates – increase by 50 bps basis points	1,836.99	1,376.00
Interest rates – decrease by 50 bps basis points	(1,836.99)	(1,376.00)

* *Holding all other variables constant*

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

c) Price risk

The Company does not have any significant investments in equity instruments which create an exposure to price risk.

53 Capital management

The Company' s capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

(₹ in lakhs)

Particulars	31 March 2017	31 March 2016	01 April 2015
Total borrowings	367,794.43	276,102.39	348,863.65
Less : cash and cash equivalent	(1,754.32)	(6,154.39)	(12,534.37)
Net debt	366,040.11	269,948.00	336,329.28
Total equity	69,409.13	68,723	84,983.21
Net debt to equity ratio*	5.27	3.93	3.96

The Company has not declared dividend in current year or previous year.

JAC & COMPANY DELHI Chartered Accountants

(This space has been intentionally left blank)

For VATIKA LIMITED

Authorised Signatory

54 First time adoption of Ind AS

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

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 01 April 2015 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A Ind AS optional exemptions

1 Deemed cost for property, plant and equipment, investment property and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 *Intangible Assets* and investment property covered by Ind AS 40 *Investment Property*. Accordingly, the Group has elected to measure all of its property, plant and equipment, intangible assets and investment property at their Previous GAAP carrying value.

2 Deemed cost for investments in subsidiaries and joint ventures

The Group has elected to continue with the carrying value of all of its investments in subsidiaries, joint ventures and associates recognised as of 1 April 2015 (transition date) measured as per the Previous GAAP as its deemed cost as at the date of transition.

B Ind AS mandatory exceptions

1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP:

a) Investment in equity instruments carried at FVTPL

b) Impairment of financial assets based on expected credit loss model.

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

(This space has been intentionally left blank)

JAC & COMPANY DELHI Chartered Accountants

For VATIKA LIMITED

Authorised Signatory

Vatika Limited

Notes to the financial statements for the year ended 31 March 2017

C Reconciliations between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.

1 Reconciliation of total equity as at 31 March 2016 and 01 April 2015

	Notes	31 March 2016	01 April 2015
Total equity (shareholder's funds) as per Previous GAAP		103,645.45	104,484.37
Adjustments:			
Adjustment on effective interest rates on borrowings	Note – 1	(2,860.26)	(4,128.39)
Measurement of financial assets and liabilities at amortised cost (including related impact on revenue/ other expenses)	Note – 2	(1,527.42)	(1,228.09)
Adjustment for reversal of rent equilisation reserve	Note – 3	895.09	788.67
Measurement of investments at fair value through profit or loss (FVTPL)	Note – 4	45,130.18	67,917.14
Impact on account of change in measurement of revenue from real estate development (net of cost)	Note – 5	(104,376.43)	(106,852.59)
Adjustment for discounting of long term provisions	Note – 6	375.96	186.63
Deferred tax on above adjustments	Note – 7	27,440.42	23,815.48
Total adjustments		(34,922.46)	(19,501.16)
Total equity as per Ind AS		68,722.99	84,983.21

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

	Notes	31 March 2016
Profit after tax as per Previous GAAP		(838.90)
Adjustments:		
Adjustment on effective interest rates on borrowings	Note – 1	1,268.13
Measurement of financial assets and liabilities at amortised cost (including related impact on revenue/ employee cost/ other expenses)	Note – 2	(299.32)
Adjustment for reversal of rent equilisation reserve	Note – 3	106.41
Measurement of investments at fair value through profit or loss (FVTPL)	Note – 4	(22,786.96)
Impact on account of change in measurement of revenue from real estate development (net of cost)	Note – 5	2,476.16
Adjustment for discounting of long term provisions	Note – 6	189.33
Deferred tax on above adjustments	Note – 7	3,628.04
Remeasurement of defined benefit obligations reclassified to OCI	Note – 8	(8.95)
Total adjustments		(15,427.15)
Profit for the year ended 31 March 2016		(16,266.05)
Other comprehensive income		
Remeasurement of defined benefit obligations reclassified to OCI (net of tax)	Note – 8	5.85
Total comprehensive income for the year ended 31 March 2016		(16,260.20)

(This space has been intentionally left blank)

JAC & COMPANY NEW DELHI Chartered Accountants

For VATIKA LIMITED

Authorised Signatory

Vatika Limited
Notes to the financial statements for the year ended 31 March 2017

3 **Impact of Ind AS adoption on the Statement of cash flows for the year ended 31 March 2016**
The transition from previous GAAP to Ind AS has not made a material impact on the statement of cash flows.

4 **Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at 01 April 2015 is as follows:**

Description	Per Previous GAAP	Ind AS adjustments	Per Ind AS
ASSETS			
Non-current assets			
Property, plant and equipment	3,501.29	(2,632.06)	869.23
Capital work-in-progress	2,718.74	(2,718.74)	-
Investment property	-	5,350.78	5,350.78
Intangible assets	12.90	-	12.90
Financial assets			
Investments	43,426.68	71,053.71	114,480.38
Loans	15,690.88	(3,826.04)	11,864.84
Other financial assets	4,430.39	4.13	4,434.52
Deferred tax assets (net)	3,517.15	23,815.48	27,332.63
Non-current tax assets (net)	6,101.74	-	6,101.74
Other non-current assets	13,197.93	(11,018.68)	2,179.25
Total non-current assets	92,597.70	80,028.58	172,626.27
Current assets			
Inventories	309,077.96	3,158.45	312,236.41
Financial assets			-
Current investments	7,701.86	-	7,701.86
Trade receivables	145,713.51	(7,832.09)	137,881.42
Cash and cash equivalents	12,534.37	-	12,534.37
Other bank balances	2,677.04	319.65	2,996.69
Loans	9,501.52	(7,587.61)	1,913.92
Other financial assets	846.09	83.30	929.39
Other current assets	210,147.22	1,695.38	211,842.59
Total current assets	698,199.57	(10,162.92)	688,036.65
Total assets	790,797.26	69,865.66	860,662.92
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5,568.82	-	5,568.82
Other equity	98,915.55	(19,501.16)	79,414.39
Total equity	104,484.37	(19,501.16)	84,983.21
Non-current liabilities			
Financial liabilities			
Borrowings	162,522.85	(5,271.92)	157,250.93
Other financial liabilities	2,823.19	(1,420.84)	1,402.34
Long-term provisions	618.03	(186.63)	431.40
Other non-current liabilities	-	797.08	797.08
Total non-current liabilities	165,964.07	(6,082.31)	159,881.75
Current liabilities			
Financial liabilities			
Borrowings	160,998.41	(1,555.26)	159,443.14
Trade payables	71,922.55	-	71,922.55
Other financial liabilities	82,780.12	(4,359.32)	78,420.80
Other current liabilities	186,447.07	32,032.13	218,479.20
Short term provisions	9,469.62	69,331.59	78,801.21
Current tax liabilities (net)	8,731.06	-	8,731.06
Total current liabilities	520,348.83	95,449.14	615,797.96
Total liabilities	686,312.90	89,366.83	775,679.71
Total equity and liabilities	790,797.27	69,865.67	860,662.92

For VATIKA LIMITED

Authorised Signatory

Vatika Limited
Notes to the financial statements for the year ended 31 March 2017

5 **Reconciliation of the assets and libilities presented in the balance sheet prepared as per Indian GAAP and as per Ind AS as at 31 March 2016 is as follows:**

Description	Per Previous GAAP	Ind AS adjustments	Per Ind AS
ASSETS			
Non-current assets			
Property, plant and equipment	3,166.85	(2,519.47)	647.38
Capital work-in-progress	6,277.25	(6,277.25)	-
Investment property	-	8,796.70	8,796.70
Intangible assets	6.75	-	6.75
Financial assets			-
Investments	36,364.65	48,987.14	85,351.79
Loans	20,464.88	(4,527.95)	15,936.93
Other financial assets	2,456.22	-	2,456.22
Deferred tax assets (net)	2,539.78	27,440.43	29,980.21
Non-current tax assets (net)	8,097.76	-	8,097.76
Other non-current assets	8,781.49	(6,399.95)	2,381.54
Total non-current assets	**88,155.62**	**65,499.64**	**153,655.28**
Current assets			
Inventories	354,809.73	(6,875.90)	347,933.83
Financial assets			
Current investments	-	-	-
Trade receivables	112,486.72	(6,491.94)	105,994.76
Cash and cash equivalents	6,154.39	-	6,154.39
Other bank balances	3,967.29	422.64	4,389.94
Loans	10,773.35	(1,266.99)	9,506.36
Other financial assets	2,491.77	(1,192.64)	1,299.13
Other current assets	311,208.81	(4,414.25)	306,794.56
Total current assets	**801,892.06**	**(19,819.09)**	**782,072.97**
Total assets	**890,047.68**	**45,680.56**	**935,728.25**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5,568.82	-	5,568.82
Other equity	98,076.65	(34,922.48)	63,154.17
Total equity	**103,645.47**	**(34,922.48)**	**68,722.99**
Non-current liabilities			
Financial liabilities			
Borrowings	110,778.44	(3,711.20)	107,067.24
Other financial liabilities	3,360.64	(2,110.22)	1,250.42
Long-term provisions	1,413.84	(375.96)	1,037.87
Other non-current liabilities	-	924.56	924.56
Total non-current liabilities	**115,552.91**	**(5,272.82)**	**110,280.09**
Current liabilities			
Financial liabilities			
Borrowings	158,758.51	(1,275.41)	157,483.11
Trade payables	64,154.21	-	64,154.21
Other financial liabilities	62,244.38	(2,730.35)	59,514.03
Other current liabilities	367,390.77	29,228.60	396,619.37
Short term provisions	9,002.63	60,652.95	69,655.58
Current tax liabilities (net)	9,298.87	-	9,298.87
Total current liabilities	**670,849.37**	**85,875.80**	**756,725.17**
Total liabilities	**786,402.28**	**80,602.99**	**867,005.26**
Total equity and liabilities	**890,047.75**	**45,680.51**	**935,728.25**

JAC & COMPANY ★ DELHI ★ Chartered Accountants

For VATIKA LIMITED

Authorised Signatory

Vatika Limited
Notes to the financial statements for the year ended 31 March 2017

6 **Reconciliation of the income and expenses presented in the statement of profit and loss prepared as per Indian GAAP and as per Ind AS as at 31 March 2016 is as follows:**

Description	Per Previous GAAP	Ind AS reclassification	Ind AS adjustments	Per Ind AS
Income				
Revenue from operations	66,797.09	0.00	(3,729.62)	63,067.47
Other income	32,384.03	(25,793.85)	10,432.96	17,023.15
Total Income	99,181.12	(25,793.85)	6,703.34	80,090.62
Expenses				
Cost of sales	45,030.09	(2,523.50)	5,189.32	47,695.91
Employee benefits expense	1,633.00	-	3.59	1,636.59
Finance costs	47,305.35	-	(2,664.44)	44,640.91
Depreciation and amortisation expense	366.31	-	-	366.31
Other expenses	4,369.97	(23,270.35)	23,230.05	4,329.67
Total expenses	98,704.72	(25,793.85)	25,758.52	98,669.39
Loss before tax	476.40	0.00	(19,055.18)	(18,578.77)
Tax expense/(credit) :				
Current tax	544.69	(206.74)	-	337.95
MAT	-	206.74	-	206.74
Deferred tax	770.63	-	(3,628.04)	(2,857.41)
Net loss for the year	(838.92)	0.00	(15,427.14)	(16,266.05)
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Re-measurement gains (losses) on defined benefit plans	-	-	8.95	8.95
Income tax effect	-	-	(3.10)	(3.10)
Other comprehensive income/ (loss) for the year	-	-	5.85	5.85
Total comprehensive loss for the year	(838.92)	0.00	(15,421.28)	(16,260.20)

(This space has been intentionally left blank)

JAC & COMPANY ★ DELHI ★ Chartered Accountants

33

For VATIKA LIMITED
Authorised Signatory

Vatika Limited
Notes to the financial statements for the year ended 31 March 2017

Note – 1
Effective interest rates on borrowings
Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the statement of profit and loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Under previous GAAP, these transaction costs were charged to statement of profit and loss as and when incurred.

Note – 2
Measurement of financial assets and financial liabilities at amortised cost

Under Previous GAAP, all financial assets and financial liabilities were carried at cost.

Under Ind AS, certain financial assets and financial liabilities are subsequently measured at amortised cost which involves the application of effective interest method. In applying the effective interest method, an entity identifies fees that are an integral part of the effective interest rate of a financial instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability.
For certain financial liabilities, the fair value of the financial liability at the date of transition to Ind AS has been considered as the new amortised cost of that financial liability at the date of transition to Ind AS.

Note – 3
Reversal of rent equvalisation reserve

Under Previous GAAP, operating lease rentals were straight lined over the lease period. Under Ind AS, if the payments by the lessee are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost, lease reserve should not be booked. Consequent to this change, the amount of retained earnings has been decreased. Also under Ind AS , Rent free period is starightlined over the lease term as the same is considered as incentive.

Note – 4
Measurement of investments at fair value through profit or loss (FVTPL)
Under previous GAAP, investments in long-term equity instrument were carried at cost and tested for other than temporary diminution. Under Ind AS, such investments are carried at fair value through profit or loss (FVTPL) (except for investment in subsidiaries and joint venture).

Note – 5
Impact on account of change in measurement of revenue from real estate development (net of cost)
Under Ind AS, revenue is measured at "Fair value of consideration received or receivable", in accordance with Guidance Note on Accounting for Real Estate transactions (for entities to whom Ind AS is applicable and has retrospective implication). The new accounting policies require the management to make certain judgments and estimates based on facts and circumstances of each project alongwith an analysis of past information related thereto.

Note – 6
Adjustment for discounting of long term provisions
Under the previous GAAP, provisions were recorded at their carrying value. Under Ind AS, the amount of a provision shall be the present value of the expenditures expected to be required to settle the obligation. Difference on day one between carrying value and present value is recognised as charge to the statement of profit and loss.

Note – 7
Deferred tax on above adjustments
Under Previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also led to recognition of deferred taxes on new temporary differences.

Note – 8
Other comprehensive income
Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans The concept of other comprehensive income did not exist under previous GAAP.

JAC & COMPANY
DELHI
Chartered Accountants

For VATIKA LIMITED

Authorised Signatory