vatika
creating lasting value

Registered Office
Vatika Limited
Vatika Triangle, 4th Floor
Sushant Lok, Phase I, Block A
Mehrauli – Gurgaon Road
Gurgaon 122002, Haryana
INDIA

T 91.124.4177777
F 91.124.4177700
E info@vatikagroup.com

www.vatikagroup.com

DIRECTORS' REPORT

Dear Members,

The Board of Directors is pleased to present the Nineteenth Annual Report along with Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2017.

Financial Performance

The Standalone Financial Performance of the Company for the financial year 2016-17 is summarized as under:

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	For the year ended 31.03.2017	For the year ended 31.03.2016	For the year ended 31.03.2017	For the year ended 31.03.2016
Total Income	114742.96	80,090.62	163801.25	155151.81
Less: Total Expenses	114221.10	99,089.39	161639.18	145923.74
Profit / (Loss) before tax Less: Provision for Tax:				
1. Current Tax	0	337.05	377.08	667.72
2. MAT Credit Entitlement	0	206.74	(171.86)	112.90
3. Income tax earlier years	(7141.96)	0	(7190.42)	0
4. Deferred Tax	6068.79	(2857.41)	6439.42	2356.26
Other Comprehensive Income	(8.87)	5.65	455.35	(375.97)
Total Comprehensive Income/(Loss) for the year	**686.16**	**(16260.20)**	**3040.96**	**4686.40**

Business Overview

Real Estate Sector, a key economic sector in terms of its direct GDP contribution and a key employment generator in terms of its forward and backward linkages with over 250 industries, is cyclical in nature and is primarily driven by consumer sentiments, monetary policy and overall economic outlook. After clear majority at center and government inclination to increase investment in real estate, this sector has potential to drive the demand in 2017-18.

Your Company posted a consolidated total income of Rs 114,742.96 lakhs and consolidated profit after tax of Rs 686.16 lakhs during the year ended March 31, 2017.

Despite the current uncertainties and challenges in the Real Estate environment, the Company is continuously maintaining its focus on project execution & delivery by optimal utilization of available resources, surplus asset sales, targeting mid segment housing markets to ensure sustained order book growth, continuing focus on enhancing the quality of service delivery to its customers and cost management across various functions. We believe our focused approach and large asset base will help us sustain and overcome the overall economic uncertainty in F.Y 2016-17/2017-18 and for future years to come.

DIVIDEND

During the year under review, no dividend was recommended by the Board of Directors of Vatika Limited for F.Y 2016-17.

SHARE CAPITAL

The paid up equity share capital of Vatika Limited as at March 31, 2017 stood at Rs 5,56,682,090.

Subsidiaries, Joint Ventures and Associate Companies

Pursuant to first proviso to Section 129(3) of the Companies Act, 2013 ("the Act"), a statement, containing salient features of financial statements of Company's subsidiaries, joint ventures and associates (in Form AOC-1), is attached to the financial statements as Annexure I. The said statement describes the performance and financial position of each of Company's subsidiaries, joint ventures and associates.

The Company had 40 subsidiaries as on March 31, 2017 as set out below:

1. *Vatika Hotels Private Limited
2. *SH Tech Park Developers Private Limited
3. *Vatika Jaipur SEZ Developers Limited
4. *Aspire Promoters Private Limited
5. *Famous Dwellers Private Limited
6. *Vaiterna Promoters and Developers Private Limited
7. *Vatika IT Parks Private Limited
8. *Gates Developers Private Limited
9. #Trishul Propbuild Limited
10. *Vatika Overseas Limited
11. **Blossom Properties Private Limited
12. **Crazy Properties Private Limited
13. **Pegasus Infrastructure Private Limited
14. **Sahar Land and Housing Private Limited
15. **Espo Developers Private Limited
16. **Mendell Developers Private Limited
17. **Caspar Developers Private Limited
18. **Fermina Developers Private Limited
19. **Winston Developers Private Limited
20. **Avenio Developers Private Limited
21. **Brock Developers Private Limited
22. **Stedman Developers Private Limited
23. **Vatika One India Next Private Limited
24. **Sanskar Buildtech Private Limited
25. **Nakshatra Buildcon Private Limited
26. **Vatika Infratech Private Limited
27. **Magnet Developers Private Limited
28. **Vatika Infracon Private Limited
29. **Payton Developers Private Limited
30. **Vatika One on One Private Limited
31. **Minorca Developers Private Limited
32. **Gelina Developers Private Limited
33. **Melis Developers Private Limited
34. **Pedro Developers Private Limited
35. **Clara Developers Private Limited
36. **Aster Promoters & Developers Private Limited
37. **Eberta Developers Private Limited
38. **Antonius Developers Private Limited
39. **Pandora Builders Private Limited
40. **VLM Projects Private Limited

* Wholly owned subsidiaries
** Wholly owned subsidiaries through group companies.

The Company is in the process of voluntary winding up.

During the year, the Board reviewed the affairs of its subsidiaries. In accordance with Section 129(3) of Companies Act, 2013, the consolidated financial statements of the company have been prepared.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Accounting Standard (AS) 21 on Consolidated Financial Statement, the Audited Consolidated Financial Statement for the year ended March 31, 2017 is provided in the

Annual Report, which includes the assets, liabilities, income, expenses and other details of the Company and its subsidiary.

Pursuant to Section 129 of the Companies Act, 2013 (the Act) read with Rule 5 of the Companies (Account) Rules, 2014, a statement containing salient features of the financial statements of subsidiary in Form AOC -1 is attached as Annexure-I to Consolidated Financial Statement forming part of this Annual Report.

FIXED DEPOSITS

During the year under review, your Company (Vatika Limited) has not accepted any deposits under Chapter V of the Act.

Further, the Company had launched a fixed deposit scheme on 10th February, 2015 under the provisions of Companies Act, 2013, details as under:

a) Accepted during the year – NIL
b) Remained unpaid or unclaimed as at the end of the year- 3.96 Cr.
c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year-NIL

The details pertaining to the Fixed Deposits are as below:

a) Accepted during the year – NIL
b) Remained unpaid or unclaimed as at the end of the year- Nil
c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year-Nil

LOANS, GUARANTEES AND INVESTMENT

All the investments made by the Company (Vatika Limited) were in accordance with the provisions of Section 186 of the Act and the rules made thereunder. The Board of Directors of the Company has duly constituted an Borrowing and Investment Committee that after proper evaluation and assessment of all the proposed investment proposals as per specified parameters, provides its recommendation to the Board. The details of all current and non-current investments of the Company are duly disclosed in the Notes to Standalone Financial Statements.

Amounts Transferred to Reserves

The company has made adjustments to Reserves & Surplus account during the year and accordingly Rs 54246.31 lakhs has been posted as Reserves & Surplus for the year.

Debentures

During the F.Y. 2016-17, Vatika Limited issued and allotted 17750 Secured, Unlisted, Unrated, Fully redeemable, Non Convertible Zero Coupon Debentures of face value of Rs. 10,00,000/- each issued at a discount of Rs 127153.90/- per debenture, aggregating issue value of Rs. 15,500,001,043/- and 3000 Secured, Unlisted, Unrated, Fully redeemable, Non Convertible Debentures of face value of Rs. 10,00,000/- each issued at par.

Details of Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Act and the rules made there under, Mr. Gaurav Bhalla, Director (DIN:00005080), retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Directors recommend re-appointment of Mr Gaurav Bhalla at the ensuing Annual General Meeting.

During the year under review, Mr. Vineet Taing resigned from the Directorship of the Company and Ms. Deepa Sibal was appointed as additional independent director.

As on date the Board of Vatika Limited comprises of Mr Anil Bhalla-Chairman of the Company, Mr Gautam Bhalla-Managing Director, Mr Gaurav Bhalla-Director, Ms Deepa Sibal-Women Director, Mr Raj Kumar Sahni-Chief Financial Officer and Mr Manu Raj Singh-Independent Director of the Company.

Declaration by Independent Directors

Independent Directors of the Company have declared to the Company (Vatika Limited) that they meet the criteria of independence as provided under Section 149(6) of the Act.

The Company has devised 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 keeping in view the code of conduct prescribed under Schedule IV of Companies Act, 2013.

Formal Annual Evaluation

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The Board and the nomination and remuneration committee reviewed the performance of individual directors on the basis of criteria such as the contribution of individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.

In a separate meeting of independent directors, performance of non-independent directors and the board was evaluated, taking into account the views of executive and non-executive directors.

Board Meetings

During the Financial Year 2016-17, Fourteen (14) meetings of the Board of Directors of Vatika Limited were held to transact the business of the Company. The time gap between the two consecutive Board Meetings did not exceed 120 days. The details of the Board Meetings are provided below:

S. No.	Date of Board Meeting
1	13.04.2016
2	18.05.2016
3	23.05.2016
4	18.08.2016
5	20.09.2016
6	03.10.2016
7	29.11.2016
8	08.12.2016
9	14.12.2016
10	21.12.2016
11	02.01.2017
12	01.02.2017
13	28.03.2017
14	30.03.2017

NOMINATION AND REMUNERATION POLICY

As per provisions of Section 178(3) of the Act, on the recommendation of the Nomination and Remuneration Committee, your Company has formulated a Nomination and Remuneration Policy. The policy is formulated for:

➢ setting criteria with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions of the Company;

➢ to determine remuneration, based on the Company's size, financial position, trends and practices on remuneration prevailing in the industry; and

➢ to carry out evaluation of the performance of Directors, Key Managerial and Senior Management Personnel and to attract, retain, motivate, and promote talent and to ensure long-term sustainability of talented Managerial Persons and create competitive advantage.

The Nomination and Remuneration Committee of Vatika Limited comprises of Mr. Gautam Bhalla, Ms. Deepa Sibal and Mr. Manu Raj Singh.

Total Five (5) meetings of Nomination and Remuneration Committee were held in Financial Year 2016-17.

BOARD EVALUATION

As per Section 178 of the Act, performance evaluation of the Individual Directors, Chairman, Board and Committees thereof is an annual exercise. Based on the criteria set by the Nomination and Remuneration Committee, performance of Independent Directors was evaluated by the Board of Directors. Independent Directors in their separate meeting evaluated the performance of non-independent Directors, including the Chairman, Board and Committees thereof. Evaluation results were discussed in the Board Meeting of Vatika Limited. The Board was satisfied with the evaluation results that reflected the overall engagement of the Directors individually, the Board and its Committees.

PARTICULARS OF DIRECTORS AND EMPLOYEES

Pursuant to Section 197(12) of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details/information related to the remuneration of employees are set out in Annexure-III to this Report.

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.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Act, the Directors confirm the following:

a. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

b. The Directors have 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 at the end of the financial year and of the profit and loss of the Company for that period;

c. The Directors have 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 have 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 were operating effectively, and

f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROL

The Company (Vatika Limited) has a robust system of internal financial control, commensurate with the size and complexity of its business operations. It ensures that all the business transactions are recorded in a fair and transparent manner. The Company has appointed M/s Felix Advisory Private Limited, Chartered Accountants firm as Internal Auditors that scrutinizes the financials and other operations of the Company. The Internal Auditors also checks if the applicable laws have been complied with or not. Internal Auditors directly report to the Audit Committee. Based on the findings of Internal Auditors, process owners undertake corrective actions in their respective areas. During the year and at the year-end, such controls were tested for adequacy and operating effectiveness and no reportable material weakness or significant deficiency was observed in the design or operations.

RISK MANAGEMENT

During the year, your Company (Vatika Limited) has formulated a Risk Management Policy to assist the Board in:

- Overseeing and approving the Company's enterprise wide risk management framework; and
- Overseeing that all the risks that the organization faces, such as strategic, financial, market, liquidity, security, property, IT, legal, regulatory, reputational, and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

The Company's management systems, organizational structure, processes, standards, code of conduct, and behavior together form a System that governs how the Company conducts its business and manage the associated risks.

Your Company carries out a periodical exercise to identify various risks involved in the business and operations of the Company. After identification, such risks are assessed for the degree of risks involved and steps are taken to mitigate those risks. The objective of such exercise is to mitigate the probable adverse impact on business operations and thus enhance the competitiveness. The risk assessment process of the Company defines the risk management approach at all levels across the organization, including determining the degree of risks and suitable steps to be taken to avoid the probable harm.

Particulars of Contracts or Arrangements with Related Parties

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2016-17 in the prescribed format, AOC 2 has been annexed as Annexure-2 with the report.

AUDIT COMMITTEE

Composition of the Audit Committee of the Company is in accordance with Section 177 of the Act, comprising Mr. Manu Raj Singh-Independent Director, Ms. Deepa Sibal-Independent Director and Mr Gautam Bhalla-Managing Director.

During F.Y. 2016-17 Five (5) meetings of the Committee of Vatika Limited were held.

The Board has accepted all the recommendations made by the Audit Committee.

VIGIL MECHANISM

The Company (Vatika Limited) has adopted a Vigil Mechanism Policy that has been communicated to all the Directors and employees of the Company through Vconnect portal. The Company is committed to have highest possible transparency in its operations. The objective of the Company's Policy is to allow employees an avenue to raise concerns, in line with Vatika's commitments to the highest possible standards of ethical, moral, and legal business conduct and its commitment to open communications. Employees can, on a confidential basis, report such matters to ombudsman which may lead to incorrect financial reporting, or of serious nature, unlawful, not in line with the Code of Conduct of the Company, or amounts to improper conduct. The Policy provides complete confidentiality and safeguard of the employees who raises the issue against any improper conduct.

ANNUAL RETURN

As per the requirements of Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in Form MGT-9 is attached to this Report as Annexure A.

Auditors and Auditors Report

Statutory Auditors

M/s Walker Chandiok & Co. LLP Chartered Accountants, New Delhi (Firm Regd No. 001076N) were appointed as statutory auditors of the Company in the Seventeenth Annual General Meeting till the Twenty One Annual General Meeting of the Company subject to the ratification at general meeting by members. They resigned as statutory auditors of the Company during the year under review and the casual vacancy was filled up by M/s JAC & Company, Chartered Accountants who hold office upto the date of ensuing Annual General Meeting.

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

During the year under review, the Statutory Auditors have not reported any matter under Section 143(12) of the Act, and therefore no details are required to be disclosed under Section 134 (3)(ca) of the Act.

Cost Auditors

As per the applicable provisions, Gurvinder Chopra & Co. Cost Accountants had been appointed as the Cost Auditors of the Company for the FY 2016-17.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 M/s. Gurvinder Chopra & Co. Cost Accountants (firm registration no. 100260), have been re-appointed as Cost Auditors of the Company (Vatika Limited) for FY 2017-18 subject to ratification at the ensuing annual general meeting.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Abhishek Gupta & Associates, Company Secretaries in practice to undertake the Secretarial Audit of the Company for F.Y. 2016-17. The Report of the Secretarial Audit in MR-3 is annexed herewith as Annexure B.

The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks.

Corporate Social Responsibility (CSR) Committee

The CSR Committee comprises of Mr. Anil Bhalla, Mr. Gautam Bhalla and Ms. Deepa Sibal.

Since the Company has incurred average losses considering the last 3 years, no contribution was made towards CSR during the financial year. A brief outline of the CSR Policy of the Company, the CSR initiatives undertaken during the financial year with the progress thereon and the Annual Report on CSR activities as required by the Companies (Corporate Social Responsibility Policy) Rules, 2014, are set out in Annexure C to this Report.

Borrowing and Investment Committee

The Borrowing and Investment Committee comprises of Mr. Anil Bhalla and Mr. Gautam Bhalla as members. During the financial year 2016-17, Thirteen (13) Meetings of the Committee were held.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

A. **Conservation of energy:**

a) the Company is not engaged in any manufacturing activity and hence, no reporting on the conservation of energy is required;

b) further, the company has not made any additional investment and there are no existing proposals for reduction of energy consumption for reasons mentioned in point (a);

c) for reasons mentioned in point (a), impact of energy conservation measures cannot be ascertained;

d) disclosures on total energy consumption and energy consumption per unit of production cannot be made as company is not engaged in any manufacturing activity.

B. **Technology absorption:**

(a) the Company has not entered into any agreement for technology absorption. Hence, reporting on the same cannot be made.

C. **Foreign exchange earnings and outgo:**

a) during the period under review, there were no activities relating to exports,

b) The Foreign exchange earnings and outgo (FOB basis) of the Company is as follows:

(Figures in lakhs)

Particulars	Current Year (2016-2017)
Earnings	0
Outgo*	1226.74

*Expenditures in foreign exchange are on accrual basis.

SIGNIFICANT DEVELOPMENTS AFTER THE CLOSE OF THE FINANCIAL YEAR

Except the events disclosed elsewhere in the Annual Report, no significant change or development that could affect the Company's financial position has occurred between the end of the financial year and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY ANY REGULATORS OR COURT OR TRIBUNAL

There is no significant material order passed by any regulator or court that would impact the going concern status or future business operations of the Company.

APPRECIATION

Your Directors wish to place on record their sincere appreciation for the contributions made by the Company's employees at all level. The Board also thanks its members, customers, vendors, government banks and all other business associates for their continuous support.

For and on behalf of the Board of Directors of Vatika Limited

Date: 26.09.2017
Place: Gurgaon

Gaurav Bhalla
Director
DIN: 00005080
Address : Farm No 4, Hyde Park, Sultanpur, Mehrauli, New Delhi – 110030

Gautam Bhalla
Managing Director
DIN: 00005043
Address: Farm No 4, Hyde Park, Sultanpur, Mehrauli, New Delhi - 110030

INDEPENDENT AUDITOR'S REPORT

To the Members of **Vatika Limited**

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Vatika Limited** ('the Company'), which comprise the Balance sheet as at March 31, 2017, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

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

Auditor's Responsibility

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

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

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

JAC & COMPANY * DELHI * Chartered Accountants

Opinion

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

Other Matter

The comparative financial information of the Company as at and for the year ended March 31, 2016 and the transition date opening balance sheet as at April 01, 2015 included in these standalone Ind AS financial statements, are based on previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditors whose report for the year ended March 31, 2016 and March 31, 2015 dated September 29, 2016 and September 21, 2015 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

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 section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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 the Statement of Other Comprehensive Income, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rule, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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" to this report;

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

i. The Company has disclosed impact of pending litigations on its financial position in its standalone Ind AS financial statements- Refer Note 45;

ii. The Company did not have any long- term contracts including derivative contracts for

JAC & COMPANY DELHI Chartered Accountants

J A C & Company

Chartered Accountants

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

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

iv. The Company has provided requisite disclosures in Note 16 to these standalone Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For **J A C & Company**
Chartered Accountants
Firm registration number: 016001C

Sandeep Agarwal
Partner
Membership number: 508472

DELHI

Place Gurgaon
Date: 26th September, 2017

Annexure - A referred to paragraph 1 under heading "Report on other legal and regulatory requirements" of our report of even date

Re: Vatika Limited ("the Company")

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

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, the title deeds/ development rights of immoveable properties included in fixed assets/ property, plant and equipment are held in the name of the Company except the following:

Nature of Property, plant and equipment/ investment property	Whether leasehold/ freehold	Gross block as on March 31, 2017 (Rs. In lacs)	Net block as on March 31, 2017 (Rs. In lacs)	Remarks
Building	Freehold	509.26	228.75	Pertaining to First India Place
Building	Freehold	570.86	326.21	Pertaining to Vatika Towers and Atrium, property transferred consequent to amalgamation of companies into the Company in earlier years while title deeds still continue in erstwhile company's name

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory represented by development rights as at the year- end for which written confirmations have been obtained by the management. No material discrepancies were noted on the aforesaid verification.

(iii) The Company has granted both interest bearing and interest- free loans to companies covered in the register maintained under section 189 of the Companies Act, 2013; and with respect to the same:

(a) in our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest;

(b) in respect of interest bearing loans- the schedule of repayment of principal and payment of interest has been stipulated and are not currently due for repayment/ payment. Further, in respect of interest free loan- the schedule of repayment has been stipulated wherein the principal amounts are repayable on demand and as informed by the Company, since the repayment of such loans has not been demanded, in our opinion, repayment of the principal amount is regular;

(c) there is no overdue amount in respect of loans granted to such companies.

(iv) In our opinion and according to the information and explanation given to us, the Company

JKC & COMPANY DELHI Chartered Accountants has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

(v) In our opinion, the Company has complied with directives issued by Reserve Bank of India, the provisions of section 73 to 76 and other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regards to deposits accepted. According to the information and explanation given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, in this regard.

(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 Company's real estate projects, 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) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed dues including provident fund, employee state insurance, custom duty, value added tax, cess, service tax, income tax and other material statutory dues applicable have been regularly deposited with the appropriate authorities though there have been slight delays in few cases. There were no undisputed amounts payable in respect thereof, which were outstanding at the year- end for a period of more than six months from the date they became payable. The provisions related to excise duty are not applicable to the Company.

(b) According to the records of the Company, there are no disputed dues of wealth tax, custom duty, excise duty and cess as at March 31, 2017, which have not been deposited on account of any dispute. The following are the particulars of Income- tax, value added tax and service tax dues, which have not been deposited/ deposited under protest as at March 31, 2017 by the Company on account of dispute:

Name of statute	Nature of dues	Amount (Rs.in lacs)	Amount paid under protest (Rs.in lacs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income- tax	2.45	-	Assessment Year 1996-97	CIT (Appeals)
Income tax Act, 1961	Income- tax	262.25	290.41	Assessment Year 2003-04	CIT (Appeals)
Income tax Act, 1961	Income- tax	2,621.73	-	Block assessment May 2003	Honorable High Court at Delhi
Income tax Act, 1961	Income- tax	8.87	-	Assessment Year 2006-07	Income Tax Appellate Tribunal
Income tax Act, 1961	Income- tax	1,090.83	263.11	Assessment Year 2008-09	Income Tax Appellate Tribunal
Income tax Act, 1961	Penalty	95.07	108.38	Assessment Year 2008-09	Income Tax Appellate Tribunal
Income tax Act, 1961	Income- tax	7,681.28	213.54	Assessment Year 2009-10	Income Tax Appellate Tribunal

DELHI
Chartered Accountants

Name of statute	Nature of dues	Amount (Rs.in lacs)	Amount paid under protest (Rs.in lacs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income- tax	51.97	-	Assessment Year 2007-08	CIT (Appeals)
The Finance Act, 1994 and Service Tax Rules	Service tax	347.67	7.60	Financial Year 2003-04 to 2011-12	Customs Excise and Service Tax Appellate Tribunal, Delhi

(viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or a bank or any dues to debenture-holders during the year. The Company has no loans or borrowings payable to the government.

(ix) The Company did not raise monies by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purpose for which they were obtained.

(x) Based on audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) The managerial remuneration has been provided and paid by the Company (being an unlisted public company) in accordance with the requisite approvals and fulfilment of conditions as mandated by the provisions of Rule 7(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Accordingly, limits specified under the provisions of Section 197 of the Act read with Schedule V to the Act are not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company and hence, not commented upon.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable Ind AS.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act.

J A C & Company
Chartered Accountants

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For J A C & Company
Chartered Accountants
Firm registration number: 016001C

Sandeep Agarwal
Partner
Membership number: 508472

J A C & COMPANY
DELHI
Chartered Accountants

Place: Gurgaon
Date: 26th September, 2017

Annexure - B referred to in paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date on the Standalone Ind AS financial statements of Vatika Limited.

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

DELHI

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **J A C & Company**
Chartered Accountants
Firm registration number: 016001C

Sandeep Agarwal
Partner
Membership number: 508472

DELHI

Place: Gurgaon
Date: 26th September, 2017

Vatika Limited
Balance Sheet as at 31 March 2017

	Notes	31 March 2017 (₹ in lakhs)	31 March 2016 (₹ in lakhs)	01 April 2015 (₹ in lakhs)
ASSETS				
Non-current assets				
Property, plant and equipment	4	542.29	647.38	869.23
Investment property	5	558.29	8,796.70	5,350.78
Intangible assets	6	3.68	6.75	12.90
Financial assets				
Investments	7	89,933.73	85,351.79	114,480.38
Loans	8	10,341.40	15,936.93	11,864.84
Other financial assets	9	2,144.08	2,456.22	4,434.52
Deferred tax assets (net)	10	23,016.10	29,980.21	27,332.63
Non-current tax assets (net)	11	10,331.81	8,097.76	6,101.74
Other non-current assets	12	636.21	2,383.54	2,179.25
Total non-current assets		**137,725.53**	**153,656.28**	**172,636.27**
Current assets				
Inventories	13	345,014.47	347,935.83	312,236.41
Financial assets				
Trade receivables	15	119,393.78	105,994.76	137,801.42
Cash and cash equivalents	16	3,754.32	6,154.39	12,554.57
Other bank balances	17	4,581.49	4,380.94	2,996.49
Loans	18	9,979.06	9,506.36	1,915.92
Other financial assets	19	7,056.61	1,299.13	929.39
Other current assets	20	387,643.12	306,794.56	211,842.59
Total current assets		**870,422.85**	**782,072.97**	**680,334.79**
Assets held for sale	14	-	-	7,701.86
Total assets		**1,008,148.38**	**935,729.25**	**860,662.92**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	21	5,568.82	5,568.82	5,568.82
Other equity	22	63,840.31	63,154.17	79,414.39
Total equity		**69,409.13**	**68,722.99**	**84,983.21**
Non-current liabilities				
Financial liabilities				
Borrowings	23	228,489.55	107,067.24	157,250.93
Other financial liabilities	24	1,512.89	1,250.42	1,402.54
Long-term provisions	25	840.97	1,057.87	451.40
Other non-current liabilities	26	1,013.40	924.56	797.08
Total non-current liabilities		**231,856.81**	**110,300.09**	**159,901.75**
Current liabilities				
Financial liabilities				
Borrowings	27	135,394.87	137,403.13	159,443.14
Trade payables	28	76,722.80	64,154.21	71,922.55
Other financial liabilities	29	40,104.47	59,514.03	78,420.86
Other current liabilities	30	422,398.43	396,619.37	215,479.20
Short-term provisions	31	29,825.97	69,655.58	76,801.21
Current tax liabilities (net)	32	2,356.90	9,396.07	8,731.06
Total current liabilities		**706,880.44**	**756,725.27**	**615,797.96**
Total liabilities		**938,739.25**	**867,085.26**	**775,679.71**
Total equity and liabilities		**1,008,148.38**	**935,729.26**	**860,662.92**

Summary of significant accounting policies 3

The accompanying notes are integral part of the financial statements.

This is the balance sheet referred to in our report of even date.

For JAC & Company
Chartered Accountants
Firm Registration No.: 016006C

Sandeep Agrawal
Partner
Membership No. 508472

Place: Gurgaon
Date: 26 September 2017

For and on behalf of the Board of Directors

Gautam Bhalla
Managing Director
DIN: 00005043

Gaurav Bhalla
Director
DIN: 00005060

Raj Kumar Sahni
Chief Financial Officer

DELHI
JAC & COMPANY

Vatika Limited
Statement of Profit and Loss for the year ended 31 March 2017

	Notes	31 March 2017 (₹ in lakhs)	31 March 2016 (₹ in lakhs)
Income			
Revenue from operations	33	66,769.34	63,067.47
Other income	34	47,973.62	17,023.15
Total revenue		114,742.96	80,090.62
Expenses			
Cost of sales	35	78,710.51	47,695.91
Employee benefits expense	36	2,556.98	1,636.59
Finance costs	37	28,577.61	44,640.91
Depreciation and amortisation expense	38	284.65	366.31
Other expenses	39	4,091.35	4,329.67
Total expenses		114,221.10	98,669.39
Profit/ (Loss) before tax		521.86	(18,578.77)
Tax expense:	40		
- Current tax expense		-	337.95
- MAT credit (entitlement)/ utilised		-	206.74
- Adjustment of tax related to earlier years		(7,141.96)	-
- Deferred tax expense/ (credit)		6,968.79	(2,857.41)
Net Profit /(loss) for the year		695.03	(16,266.05)
Other comprehensive income	41		
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(13.56)	8.95
Income tax effect		4.69	(3.10)
Other comprehensive income/ (loss) for the year		(8.87)	5.85
Total comprehensive income/ (loss) for the year		686.16	(16,260.20)
Earning per equity share:	42		
Basic (₹)		-	(29.21)
Diluted (₹)		-	(29.21)

Summary of significant accounting policies 3

The accompanying notes are integral part of the financial statements.

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

For JAC & Company
Chartered Accountants
Firm Registration No: 016001C

Sandeep Agarwal
Partner
Membership No: 508472

Place: Gurgaon
Date: 26 September 2017

For and on behalf of the Board of Directors

Gautam Bhalla
Managing Director
DIN: 00005043

Gaurav Bhalla
Director
DIN: 00005060

Raj Kumar Sahni
Chief Financial Officer

JAC & COMPANY
DELHI
Chartered Accountants

Vatika Limited
Cash Flow Statement for the year ended 31 March 2017

	31 March 2017 (₹ in lakhs)	31 March 2016 (₹ in lakhs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before tax	421.86	(34,578.71)
Adjustments for:		
Depreciation expense		
Amortisation expense	279.58	368.21
Loss on disposal of property, plant and equipment (net)	3.07	6.15
Provision for diminution of non-current investments		0.05
Advances written off	15.24	3.47
Provision for doubtful debts	73.82	0.86
[illegible]	140.89	208.92
Finance costs	34.55	140.61
Remeasurement gains/ (loss) on employee benefit obligations	28,575.61	40,640.72
Amount written back	(13.36)	8.25
Interest income	(21.57)	(388.70)
Profit on redemption of debentures	(1,842.86)	(7,640.89)
Provision for expected credit loss written back		(1,814.18)
Gain on fair valuation of investments	(30,195.56)	(6,234.17)
	(1,466.29)	(2,053.65)
Operating profit/ (loss) before working capital changes	(28,865.36)	8,321.32
Movements in working capital		
Decrease/ (Increase) in loans and advances		
Decrease/ (Increase) in inventories	(1,831.05)	(1,301.60)
Decrease/ (Increase) in other financial assets	5,220.14	(15,602.47)
Decrease/ (Increase) in other assets	(3,443.54)	1,608.36
Decrease/ (Increase) in trade and other receivables	(74,094.46)	(92,243.83)
Increase/ (Decrease) in other financial liabilities	(5,361.77)	31,577.60
Increase/ (Decrease) in other liabilities	(12,307.18)	(17,593.56)
Increase/ (Decrease) in trade and other payables	25,840.94	13,994.63
Increase/ (Decrease) in provisions	15,610.54	(2,350.84)
Cash used in operating activities post working capital changes	(41,329.50)	(8,539.15)
Income tax paid (net)	(49,496.74)	(99,124.63)
	2,179.55	1,717.50
Net cash used in operating activities (A)	(72,326.89)	(100,153.63)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment and capital work in progress	-	(3,046.23)
Net Loans (given)/ received back during the year	8,321.10	(8,815.18)
Investment in subsidiaries	(3,211.87)	-
Proceeds from sale of investments		47,705.80
Net cash flow from investing activities (B)	5,288.35	35,864.35
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds/ (repayment) of long-term borrowings (net)	112,116.73	115,324.05
Proceeds/ (repayment) of short-term borrowings (net)	(22,394.02)	(2,687.23)
Interest paid	(21,910.88)	(46,659.37)
Net cash flow from financing activities (C)	67,702.79	65,977.45
Increase in cash and cash equivalents (A+B+C)	(4,409.07)	(8,379.95)
Cash and cash equivalents at the beginning of the year	9,154.39	17,534.37
Cash and cash equivalents at the end of the year	4,745.32	9,154.39

For [illegible] & Company
Chartered Accountants
Firm Registration No. [illegible]

[illegible]
Partner
Membership No. [illegible]

Place: Gurgaon
Date: 20 September 2017

For and on behalf of the Board of Directors

Gautam Bhalla
Managing Director
DIN: [illegible]

Gaurav Bhalla
Director
DIN: [illegible]

Raj Kumar Sethi
Chief Financial Officer

Vatika Limited

Statement of changes in equity for the year ended 31 March 2017

A Equity share capital

(₹ in lakhs)

Particulars	Balance as at 01 April 2015	Issue of equity share capital during the year	Balance as at 31 March 2016
Equity Share Capital	3,568.82	-	3,568.82

(₹ in lakhs)

Particulars	Balance as at 01 April 2016	Issue of equity share capital during the year	Balance as at 31 March 2017
Equity Share Capital	3,568.82	-	3,568.82

B Other equity

(₹ in lakhs)

	Reserves and surplus				
	Securities Premium Reserve	General reserve	Debenture redemption reserve	Retained Earnings	Total
Balance as at 01 April 2015	59,189.31	20,225.00	-	-	79,414.39
Profit/ (Loss) for the year	-	-	-	(16,266.07)	(16,266.07)
Other comprehensive Income for the period, net of tax	-	-	-	5.85	5.85
Total comprehensive income for the year	-	-	-	(16,260.22)	63,154.17
Transfer to general reserve	-	-	-	-	-
Balance as at 31 March 2016	59,189.31	20,225.00	-	(16,260.22)	63,154.17
Profit/ (Loss) for the year		-	-	695.01	695.01
Other comprehensive Income/ (loss) for the period, net of tax	-	-		(8.87)	(8.87)
Total comprehensive income for the year	-	-	-	686.14	686.14
Transfer to retained earnings	-	(20,225.00)	-	20,225.00	-
Transfer to debenture redemption reserve	-	-	4,651.00	(4,651.00)	-
Balance as at 31 March 2017	59,189.31	-	4,651.00	-	63,840.31

For JAC & Company
Chartered Accountants
Firm Registration No: 016001C

Sandeep Aggarwal
Partner
Membership No: 500472

Place: Gurgaon
Date: 26 September 2017

For and on behalf of the Board of Directors

Gautam Bhalla
Managing Director
DIN: 00005043

Gaurav Bhalla
Director
DIN: 00005060

Raj Kumar Sahni
Chief Financial Officer

1. (a) **Corporate information**

Vatika Limited ("the Company") is primarily engaged in the business of promotion, construction, development, sale and maintenance of real estate properties in India. The Company is domiciled in India and its registered office is situated at 4th Floor, Vatika Triangle, Sushant Lok, Phase-I, Block A, Mehrauli-Gurgaon Road, Gurgaon 122002.

(b) **General information and statement of compliance with Ind AS**

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

For all periods up to and including the year ended 31 March 2016, the Company had prepared its financial statements in accordance with accounting standards notified under section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These financial statements for the year ended 31 March 2017 are the first financial statements which the Company has prepared in accordance with Ind AS (see note 54 for explanation for transition to Ind AS). For the purpose of comparatives, financial statements for the year ended 31 March 2016 and opening balance sheet as at 1 April 2015 are also prepared as per Ind AS.

The financial statements for the year ended 31 March 2017 were authorized and approved for issue by the Board of Directors on September 26, 2017.

2. **Recent accounting pronouncements**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' The amendments are applicable to the Company from 1 April 2017.

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

Amendment to Ind AS 102

The amendment to Ind AS 102 has no impact on the Company as the Company currently does not have any share based payments plan.

3. **Summary of significant accounting policies**

a) **Overall consideration**

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS as summarised in note no 54.

Basis of preparation

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

b) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

c) Revenue recognition

Revenue is recognised when the substantial risks and rewards related to ownership are transferred in favour of the customers.

i. Revenue from sale of constructed properties and developed plots

Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of revenue transaction as set out below:

Revenue from real estate projects

Revenues from constructed properties under development and developed plots is recognized in accordance with the "Guidance Note Accounting for Real Estate Transactions" (the "Guidance Note"). As per this Guidance Note, the revenue have been recognized on percentage of completion method and on the percentage of actual project costs incurred thereon to total estimated project cost, provided all of the following conditions are met at the reporting date.

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

The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

Revenue from sale of land, completed property and development right

Revenue from sale of land, completed property and development right is recognised in the financial year in which the agreement to sell is executed and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale.

Amounts earned on account of transfer of projects

Amounts earned on account of transfer of projects are recognized in the financial year in which the underlying agreements are executed, and no significant uncertainty exists regarding the amount of consideration that will be derived from the transfer.

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Income from transfer charges

Income from registration fees received from customers on transfer of ownership of property during the construction period is accounted on accrual basis as and when due.

*ii. **Interest income***

a) Interest due on delayed payments by customers is accounted for on receipts basis due to uncertainty of recovery of the same.
b) Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

*iii. **Income from services***

Property maintenance charges
Revenue of property and other maintenance contracts is recognised on a pro-rata basis over the period of the contract as and when services are rendered.

Service income
Revenue of other services is recognised on accrual basis in accordance with the terms of service agreements.

Forfeiture income
Income from forfeiture of properties under agreement to sell is accounted for on accrual basis except in cases where ultimate collection is considered doubtful.

Unbilled revenue
Unbilled receivables disclosed under "Trade receivable" represents revenue recognised based on percentage of completion method (as per accounting policy no. (c), i above), over and above the amount due as per the payment plans agreed with the customers.

*iv. **Income from compulsory acquisition by Government***
Revenue from land compulsorily acquired by the Government is booked if there is certainty of collection of income.

*v. **Rental income***
Rental income from property is recognised as per terms of the lease agreement.

d) **Cost of Sales**

a. Cost of constructed properties and developed plots includes cost of land (including development rights), estimated internal development costs, external development charges, other related government charges, borrowing costs, overheads construction costs and development/ construction materials, which is charged to the Statement of Profit and Loss proportionate to the revenue recognised as per accounting policy no. (i) above, in consonance with the concept of matching cost to revenue. Final adjustment is made on completion of the applicable project.

b. Cost of land, completed property and development right is charged to Statement of Profit and Loss proportionate to the revenue recognised as per accounting policy no. (i) ii above, in consonance with the concept of marching cost to revenue. Common infrastructure costs are allocated based on the area of the underlying land

JAC & COMPANY
DELHI
Chartered Accountants

e) Borrowing costs

Borrowing costs that are attributable to the acquisition and/or construction of qualifying assets are capitalized as part of the cost of such assets, in accordance with notified Accounting Standard 16 "Borrowing Costs". A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

Upfront fees/interest and processing charges paid on borrowings are amortized and charged off to Statement of Profit and Loss, over the tenure of the loan.

f) Property, plant and equipment

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

Subsequent measurement (depreciation and useful lives)
Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset category	Estimated useful life (in years)
Buildings	60
Office equipments	3- 5
Computers	3- 6
Furniture and fixtures	10
Vehicles	3- 10
Plant and equipment	3- 15

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

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

g) Investment properties

Recognition and initial measurement
Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

DELHI

93

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)
Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset category	Estimated useful life (in years)
Buildings	60

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

De recognition
Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de recognition.

h) **Other intangible assets**

Recognition and initial measurement
Intangible assets (softwares including ERP, related licences and implementation cost of ERP) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation)
The cost of capitalized software is amortized over a period in the range of 3 years from the date of its acquisition.

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

i) **Foreign currency translation**

Functional and presentation currency
The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.

Transactions and balances
Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on such conversion and settlement at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

j) **Leases**

Leases in which the lessor does not transfer substantially all the risks and rewards of ownership of an asset to the lessee are classified as operating leases.

Company as a lessee
Finance leases which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets.

Lease payments are apportioned between the finance charges and reduction of the lease liability based on a rate of return implicit in the lease. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term basis except where scheduled increase in rent compensates the lessor for expected inflationary costs.

Company as a lessor
Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease rentals are apportioned between principal and interest on the IRR method. The principal amount received reduces the net investment in the lease and interest is recognised as revenue. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of profit and loss.

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Statement of profit and loss on a straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss

k) **Financial instruments**

Initial recognition and measurement
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets
Subsequent measurement

i. **Financial assets carried at amortised cost** – a financial asset is measured at the amortised cost if both the following conditions are met:

   - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
   - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. **Investments in equity instruments of subsidiaries**– Investments in equity instruments of subsidiaries are accounted for at cost in accordance with Ind AS 27 *Separate Financial Statements.*

iii. **Investments in other equity instruments** – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the company transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iv. **Investments in mutual funds** – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets
A financial asset is primarily de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement
Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities
A financial liability is de recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

l) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

DELHI
Accountants

Trade receivables
In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets
In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date

m) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

n) Inventories

Inventory comprises of land, completed properties for sale and project in progress are valued as under:

i. Completed property for sale is valued at lower of cost and net realisable value. In case of self constructed property cost includes cost of land (including development rights and land under agreement to purchase), license related costs (accrued on receipt of letter of intent for license from government authorities), construction cost, overheads, borrowing cost and development/construction materials.

ii. Projects in progress are valued at lower of cost (determined on weighted average cost method) and net realisable value. Cost includes cost of land (including development rights and land under agreement to purchase), license related costs, construction/development costs, overheads, borrowing cost and development/construction materials. However, cost in case of transferable development rights acquired by way of development/construction of built up area is the amount to be spent on development/construction of built up area.

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

o) Income taxes

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

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

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

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

Unused tax credit (Minimum alternate tax ('MAT') credit entitlement) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which such credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as unused tax credit. The Company reviews the same at each balance sheet date and writes down the carrying amount of unused tax credit to the extent it is not reasonably certain that the Company will pay normal income tax during the specified period.

p) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

q) Post-employment, long term and short- term employee benefits

Defined contribution plans

Provident Fund
The Company makes contributions to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952, which is a defined contribution plan. The Company's contributions paid/payable under the scheme is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plans

Gratuity
Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is determined by actuarial valuation as on the balance sheet date, using the projected unit credit method

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Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Others

Other long-term employee benefits (compensated absences)

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the Statement of profit and loss in the year in which such gains or losses are determined

Other short-term employee benefits

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee

r) **Provisions, contingent assets and contingent liabilities**

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

Contingent liability is disclosed for:

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

Contingent assets are not recognized. However, when inflow of economic benefits is probable, related asset is disclosed.

s) **Earnings per share**

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

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

JAGGI & COMPANY DELHI

93

t) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Classification of leases – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgement.

Significant estimates

Valuation of investment property – Investment property is stated at cost. However, as per Ind AS 40 there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date.

The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets and discount rates applicable to those assets. These estimates are based on local market conditions existing at the balance sheet date.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

DELHI

Revenue and inventories – The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which further require assessments and judgements to be made on change in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information.

Fair value measurements – The management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

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4. Property, plant and equipment

(₹ in lakhs)

Description	Buildings	Leasehold improvements	Plant and equipment	Furniture & fixtures	Vehicles	Office equipments	Computers	Total
Gross carrying value								
As at 01 April 2015*	246.28	122.48	319.47	157.97	719.25	90.03	350.62	2,006.10
Additions	-	-	4.27	-	20.35	2.96	0.65	28.23
Disposals	-	-	-	-	(22.53)	-	-	(22.53)
As at 31 March 2016	246.28	122.48	323.74	157.97	717.07	92.99	351.27	2,011.80
Additions	-	-	8.73	-	78.19	-	2.52	89.44
Disposals	-	-	-	-	(142.53)	-	-	(142.53)
As at 31 March 2017	246.28	122.48	332.47	157.97	652.73	92.99	353.79	1,958.71
Accumulated depreciation								
As at 01 April 2015*	112.91	82.46	172.11	73.86	371.79	69.30	254.44	1,136.87
Charge for the year	6.46	23.56	31.33	23.02	109.60	10.08	43.50	247.55
Adjustment for disposals	-	-	-	-	(20.20)	-	-	(20.20)
As at 31 March 2016	119.37	106.02	203.44	96.88	461.19	79.38	297.94	1,364.22
Charge for the year	6.15	10.31	25.48	16.23	89.19	4.71	20.35	172.42
Adjustment for disposals	-	-	-	-	(120.23)	-	-	(120.23)
As at 31 March 2017	125.52	116.33	228.92	113.11	430.15	84.09	318.29	1,416.41
Net block as at 01 April 2015*	133.37	40.02	147.36	84.11	347.46	20.73	96.18	869.23
Net block as at 31 March 2016	126.91	16.46	120.30	61.09	255.88	13.61	53.33	647.58
Net block as at 31 March 2017	120.76	6.15	103.55	44.86	222.58	8.90	35.50	542.29

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

(i) Contractual obligations
Refer note 44 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Capitalised borrowing cost
The borrowing costs capitalised during the year ended 31 March 2017 was Nil (31 March 2016: Nil).

(iii) Property, plant and equipment have been pledged as security for liabilities.

DELHI

Vatika Limited

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

8. Investment property (including under construction)

(₹ in lakhs)

Description	Gross block				Accumulated depreciation				Net block	Net block
	01 April 2015*	Additions	Disposals/ Adjustments	31 March 2016	01 April 2015*	Additions	Disposals/ Adjustments	31 March 2016	31 March 2016	01 April 2015*
Freehold land	293.88	-	-	293.88	-	-	-	-	293.88	293.88
Buildings	3,086.94	-	-	3,086.94	748.75	112.61	-	861.36	2,225.57	2,338.19
Capital work-in-progress	2,718.74	3,358.51	-	6,277.25	-	-	-	-	6,277.25	2,718.74
Total	6,099.56	3,358.51	-	9,658.07	748.75	112.61	-	861.36	8,796.70	5,350.81

(₹ in lakhs)

Description	Gross block				Accumulated depreciation				Net block	Net block
	01 April 2016	Additions	Disposals/ Adjustments	31 March 2017	01 April 2016	Additions	Disposals/ Adjustments	31 March 2017	31 March 2017	31 March 2016
Freehold land	293.88	-	(293.88)	-	-	-	-	-	-	293.88
Buildings	3,086.94	-	(1,999.07)	1,087.87	861.36	107.16	(438.88)	529.64	558.23	2,225.57
Capital work-in-progress	6,277.25	638.91	(6,916.16)	0.00	-	-	-	-	0.00	6,277.25
Total	9,658.07	638.91	(9,209.20)	1,087.87	861.36	107.16	(438.88)	529.64	558.23	8,796.70

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets

(i) There is no rental income, direct operating expense that generated and did not generate rental income recognised in profit and loss for these investment properties

(ii) Fair value of investment properties

(₹ in lakhs)

Particulars	31 March 2017	31 March 2016	01 April 2015
Fair value	558.23	8,810.54	5,364.42

The Company values its investment property at expected and current transaction values for sale of assets.

(iii) Refer note 38 for recognition of depreciation on investment property.

(iv) Contractual obligations

Refer note 44 for disclosure of contractual commitments for the acquisition of investment property.

(v) Capitalised borrowing cost

The borrowing costs capitalised during the year ended 31 March 2017 was Nil lakhs (31 March 2016 ₹ 609.84 lakhs).

DELHI

Vatika Limited

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

6. Intangible assets

(₹ in lakhs)

	Computer software
Gross carrying value	
At 01 April 2015*	161.03
Additions	-
Disposals	-
Balance as at 31 March 2016	**161.03**
Additions	-
Disposals	-
Balance as at 31 March 2017	**161.03**
Accumulated amortisation	
At 01 April 2015*	148.13
Amortisation charge for the year	6.15
Balance as at 31 March 2016	**154.28**
Amortisation charge for the year	5.07
Balance as at 31 March 2017	**159.35**
Net book value as at 01 April 2015*	**12.90**
Net book value as at 31 March 2016	**6.75**
Net book value as at 31 March 2017	**1.68**

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

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

(₹ in lakhs)

7. Non-current investment

	Nature of investments	Face value (₹)	Number of shares 31 March 2017	Number of shares 31 March 2016	Number of shares 01 April 2015	Amount 31 March 2017	Amount 31 March 2016	Amount 01 April 2015
Trade investments								
i) Investment in equity instruments								
Investment in subsidiaries:								
Vatika Hotels Private Limited*	Equity (fully paid up)	10	443.58	443.58	473.58	53,229.70	53,229.70	20,829.74
Aspire Promoters Private Limited	Equity (fully paid up)	10	0.10	0.12	0.10	1.00	1.00	1.00
Vatika Dwellers Private Limited	Equity (fully paid up)	10	-	-	0.10		-	1.00
Famous Dwellers Private Limited	Equity (fully paid up)	10	0.10	0.10	0.10	1.00	1.00	1.00
Valorous Promoters and Developers Private Limited	Equity (fully paid up)	10	0.10	0.10	0.10	1.00	1.00	1.00
Vatika IT Parks Private Limited	Equity (fully paid up)	100	0.20	0.20	0.20	22.00	22.00	22.10
Vatika Jaipur SEZ Developers Limited	Equity (fully paid up)	10	0.50	0.50	0.50	5.00	5.00	5.00
Bindu Estates Private Limited	Equity (fully paid up)	100	-	-	0.01	-	-	34.38
SH Tech Park Developers Private Limited**	Equity (fully paid up)	10	0.72	0.72	1.32	2,079.83	2,079.83	3,895.48
Gaten Developers Private Limited	Equity (fully paid up)	10	0.10	0.10	0.10	1.00	1.00	1.00
Vatika Overseas Limited****	Equity (fully paid up)	100	0.994	0.998	9,999	1,832.02	3,556.93	3,236.57
Tastwal Propbuild Limited	Equity (fully paid up)	10	1,070.40	1,070.40	1,070.40	19,704.09	10,704.00	19,704.09
Investment in Joint Ventures								
Vatika Sovereign Park Private Limited	Equity (fully paid up)	10	0.58	8.02	-	1,373.55	209.67	-
Vatika Seven Elements Private Limited	Equity (fully paid up)	10	4.19	-	-	3,179.45	-	-
Investment in Others:								
Lincoln Developers Private Limited	Equity (fully paid up)	10	3.63	3.63	-	34.58	34.58	-
Haryana Financial Corporation Limited	Equity (fully paid up)	10	-	-	0.07	-	-	2.15
ii) Investment in debentures/bonds								
Investment in subsidiaries:								
SH Tech Park Developers Private Limited***	Compulsory Convertible Debentures	1		-	1,574.61	-	-	3,255.36
Investments in Joint Ventures:								
Vatika Seven Elements Private Limited	Optionally Convertible Debentures	10	747.82	329.74	329.74	12,430.72	11,527.92	9,506.42
Vatika Sovereign Park Private Limited	Optionally Convertible Debentures	10	365.35	294.84	294.84	3,058.84	3,492.74	3,058.56
Non-trade investments (valued at cost unless stated otherwise)								
National Savings Certificate	Equity (fully paid up)					-	-	0.54
						95,935.73	85,998.79	134,488.38
Aggregate amount of unquoted investments								

*All the investment in equity shares of subsidiaries and joint ventures are stated at cost as per Ind AS 27 'Separate Financial Statements' except investments in Vatika Hotels Private Limited whose fair value as at 1 April 2015 has been considered as deemed cost.

* During the year ended 31 March 2016, the Company sold 23,000,000 equity shares of Vatika Hotels Private Limited for a consideration of ₹ 120 per share amounting to ₹ 27,600.00 lakhs at a loss of ₹ 2,520.41 lakhs.

**During the year ended 31 March 2016, the Company sold 60,000 equity shares of SH Tech Park Developers Private Limited for a consideration of ₹ 6,300 per share amounting to ₹ 3,780.00 lakhs at a profit of ₹ 2,054.15 lakhs.

*** During the year ended 31 March 2016, the Company converted it's investment in 157,461,000 compulsory convertible debentures of SH Tech Park Developers Private Limited into optionally convertible debentures. Subsequently, these optionally convertible debentures were redeemed at a price of ₹ 2.52 per debenture amounting to ₹ 5,173.48 lakhs at a profit of ₹ 1,520.84 lakhs.

The Board of Directors of Tastwal Propbuild Limited in its meeting held on 20 November 2014 approved the Voluntary winding up of Tastwal Propbuild Limited. As the proposed winding up is in process on date of these financial statements and winding up order from the Hon'ble Court of Punjab and Haryana is awaited, therefore, no effect of winding up has been given in these financial statements.

**** The company had given interest free loan to Vatika Overseas Limited amounting to ₹ 329.78 lakhs (31 March 2016 : ₹ 8043.68 lakhs ; 01 April 2015 : ₹ 6505.88 lakhs). Since the fair value of such loans at inception was lower, the difference was accounted as deemed equity contribution and added to investment in equity shares aggregating to ₹ 1732.02 lakhs (31 March 2016 : ₹ 3856.93 lakhs ; 01 April 2015 : ₹ 3136.57 lakhs).

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8. Loans

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Unsecured, considered good			
Security deposits	1,835.32	1,560.79	3,994.15
Loans to related parties	8,506.08	11,376.14	4,170.69
Loan to others	-	-	3,100.00
	10,341.40	12,936.93	11,264.84

(a) No loans are due from director or other officers of the Company either severally or jointly with any other person. Further, no loans are due from firms or private companies respectively in which any director is partner, director or a member.

(b) Refer note 51 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 52 - Financial risk management for assessment of expected credit losses.

9. Other financial assets

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Bank deposits with more than 12 months maturity	-	-	18.13
Margin money deposits	2,344.08	2,456.22	8,416.39
	2,344.08	2,456.22	8,434.52

10. Deferred tax assets (net)

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Deferred tax liability arising on account of :			
Property, plant and equipment, investment property and intangible assets	95.58	107.06	113.19
Investments at fair value	10,221.09	9,760.78	14,680.30
Rent equalisation reserve	-	309.77	272.94
Others	91.80	130.11	64.50
Deferred tax asset arising on account of :			
Employee benefits	64.56	44.35	39.42
Effect of expenditure debited to statement of profit and loss account but allowed for tax purposes in subsequent years	3,798.04	616.12	1,935.67
Provision for doubtful advances	1,055.18	986.92	1,260.72
Carry forward business losses	20,872.19	811.66	
Financial assets at amortised cost	387.63	528.61	423.02
Financial liabilities at amortised cost	-	909.88	1,428.75
Change in measurement of revenue from real estate development (net of cost)/change in project accounting as per guidance note on real estate (under Ind AS)	7,059.16	36,122.60	36,979.54
MAT credit entitlement	187.79	187.79	394.53
	23,016.08	29,900.21	27,332.63

Movement in deferred tax assets (net)

(₹ in lakhs)

Particulars	01 April 2015	Recognised in other comprehensive income	Recognised in statement of profit and loss	31 March 2016
Assets				
Property, plant and equipment, investment property and intangible assets	(113.19)	-	6.13	(107.06)
Trade receivables	1,260.72	-	(273.80)	986.92
Minimum Alternative Tax	394.53	-	(206.74)	187.79
Financial assets at fair value	(14,680.30)	-	4,919.52	(9,760.78)
Financial assets at amortised cost	423.02	-	105.59	528.61
Change in measurement of revenue from real estate development (net of cost)/change in project accounting as per guidance note on real estate (under Ind AS)	36,979.54	-	(856.94)	36,122.60
Rent equalisation reserve	(272.94)	-	(36.83)	(309.77)
Others	1,935.67	-	(507.90)	1,427.77
Liabilities				
Financial liabilities at amortised cost	1,428.75	-	(518.87)	909.88
Provisions	(25.17)	(3.10)	(57.49)	(85.76)
Total	27,332.63	(3.10)	2,650.65	29,980.19

Movement in deferred tax assets (net)

(₹ in lakhs)

Particulars	31 March 2016	Recognised in other comprehensive income	Recognised statement of profit and loss	31 March 2017
Assets				
Property, plant and equipment, investment property and intangible assets	(107.06)	-	11.48	(95.58)
Trade receivables	986.92	-	68.26	1,055.18
Minimum Alternative Tax	187.79	-	-	187.79
Financial assets at fair value	(9,760.78)	-	(460.31)	(10,221.09)
Financial assets at amortised cost	528.61	-	(140.98)	387.63
Change in measurement of revenue from real estate development (net of cost)/change in project accounting as per guidance note on real estate (under Ind AS)	36,122.60	-	(29,063.44)	7,059.16
Rent equalisation reserve	(309.77)	-	309.77	-
Others	1,427.77	-	23,243.46	24,671.23
Liabilities				
Financial liabilities at amortised cost	909.88	-	(909.88)	-
Provisions	(85.76)	4.69	53.83	(27.23)
Total	29,980.19	4.69	(6,968.78)	23,016.08

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

11. Non-current tax assets (net)

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Non current tax assets [net of provisions]	10,551.81	8,097.76	6,101.74
	10,551.81	8,097.76	6,101.74

12. Other non-current assets

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Capital advances	11.70	70.84	6.50
Rent equalisation reserve	-	560.00	768.00
Prepaid expenses	634.51	1,550.70	1,402.35
	646.21	2,181.54	2,179.35

13. Inventories

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
(Valued at cost, unless otherwise stated)			
Projects in progress	320,810.08	332,776.24	296,725.38
Inventory of completed real estate projects	27,142.50	15,157.59	15,511.03
Loss recognised on NRV Basis	(2,936.11)	-	-
	345,016.47	347,933.83	312,236.41

(a) Includes inventories of ₹ 15130.90 lakhs (31 March 2016 : ₹ 15,130.90 lakhs ; 01 April 2015 : ₹ 17,923.60 lakhs) pending transfer of registration in the name of the Company.

14. Assets held for sale

(₹ in lakhs)

	Amount		
	31 March 2017	31 March 2016	01 April 2015
Trade investments			
Unquoted equity instruments (fully paid up)			
Investment in subsidiaries:			
0.46 lakhs (previous year Nil) equity shares of Vatika Sovereign Park Private Limited @ ₹ 10 each*	-	-	7,701.86
	-	-	7,701.86
Total current investments			7,701.86
Aggregate amount of unquoted investments			

*The Board of Directors of the Company, in their meeting held on December 01, 2014, resolved to temporarily hold investment upto 46,200 equity shares of face value of ₹ 10 each in Vatika Sovereign Park Private Limited, to be eventually sold to Famous Dwellers Private Limited. As further noted in Note 49(b), out of the total 46,200 equity shares the Company has subsequently transferred 44,400 equity shares to Famous Dwellers Private Limited.

15. Trade receivables

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Trade receivables			
- Unsecured, considered good	51,537.98	18,929.66	31,276.49
- Unsecured, considered doubtful	329.21	188.79	142.79
Unbilled receivables	67,855.80	87,065.10	106,604.93
	119,723.00	106,183.55	138,024.21
Less: Allowance for expected credit loss	329.21	188.79	142.79
	119,393.78	105,994.76	137,881.42

(i) Trade receivables have been pledged as security for liabilities.
(ii) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Further, no trade or other receivables are due from firms or private companies respectively in which any director is partner, director or a member.
(iii) The carrying values of trade receivables are considered to be a reasonable approximation of fair value.
(iv) Refer note 52 - Financial risk management for assessment of expected credit losses.

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

16. Cash and cash equivalents

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Balances with banks in current accounts	1,748.37	5,204.32	12,144.30
Cash on hand	5.95	159.96	72.01
	1,754.32	5,364.28	12,216.31
Fixed deposits with original maturity of less than three months	-	790.11	318.06
	1,754.32	6,154.39	12,534.37

(i) There are no repatriation restrictions with respect to cash and bank balances as at the end of the reporting year and comparative years.

(ii) Disclosure regarding Specified Bank Notes (SBN) as per MCA notification dated 30th March 2017 : (₹ in lakhs)

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08 November 2016	527.27	11.01	538.28
(+) Withdrawal from bank accounts	-	6.73	6.73
(+) Permitted receipts	-	0.40	0.40
(-) Permitted payments	-	7.18	7.18
(-) Amount deposited in Banks	527.27	-	527.27
Closing cash in hand as on 30 December 2016	-	10.96	10.96

17. Other bank balances

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Fixed deposits maturity for more than 3 months but less than 12 months	-	-	200.62
Margin money deposits	4,581.49	4,309.94	2,796.07
	4,581.49	4,309.94	2,996.69

(i) Margin money deposits have been pledged as security for bank guarantees issued in favor of various statutory authorities, financial institutions and public deposits maturing till 31 March 2016.
(ii) There are no repatriation restrictions with respect to cash and bank balances as at the end of the reporting year and comparative years.

18. Loans

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Unsecured, considered good			
Security deposits	3,765.18	3,214.94	1,205.21
Loans to employees	20.88	21.42	15.71
Loans to related parties	6,193.00	6,270.00	693.00
	9,979.06	9,506.36	1,913.92

The carrying values are considered to be a reasonable approximation of fair value.

19. Other financial assets

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Amount recoverable from investors	1,253.91	1,299.13	929.39
Amount recoverable on account of cancellation of land purchase agreement	2,792.70	-	-
Other amounts recoverable	3,010.00	-	-
Advance for land	2,399.93	2,399.93	2,399.93
Less: provision for expected credit loss	(2,399.93)	(2,399.93)	(2,399.93)
	7,056.61	1,299.13	929.39

The carrying values are considered to be a reasonable approximation of fair value.

20. Other current assets

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Advance for land	27,761.63	7,898.95	10,612.25
Advances to related parties	352,510.39	291,039.66	196,501.28
Advance license fees	830.89	740.47	825.77
Advance to suppliers	579.51	5,983.90	2,422.26
Balances with statutory authorities	1,015.77	996.11	2,104.37
Prepaid expenses	251.65	388.85	465.43
Stamp paper in hand	13.07	9.66	11.50
Less: provision for doubtful advances	(319.79)	(265.04)	(1,100.07)
	382,643.12	306,794.56	211,842.79

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(₹ in lakhs)

21. Equity share capital	31 March 2017	31 March 2016	01 April 2015
Authorised capital			
60,000,000 (31 March 2016 : 60,000,000 ; 01 April 2015 : 60,000,000) Equity shares of ₹ 10 each	6,000.00	6,000.00	6,000.00
5,000,000 (31 March 2016 : 5,000,000 ; 01 April 2015 : 5,000,000) Preference shares of ₹ 10 each	500.00	500.00	500.00
	6,500.00	6,500.00	6,500.00
Issued, subscribed capital and fully paid up			
55,688,209 (31 March 2016 : 55,688,209 ; 01 April 2015 : 55,688,209) equity shares of ₹ 10 each	5,568.82	5,568.82	5,568.82
	5,568.82	5,568.82	5,568.82

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	31 March 2017		31 March 2016	
	No. of shares	(₹ in lakhs)	No. of shares	(₹ in lakhs)
Equity shares at the beginning of the year	556.88	5,568.82	556.88	5,568.82
Issued during the year	-	-	-	-
Equity shares at the end of the year	556.88	5,568.82	556.88	5,568.82

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

c) Details of shareholders holding more than 5% shares in the Company

	As on 31 March 2017		As on 31 March 2016		As on 01 April 2015	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹ 10 each fully paid up						
Anil Bhalla	273.39	49.09%	273.39	49.09%	273.39	49.09%
Kanchan Bhalla	28.14	5.05%	28.14	5.05%	28.14	5.05%
[illegible] Projects Private Limited	60.30	10.83%	60.30	10.83%	60.30	10.83%
[illegible] Vatika Holdings Limited	-	-	-	-	54.60	9.80%
Ras Developers Private Limited	128.92	23.15%	128.92	23.15%	74.32	13.35%

d) Aggregate number of bonus shares issued, shares issued for consideration other than cash during the 5 years immediately preceding the reporting year

During the year ended 31 March 2015, the Company had issued 25,177,601 equity shares of ₹ 10 each as bonus issue out of the general reserve.

e) Shares reserved for issue under options

During the year ended 31 March 2015, [illegible] preference shares of ₹ 10 each were converted into [illegible] equity shares of ₹ 10 each fully paid up. The said conversion was approved by the shareholders of the Company vide special resolutions in their Extraordinary General Meetings dated 18 November 2014 and 24 December 2014.

Each holder of preference share was entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to preference shares. In the event of liquidation of the Company before conversion of preference shares, the holders of preference shares would have priority over equity shares in payment of dividend and in repayment of capital.

There are no other shares reserved for issue under options.

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Vatika Limited

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

(₹ in lakhs)

22. Other equity	31 March 2017	31 March 2016
Securities premium account	59,189.31	59,189.31
General reserve		
Opening balance	20,225.08	20,225.08
Less: Transfer to retained earnings	(20,225.08)	-
Closing balance	-	20,225.08
Surplus in the statement of profit and loss		
Opening balance	(16,260.22)	-
Add: Profit/(Loss) for the year	695.01	(16,266.07)
Add: Other comprehensive income/ (loss) for the period from remeasurement of employee benefit obligations, net of tax	(8.87)	5.85
Add: Transfer from general reserve	20,225.08	-
Less: Transfer to debenture redemption reserve*	(4,651.00)	-
Closing balance	-	(16,260.22)
Debenture redemption reserve		
Opening balance	-	-
Add: Transfer from retained earnings*	4,651.00	-
Closing balance	4,651.00	-
	63,840.31	63,154.17

* The Company has created Debenture Redemption Reserve to the extent of available profits, as required under the provisions of Companies Act, 2013

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

(₹ in lakhs)

23. Borrowings

	31 March 2017	31 March 2016	01 April 2015
Secured			
Term loans			
From banks	63.66	78.99	125.64
From others	46,225.49	103,596.15	48,642.60
Debentures			
17,758 (31 March 2016 : Nil ; 01 April 2015 : Nil) zero coupon debentures of ₹ 1,000,000 each at discount ₹ 127,153.90 each	155,000.01	-	-
2,200 (31 March 2016 : Nil ; 01 April 2015 : Nil) 15.50% coupon debentures of ₹ 1,000,000 each	21,588.40	-	-
800 (31 March 2016 : Nil ; 01 April 2015 : Nil) 15.50% coupon debentures of ₹ 1,000,000 each partly paid at ₹ 646,250 each	5,673.27	-	-
	227,949.83	103,675.14	48,768.24
Unsecured			
Term loans			
From related parties	-	1,747.05	9,980.62
From others	275.00	1,234.85	90,396.32
Public deposits	264.72	410.22	105.75
	539.72	3,392.10	108,482.69
	228,489.55	107,067.24	157,250.93
Amount disclosed under other financial liabilities			
Current maturities of long-term debt	3,910.01	11,552.05	32,169.50
Interest accrued	2,333.35	2,216.47	550.28

Notes:

(a) Term loans guaranteed by directors and others (including current maturities)

	31 March 2017	31 March 2016	01 April 2015
Term loan from banks	-	-	-
Term loan from others	230,795.19	112,948.11	59,330.79

(b) There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

(c) Repayment terms and security disclosure for the outstanding long-term borrowings (including current maturities). Refer table below.

(d) Refer note 51 - Fair value disclosures for disclosure of fair value in respect of financial liabilities measured at amortised cost and note 52 - Financial risk management for liquidity risk.

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

Note 23 (Cont'd)

Sl. No.	Particulars	Particulars/ nature of security	Repayment details	31 March 2017	31 March 2016	01 April 2015
Term loans from banks- secured						
a	Vehicle loans	These loans are secured against hypothecation of underlying vehicles.	Repayable in thirty six months to sixty months from their respective dates of disbursement.	139.61	155.53	242.35
Term loans from others- secured						
b.1	Indiabulls Financial Services Limited- ₹ 10,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in one hundred and sixteen monthly installments (including interest) starting from 1 September 2009	-	1,504.24	1,805.15
b.2	Indiabulls Financial Services Limited- ₹ 6,500.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in one hundred and six monthly installments (including interest) starting from 1 July 2010	-	1,342.07	2,512.35
b.3	Indiabulls Financial Services Limited- ₹ 22,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in one hundred and two monthly installments (including interest) starting from 1 October 2010	-	-	13,805.97
b.4	Indiabulls Financial Services Limited- ₹ 848.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in seventy monthly installments (including interest) starting from 1 January 2011	-	160.50	354.77
b.5	Indiabulls Financial Services Limited- ₹ 11,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in eighty nine monthly installments (including interest) starting from 1 November 2011	-	6,078.82	7,127.65
b.6	Indiabulls Financial Services Limited- ₹ 11,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in one hundred eight monthly installments (including interest) starting from 1 March 2012	-	-	10,248.54
b.7	Indiabulls Financial Services Limited- ₹ 3,500 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in fifty seven monthly installments (including interest) starting from 1 March 2012	-	-	1,494.29
b.8	Indiabulls Finance Company Private Limited- ₹ 4,400.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement, repayable in sixty monthly installments, starting from 29 December 2012	-	-	3,305.20
b.9	Indiabulls Housing Finance Limited- ₹ 6,200 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement, repayable in sixty monthly installments, starting from 31 December 2012	-	-	1,618.23
b.10	Indiabulls Housing Finance Limited- ₹ 7,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement, repayable in sixty monthly installments, starting from 1 June 2013	-	3,751.98	4,600.69
b.11	Indiabulls Housing Finance Limited- ₹ 4,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement, repayable in sixty monthly installments, starting from 1 June 2013	-	2,543.12	2,532.16

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Note 23 (Cont'd)

Sl. No.	Particulars	Particulars/ nature of security	Repayment details	31 March 2017	31 March 2016	01 April 2015
b.12	Indiabulls Finance Company Private Limited- ₹ 1,700.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from 12 July 2015, and interest payments starting from 12 July 2014	-	1,350.45	1,500.00
b.13	Indiabulls Housing Finance Limited- ₹ 4,400.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from 12 July 2015, and interest payments starting from 12 July 2014.	-	3,603.11	4,400.00
b.14	Indiabulls Housing Finance Limited- ₹ 5,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from 1 January 2016, and interest payments starting from 1 December 2014	-	0.00	4,725.76
b.15	Indiabulls Housing Finance Limited- ₹ 14,400.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from 1 June 2019, and interest payments starting from 1 June 2015.	-	12,804.80	-
b.16	Indiabulls Housing Finance Limited- ₹ 4,530.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in seventy one monthly installments starting from 1 August 2017, and interest payments starting from 1 June 2015.	-	3,883.05	-
b.17	Indiabulls Housing Finance Limited- ₹ 10,200.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement, repayable in sixty nine monthly installments, starting from 1 July 2015.	-	8,658.00	-
b.18	Indiabulls Housing Finance Limited- ₹ 1,400.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement, repayable in sixty monthly installments, starting from 1 July 2015.	-	728.69	-
b.19	Indiabulls Housing Finance Limited- ₹ 8,500.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from 5 November 2017, and interest payments starting from 1 October 2015.	-	8,205.68	-
b.20	Indiabulls Housing Finance Limited- ₹ 7,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from 5 November 2017, and interest payments starting from 1 October 2015.	-	6,714.01	-
b.21	Indiabulls Housing Finance Limited- ₹ 4,900.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from 5 November 2017, and interest payments starting from 1 October 2015.	-	4,728.49	-

DELHI

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

Note 23 (Cont'd)

Sl. No.	Particulars	Particulars/ nature of security	Repayment details	31 March 2017	31 March 2016	01 April 2015
b.22	Indiabulls Housing Finance Limited- ₹ 4,650.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in thirty six monthly installments starting from 5 November 2017, and interest payments starting from 5 October 2015.	-	114.00	-
b.23	Indiabulls Housing Finance Limited- ₹ 6,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from 5 October 2017, and interest payments starting from 5 October 2015	-	5,718.83	-
b.24	Indiabulls Housing Finance Limited- ₹ 7,400.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from 5 October 2017, and interest payments starting from 5 October 2015.	-	7,054.87	-
b.25	Indiabulls Housing Finance Limited- ₹ 4,200.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in seventy one monthly installments starting from 3 July 2017, and interest payments starting from 3 November 2015.	-	4,200.00	-
b.26	Indiabulls Housing Finance Limited- ₹ 7,500.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from 5 November 2016, and interest payments starting from 5 October 2015.	-	7,500.00	-
b.27	Indiabulls Housing Finance Limited- ₹ 12,100.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	The loan is linked with escrow accounts and subject to maximum balance at the end of periods defined in the master facility agreement, repayable in sixty monthly installments, starting from 5 January 2016.	-	11,252.96	-
b.28	Indiabulls Housing Finance Limited- ₹ 4,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in sixty monthly installments starting from 5 March 2017, and interest payments starting from 5 February 2016.	-	4,000.00	-
b.29	Indiabulls Housing Finance Limited- ₹ 7,800.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from 5 May 2019, and interest payments starting from 5 December 2015.	-	6,721.82	-
b.30	The Company has secured the repayment of inter corporate deposits, by provisional letter of allotment of plots/commercial area in the proposed township and corporate guarantee of group companies along with title deeds of group companies' immovable property as collateral security		These deposits are repayable on 31 March 2018.	925.04	925.04	925.04

DELHI

Note 23 (Cont'd)

Sl. No.	Particulars	Particulars/ nature of security	Repayment details	31 March 2017	31 March 2016	01 April 2015
b.31	On 31 March 2017, the Company issued 17756 secured, unlisted, unrated, fully redeemable, non-convertible, zero coupon debentures of face value of ` 10.00 lakhs each, at a discount of ` 1.27 lakhs per debenture to Indiabulls Housing Finance Limited, aggregating to ` 17756.00 lakhs with a maturity period of not more than 15 months from the date of allotment. The same are secured by:- 1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.			151,000.01	-	
b.32	On 23 December 2016, the Company issued 22000.00 lakhs secured, unlisted, unrated, fully redeemable, non convertible, zero coupon debentures of face value of ` 10.00 lakhs each, to Altico capital India Pvt Limited, aggregating to ` 22000.00 lakhs with a maturity period of not more than 72 months from the date of allotment, redeemable in 17 quarterly installment starting from 31 Dec 2018. The same are secured by:- 1)First ranking exclusive charge by way of mortgage on the Security providers share in Project 1, 2 and 3 so as to give minimum security cover of 1.7x to the subscriber including mortgage on any saleable area. 2)First ranking exclusive charge on all movable assets of the security providers, cash flows, receivables arising out of all the mortgage properties and escrow accounts maintained by security providers. 3)Non disposable and negative lien undertaking over 100% shares of Vinod VOINPL. 4)Personal guarantee of Key Promoters. 5)Cross corporate guarantee from VL and VOINPL. 6)Post dated /undated cheques from the issuer. 7)Demand Promissory notes from the issuer. 8)Issuer will make available additional security/ receivables cover to the satisfaction of subscriber in case of any decline in security /cash flow cover.			21,586.40	-	
b.33	On 23 December 2016, the Company issued 8000.00 lakhs secured, unlisted, unrated, fully redeemable, non-convertible, partly paid ,zero coupon debentures of face value of ` 10.00 lakhs each, to Altico capital India Pvt Limited, aggregating to ` 8000.00 lakhs with a maturity period of not more than 72 months from the date of allotment, redeemable in 17 quarterly installment starting from 31 Dec 2018. The same are secured by:- 1)First ranking exclusive charge by way of mortgage on the Security providers share in Project 1, 2 and 3 so as to give minimum security cover of 1.7x to the subscriber including mortgage on any saleable area. 2)First ranking exclusive charge on all movable assets of the security providers, cash flows, receivables arising out of all the mortgage properties and escrow accounts maintained by security providers. 3)Non disposable and negative lien undertaking over 100% shares of Vinod VOINPL. 4)Personal guarantee of Key Promoters. 5)Cross corporate guarantee from VL and VOINPL. 6)Post dated /undated cheques from the issuer. 7)Demand Promissory notes from the issuer. 8)Issuer will make available additional security/ receivables cover to the satisfaction of subscriber in case of any decline in security /cash flow cover.			5,973.27	-	
b.34	Indiabulls Housing Finance Limited- ₹ 5,100.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in sixty monthly installments starting from 5 may 2017, and interest payments starting from 5 April 2017.	5,100.00	-	
b.35	Indiabulls Housing Finance Limited- ₹ 4,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in sixty monthly installments starting from May 2017, and interest payments starting from April 2017.	4,000.00	-	
b.36	Indiabulls Housing Finance Limited- ₹ 11,200.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in sixty nine monthly installments starting from 5 may 2017, and interest payments starting from 5 April 2017.	10,000.00	-	
b.37	Indiabulls Housing Finance Limited- ₹ 7,900.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in seventy three monthly installments starting from 5 may 2017, and interest payments starting from 5 April 2017.	8,700.00	-	
b.38	Indiabulls Housing Finance Limited- ₹ 15,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in sixty nine installments starting from 5 may 2017, and interest payments starting from 5 April 2017.	13,400.00	-	
b.39	Indiabulls Housing Finance Limited- ₹ 10,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in seventy three installments starting from 5 may 2017, and interest payments starting from 5 April 2017.	6,800.00	-	
b.40	Indiabulls Housing Finance Limited- ₹ 7,000.00 lakhs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in sixty monthly installments Payment moratorium is of 11 months, interest starting from 30th September 2017 month and principal starting from 30th October 2017.	1,053.50	-	

Term loans from related parties- unsecured

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

Note 23 (Cont'd)

Sl. No.	Particulars/ nature of security / Repayment details	31 March 2017	31 March 2016	01 April 2015
c	The Company has unsecured related party borrowings, repayable in 58 to 72 monthly installments. Further, the Company has given corporate guarantee to the Financial Institution who has advanced the loan to the aforementioned lending companies (backed by guarantee from promoter to the company). On 31 March 2016, the Company entered into an amendment agreement with Fernlea Developers Private Limited, as per which the amount borrowed by the Company was to be used for purchase of land parcels on behalf of Fernlea Developers Private Limited and consequent to such amendments, term loans amounting to ₹ 4,166.64 lakhs were converted into advances received for land purchase.	-	2,377.17	13,335.80
Term loans from others- unsecured				
d	The Company has unsecured inter-corporate deposits, repayable as follows: ₹ 275.00 lakhs is repayable in full on 31 March 2018, and the remaining ₹ 1,655.40 lakhs is repayable in monthly installments. Further, the Company has given corporate guarantee to the Financial Institution who has advanced the loan to the aforementioned lending companies. On 31 March 2016, the Company entered into an amendment agreement with various parties, as per which the amount borrowed by the Company was to be used for purchase of land parcels on behalf of these parties and consequent to such amendments, term loans amounting to ₹ 182,815.19 lakhs were converted into advances received for land purchase.	275.00	1,805.22	115,260.78
Public deposits- unsecured				
e	The Company has unsecured public deposits outstanding as on 31 March 2017, having a maturity of 1-3 years	264.72	410.22	105.75

f	Rate of interest: The Company's long term borrowings have weighted average rate of 13.72% p.a. (31 March 2016 : 13.16% p.a.; 01 April 2015 : 16.19% p.a.).

DELHI

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

(₹ in lakhs)

24. Other financial liabilities

	31 March 2017	31 March 2016	01 April 2015
Security deposits			
- commercial leasing	1,506.89	1,243.92	1,395.34
- others	6.00	6.50	7.00
	1,512.89	1,250.42	1,402.34

Refer note 51 - Fair value disclosures for disclosure of fair value in respect of financial liabilities measured at amortised cost.

(₹ in lakhs)

25. Long-term provisions

	31 March 2017	31 March 2016	01 April 2015
Provision for employee benefits			
Gratuity	96.77	41.00	29.13
Compensated absences	77.66	74.97	74.41
Other provisions			
Contingencies	666.54	921.90	327.86
	840.97	1,037.87	431.40

(i) Information about individual provisions and significant estimates
For disclosures related to provision for employee benefits, refer note 46- Employee benefit obligations

Provision for contingencies
Provision for contingencies represents the estimated liability on various cases against the Company. Based on the management assessment, the Company has provided for the cases where it is probable that cash outflow shall be required to settle the obligation for unfavorable decision against the Company.

(ii) Movement in provision related to contingencies during the financial year

(₹ in lakhs)

	31 March 2017	31 March 2016
As at beginning of reporting period	921.90	327.86
Additions during the year	54.55	540.62
Increase in the discounted amount arising from passage of time	132.89	53.42
Amounts reclassified as current	(442.80)	-
As at end of reporting period	666.54	921.90

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
26. Other non-current liabilities			
Deferred income (against commercial leasing)	1,015.40	924.56	797.08
	1,015.40	924.56	797.08

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27. Short-term borrowings

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Secured			
Term loans			
From banks	-	0.61	6,855.17
From others	127,362.26	140,602.30	136,003.97
Intercorporate deposits	7,881.11	9,188.72	9,300.00
Overdraft facility from others	-	7,200.00	7,200.00
Unsecured			
Public deposits	151.50	491.48	84.00
	135,394.87	157,483.11	159,443.14

*Classified based on the operating cycle of the Company for project specific liabilities

Loans guaranteed by directors and others			
Term loan from banks	-	0.61	6,855.15
Overdraft facility from others	-	7,200	7,200

(a) Refer note 51 - Fair value disclosures for disclosure of fair value in respect of financial liabilities measured at amortised cost.

(b) For repayment terms and security disclosure for the outstanding long-term borrowings (including current maturities) - Refer table below

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

(₹ in lakhs)

28. Trade payables	31 March 2017	31 March 2016	01 April 2015

A) Payable to micro enterprises and small enterprises

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Particulars			
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-	-
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified	-	-	-
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-	-
	-	-	-

The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period are Nil (31 March 2016 - Nil, 01 April 2015 - Nil) as on balance sheet date.

B) Other payables			
Due to others*	78,722.80	64,154.21	71,922.55
	78,722.80	64,154.21	71,922.56

The carrying values of above are considered to be a reasonable approximation of their fair value.

* Out of the above ₹ 7653.32 lakhs (31 March 2016 - ₹ 21,388.24 lakhs and 1 April 2015 - ₹ 30,428.69 lakhs) is not due for payment as on the Balance Sheet date as per the terms and conditions of the license as the same is as per the deferred payment plan.

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

29. Other financial liabilities

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Current maturities of long term borrowings	3,910.01	11,552.05	32,169.58
Interest accrued on borrowings	2,333.35	2,216.47	550.28
Security deposits			
- commercial leasing	938.00	802.11	266.47
- others	32,160.49	33,336.71	44,027.20
Payable to related parties	-	8,481.90	-
Payable to others	-	1,765.50	-
Other payables			
- Book overdraft	454.51	1,000.88	1,022.94
- Payable to employees	388.11	358.41	384.33
	40,184.47	59,514.03	78,420.80

The carrying values of above are considered to be a reasonable approximation of their fair value.

30. Other current liabilities

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Advance from customer (refer note (a))	208,254.33	215,770.82	205,058.97
Advances received for land purchases	209,551.44	177,576.99	11,510.99
Statutory dues	4,367.45	3,058.28	1,707.09
Deferred income	225.22	213.28	202.15
	422,398.43	396,619.37	218,479.20

(a) On 31 March 2016, the Company entered into an amendment agreement with various parties, as per which the amount borrowed by the Company was to be used for purchase of land parcels on behalf of these parties and consequent to such amendments, term loans obtained from related parties and other third parties were converted into advances and accordingly have been classified as Advances received for land purchase . Also, the unamortized portion of the amount paid to these parties as upfront fees against these term loans is now recoverable from these parties and accordingly, has been netted off from the amount disclosed above.

31. Short-term provisions

(₹ in lakhs)

	31 March 2017	31 March 2016	01 April 2015
Provision for employee benefits			
Compensated absences	12.14	12.18	10.38
Other provisions			
Provision for expected costs	27,568.03	69,643.40	78,790.27
Contingencies	442.80	-	-
Wealth tax	-	-	0.56
	28,022.97	69,655.58	78,801.21

(i) Information about individual provisions and significant estimates
During the year, in line with Ind AS-11, "Construction Contracts", the Company has ascertained and made a provision for expected cost, amounting to ₹ 2019.94 lakhs (31 March 2016 : ₹ 2,523.48 lakhs ; 01 April 2015 : ₹ Nil) for projects wherever the estimated project cost exceeds the total estimated revenue from the projects.

Movement in provision for expected costs during the financial year

(₹ in lakhs)

	31 March 2017	31 March 2016
As at beginning of reporting period	69,643.40	78,790.27
Additions during the year	2,271.10	2,861.61
Reversals during the year	(44,346.47)	(12,008.48)
As at end of reporting period	27,568.03	69,643.40

(₹ in lakhs)

32. Current tax liabilities (net)	31 March 2017	31 March 2016	01 April 2015
Provision for taxation	11,958.87	19,100.84	19,100.84
Less: Advance income tax	9,801.97	9,801.97	10,369.78
	2,156.90	9,298.87	8,731.06

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93

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

(` in lakhs)

Sl. No.	Particulars	Particulars/ nature of security	Repayment details	31 March 2017	31 March 2016	01 April 2015
Term loans from banks- secured						
a.1	ICICI Bank Ltd- ` 4,000.00 lakhs	1. First charge on land admeasuring approx. 5.7693 acres falling in rectangle no. 13 (Kila no. 16/2, 19, 20, 21, 22), rectangle no. 14 (Kila no. 16, 15/1, 14, 17, 24, 25) situated in revenue estate of village Sera Khawaja, Sector -27, Faridabad, Haryana. 2. First charge on the scheduled receivables of the Project under the documents executed between the buyers of the units and the Company, all insurance proceeds, both present and future, to be shared on a pari passu basis with ICICI Bank Limited's rupee term loan facility provided to Lincoln Developers Private Limited. 3. First charge on the escrow account and the DSR account, and all monies credited/ deposited therein, to be shared on a pari passu basis with ICICI Bank Limited's rupee term loan facility provided to Lincoln Developers Private Limited. 4. Irrevocable and unconditional corporate guarantee by Vatika IT Parks Private Limited. 5. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in thirty six monthly installments of ` 111.00 lakhs each commencing from 15 September 2013 to 15 July 2016 and ` 115.00 lakhs on 15 August 2016.	-	-	1,877.25
a.2	Bank of Maharashtra- ` 5,000.00 lakhs	1. First charge, by way of equitable mortgage, on the Gurgaon-21 Next project land, admeasuring 4.50 acres and the construction thereon. 2. First charge over the current assets of the project. 3. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in four quarterly installments of ` 1,250.00 lakhs each commencing from quarter ending June 2015.	-	8.43	4,577.20
Term loans from others- secured						
b.1	HDFC Limited- Rs 30,000.00 lakhs	1. Extension of mortgage of land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom. 2. First charge on the sale proceeds/ receivables accruing from the unsold area of the Project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon. 3. Extension of mortgage of 71.04 acres of the project "Vatika India Next" at Sector 82, Gurgaon and construction thereon, present and future. 4. Extension of charge on the sale proceeds/ receivables accruing from the unsold area of the Project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon. 5. Extension of mortgage of project land "Vatika City" at Gurgaon and construction thereon, present and future along with the unsold area of 354,815 sq. ft. in the project. 6. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of the "Vatika City" at Gurgaon. 7. Extension of mortgage of project land "Vatika City" at Jaipur Ajmer Road and construction thereon, present and future along with the unsold Floor Space Index (FSI). 8. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of the "Vatika City" at Jaipur Ajmer road, Jaipur. 9. Extension of mortgage of the project "Urbanwoods", at Jaipur Ajmer Road, Jaipur and construction thereon, present and future. 10. Extension of charge on receivables from entire sales proceeds/receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur. 11. Extension of mortgage on "Vatika Infotech Park" Project land admeasuring 8.750 acres at Faridabad and construction thereon present and future. 12. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of project "Vatika Infotech Park" Faridabad admeasuring 8.750 acres. 13. Extension of mortgage of "Jaipur-21" project at Jaipur, land and construction thereon present and future. 14. Extension of charge on sales proceeds/ receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur Ajmer Road, Jaipur. 15. Extension of first charge on Escrow A/cs with HDFC Bank Limited for the abovementioned projects. 16. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	The loan is linked with escrow account and subject to minimum balance at the end of each quarter as per the master facility agreement.	-	-	1,717.32

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b.2	HDFC Limited- Rs 15,000.00 lakhs	1. Extension of mortgage of land admeasuring 360.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all constituents connecting therefrom 2. First charge on the sale proceeds/ receivables accruing from the unsold area of the Project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon. 3. Extension of mortgage of 71.04 acres of the project "Vatika India Next" at Sector 82, Gurgaon and construction thereon, present and future. 4. Extension of charge on the sale proceeds/ receivables accruing from the unsold area of the Project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon. 5. Extension of mortgage of project land "Vatika City" at Gurgaon and construction thereon, present and future along with the unsold area of 384,315 sq. ft. in the project. 6. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of the "Vatika City" at Gurgaon. 7. Extension of mortgage of project land "Vatika City" at Jaipur Ajmer Road and construction thereon, present and future along with the unutilized Floor Space Index (FSI). 8. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of the "Vatika City" at Jaipur-Ajmer road, Jaipur. 9. Extension of mortgage of the project "Urbanwoods", at Jaipur Ajmer Road, Jaipur and construction thereon, present and 10. Extension of charge on receivables from entire sales proceeds/receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur 11. Extension of mortgage on "Vatika Infotech Park" Project land admeasuring 8.793 acres at Faridabad and construction thereon present and future. 12. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of project "Vatika Infotech Park" Faridabad admeasuring 8.793 acres 13. Extension of mortgage of "Jaipur 21" project at Jaipur, land and construction thereon present and future. 14. Extension of charge on sales proceeds/ receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur Ajmer Road, Jaipur 15. Extension of first charge on Escrow A/c with HDFC Bank Limited for the above mentioned projects. 16. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement.	-	-	148.79
b.3	HDFC Limited- Rs 10,000.00 lakhs	1. Extension of first equitable mortgage of land admeasuring 330.25 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all constituents connecting therefrom 2. Extension of charge on entire sale proceeds/ receivables accruing from sold and unsold area of "Vatika India Next", spread over 479.87 acres situated at Sector 81, 82, 82A, 83, 84, and 85 Gurgaon, Haryana. 3. First equitable mortgage of land measuring 24,527 sqft of the project "Vatika City, Sohna Road, Gurgaon" and construction thereon present and future and all constituents connecting therefrom 4. Charge on sale proceeds/ receivables accruing from sold and unsold area of the project land, "Vatika City, Sohna Road, Gurgaon". 5. First charge on project land "Vatika City" at Jaipur Ajmer Road and construction thereon, present and future along with the unutilized Floor Space Index (FSI). 6. Charge on sale proceeds/ receivables accruing from sold and unsold area of the "Vatika City" at Jaipur-Ajmer road, Jaipur 7. First equitable mortgage of the project land at "Urbanwoods", at Jaipur Ajmer Road, Jaipur and construction thereon, present and future. 8. Charge on receivables from entire sales proceeds/receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur 9. Extension of mortgage on "VatikaInfotech Park" Project land admeasuring 8.793 acres at Faridabad and construction thereon present and future. 10. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of project "Vatika Infotech Park" Faridabad admeasuring 8.793 acres. 11. First charge on land of "Jaipur 21" project at Jaipur, land and construction thereon present and future. 12. Charge on sales proceeds/ receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur Ajmer 13. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement.	-	-	2,199.95

b.4	HDFC Limited- Rs. 20,300.00 lakhs	1. Extension of mortgage of land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom. 2. Extension of charge on receivables from entire sale proceeds/ receivables accruing from sold and unsold area of "Vatika India Next" situated at Sector 81, 82, 82A, 83, 84, and 85 Gurgaon, Haryana. 3. Extension of mortgage of land measuring 24,527 sqft of the project "Vatika City, Sohna Road, Gurgaon" and construction thereon present and future and all entitlements emanating therefrom. 4. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of the project land, "Vatika City, Sohna Road, Gurgaon". 5. Extension of mortgage of project land "Vatika City" at Jaipur-Ajmer Road and construction thereon, present and future along with the unutilized Floor Space Index (FSI). 6. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of the "Vatika City" at Jaipur Ajmer road, Jaipur. 7. Extension of mortgage of the project "Urbanwoods", at Jaipur Ajmer Road, Jaipur and construction thereon, present and 8. Extension of charge on receivables from entire sales proceeds/ receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur. 9. Extension of mortgage on "Vatika Infotech Park" Project land admeasuring 8.793 acres at Faridabad and construction thereon present and future. 10. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of project "Vatika Infotech Park" Faridabad admeasuring 8.793 acres. 11. Extension of mortgage of "Jaipur-21" project at Jaipur, land and construction thereon present and future. 12. Extension of charge on sales proceeds/ receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur-Ajmer Road, Jaipur. 13. Extension of first charge on Escrow A/c with HDFC Bank Limited. 14. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement	-	2,293.08	8,371.31
b.5	HDFC Limited- Rs. 20,000.00 lakhs	1. Extension of mortgage of land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom. 2. Extension of charge on receivables from entire sale proceeds/ receivables accruing from sold and unsold area of "Vatika India Next" situated at Sector 81, 82, 82A, 83, 84, and 85 Gurgaon, Haryana. 3. Extension of mortgage of land measuring 24,527 sqft of the project "Vatika City, Sohna Road, Gurgaon" and construction thereon present and future and all entitlements emanating therefrom. 4. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of the project land, "Vatika City, Sohna Road, Gurgaon". 5. Extension of mortgage of project land "Vatika City" at Jaipur-Ajmer Road and construction thereon, present and future along with the unutilized Floor Space Index (FSI). 6. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of the "Vatika City" at Jaipur Ajmer road, Jaipur. 7. Extension of mortgage of the project "Urbanwoods", at Jaipur Ajmer Road, Jaipur and construction thereon, present and 8. Extension of charge on receivables from entire sales proceeds/ receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur. 9. Extension of mortgage on "Vatika Infotech Park" Project land admeasuring 8.793 acres at Faridabad and construction thereon present and future. 10. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of project "Vatika Infotech Park" Faridabad admeasuring 8.793 acres. 11. Extension of mortgage of "Jaipur-21" project at Jaipur, land and construction thereon present and future. 12. Extension of charge on sales proceeds/ receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur Ajmer Road, Jaipur. 13. Extension of first charge on Escrow A/c with HDFC Bank Limited.	Repayable in five quarterly installments of Rs. 2,500 lakhs each and four quarterly installments of Rs. 2,500 lakhs each commencing from 31 December 2015	9,626.83	15,943.53	19,875.22

6.6	HDFC Limited- Rs. 21,000.00 lakhs	1. Extension of mortgage of land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom. 2. Extension of charge on receivables from entire sale proceeds/receivables accruing from sold and unsold area of "Vatika India Next" situated at Sector 81, 82, 82A, 83, 84, and 85 Gurgaon, Haryana. 3. Extension of mortgage of land measuring 24,527sqft of the project "Vatika City, Sohna Road, Gurgaon" and construction thereon present and future and all entitlements emanating therefrom. 4. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of the project land, "Vatika City, Sohna Road, Gurgaon". 5. Extension of mortgage of project land "Vatika City" at Jaipur-Ajmer Road and construction thereon, present and future along with the unutilized Floor Space Index (FSI). 6. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of the "Vatika City" at Jaipur-Ajmer Road, Jaipur. 7. Extension of mortgage of the project "Urbanwoods", at Jaipur Ajmer Road, Jaipur and construction thereon, present and 8. Extension of charge on receivables from entire sales proceeds/receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur 9. Extension of mortgage of "Jaipur-21" project at Jaipur, land and construction thereon present and future 10. Extension of charge on sales proceeds/ receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur-Ajmer Road, Jaipur 11. Extension of first charge on Escrow A/c with HDFC Bank Limited. 12. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in 13 quarterly installments of Rs. 2,000 lakhs each commencing from December 31, 2016, and repayable in 11 quarterly installments of Rs. 625 lakhs each commencing from March 31, 2016 respectively.	30,273.11	33,933.34	34,537.91
6.7	HDFC Limited- Rs. 50,000.00 lakhs	1. Extension of charge on land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom 2. Extension of charge on entire sale proceeds/receivables accruing from sold and unsold area of "Vatika India Next", spread over 499.07 acres situated at Sector 81, 82, 82A, 83, 84, and 85 Gurgaon, Haryana. 3. Extension of charge on land measuring 24,527 sqft of the project "Vatika City, Sohna Road, Gurgaon" and construction thereon present and future and all entitlements emanating therefrom. 4. Extension of charge on sale proceeds/receivables accruing from sold and unsold area of the project land, "Vatika City, Sohna Road, Gurgaon". 5. Extension of charge on project land "Vatika City" at Jaipur-Ajmer Road and construction thereon, present and future along with the unutilized Floor Space Index (FSI). 6. Extension of charge on sale proceeds/receivables accruing from sold and unsold area of the "Vatika City" at Jaipur-Ajmer Road, Jaipur. 7. Extension of charge on the project land at "Urbanwoods", at Jaipur Ajmer Road, Jaipur and construction thereon, present and future. 8. Extension of charge on receivables from entire sales proceeds/receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur 9. Extension charge on land of "Jaipur-21" project at Jaipur, land and construction thereon present and future. 10. Charge on sales proceeds/ receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur-Ajmer 11. Extension of first charge on Escrow A/c with HDFC Bank Limited for the abovementioned projects. 12. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in two quarterly installments of Rs. 12,500 lakhs each and eleven quarterly installments of Rs. 2,500 lakhs each commencing from 30 June 2017.	29,462.02	29,652.01	29,549.04
6.8	HDFC Limited- Rs. 15,000.00 lakhs	1. Extension of charge on land admeasuring 524.35 acres of the project "Vatika Infotech City" at Jaipur-Ajmer Road, Jaipur and construction thereon present and future along with the unutilized FSI and the unsold area, including any other land to be further acquired for the said project. 2. Charge on entire sale proceeds/ receivables accruing from sold and unsold area of project "Vatika Infotech City" at Jaipur-Ajmer Road, Jaipur. 3. Extension of charge on land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom 4. Extension of charge on entire sale proceeds/receivables accruing from sold and unsold area of "Vatika India Next", spread over 501.36 acres situated at Sector 81, 82, 82A, 83, 84, and 85 Gurgaon, Haryana. 5. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in twelve quarterly installments of Rs. 12,500 lakhs each commencing from 31 March 2017.	14,809.54	14,825.33	14,791.42
6.9	HDFC Limited- Rs. 15,000.00 lakhs	1. Extension of charge on land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 at NH-8 Manesar, Gurgaon and construction thereon present and future. 2. Charge on Sale proceeds/ Receivables accruing from sold and unsold area of the entire project, Vatika India Next, spread over 501.36 acres at Sector 81, 82, 82A, 83, 84 and 85 at NH-8 Manesar, Gurgaon 3. Extension of charge on entire "Vatika Infotech City" project land admeasuring 524.35 acres approximately at Jaipur-Ajmer Road and construction thereon, present and future along with the unutilized Floor Space Index (FSI) and unsold area, including any further land to be acquired for the said project. 4. Charge on entire sale proceeds/receivables accruing from sold and unsold area of project "Vatika Infotech City" at Jaipur-Ajmer Road, Jaipur.	A Single payment of 625 lakhs on 31 December 2018 and balance Repayment in 12 Quarterly installments of Rs. 1250.00 lakhs commencing from 31 March 2019.	14,781.29	12,257.57	-

		5. Extension of mortgage of land measuring 51.006 acre of the project "Vatika City, Sohna Road, Gurgaon" and construction thereon present and future. 6. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of the project land, "Vatika City, Sohna Road, Gurgaon". 7. Extension of first equitable mortgage of the residential property at LTH 0202-B, Tower Heights Laburnum, condominium complex, sector 28 Gurgaon Haryana. 8. Personal Guarantee of Mr. Anil Bhalla, Mr. Gaurav Bhalla and Mr. Gautam Bhalla. 9. Security cover of 1.75 times to be maintained at all times. 10. Any other security of similar/higher value, acceptable to HDFC, so as to maintain the said minimum Loan Asset cover 1.75 times during the period of Loan.				
b.10	Standard Chartered Investments And Loans India Limited- Rs.8,500.00 Lakhs	1. First Pari Charge on Sovereign Park Project Land/Building structures thereon with a minimum security cover 1.75 times. First Pari charge over all receivables/cash flows of the project(s) through designated bank Account mechanism. 2. DSRA of 2 Months interest (capped at INR 18.225 M). 3. Charge over Unsecured Loan provided by Vatika Ltd. to Vatika Sovereign Park Private Ltd. 4. Personal guarantee of promoters / directors of the Company. 5. Corporate guarantee by Vatika Sovereign Park Private Limited.	Repayable in Thirty Monthly installments of Rs.270.00 lakhs commencing from October 2017.	8,160.38	8,125.00	-
b.11	DMI Finance Private Limited- Rs 2,500.00 lakhs	1. Exclusive first charge by way of equitable mortgage on entire right title and interest in the project, land comprising of all the pieces and parcels of group housing land situated at Sector 89B, Revenue Estate of Village Harsaru, Gurgaon, Haryana, including any benefits or accruals arising therefrom. 2. Escrow of the project receivables and first charge by way of hypothecation over all project receivables and the escrow account. 3. First charge by way of hypothecation over all movable assets relating to the project. 4. Charge/lien over the fixed deposit created by the Company for an amount equivalent to securing the payment of interest and repayment of principal amount of the immediately subsequent two installments. 5. Pledge of entire issued equity share capital of Cyprus Developers Private Limited. 6. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in 36 monthly installments, starting from 01 November 2014.	-	-	2,229.73
b.12	DMI Finance Private Limited- Rs 4,000.00 lakhs	1. Equitable mortgage of land admeasuring 105,074 sq feet in the project Vatika Town Square. 2. Irrevocable and unconditional personal guarantee of Anil Bhalla and Gautam Bhalla.	Repayable in 30 monthly installments, starting from 15 September 2016.	2,213.96	3,997.63	2,580.00
b.13	IFCI Factors Limited- Rs. 1,800.00 lakhs	1. First and exclusive charge on all the receivables, both present and future, in respect of the project Market Place-I, Township Commercial, Vatika India Next, Gurgaon. 2. First and exclusive charge on all the receivables, both present and future, in respect of the upcoming project at commercial property admeasuring 1.20 acres in village Shikohpur, Tehsil Manesar, Gurgaon, Haryana. 3. Equitable mortgage of commercial land and building thereon both present and future situated on the land admeasuring 1.20 acres at village Shikohpur, Tehsil Manesar, Gurgaon, Haryana. 4. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in seven quarterly installments of Rs. 250 lakhs each and eighth installment of Rs. 50 lakhs, starting from 31 December 2015.	298.56	1,208.12	1,752.00
b.14	Piramal Enterprises Limited- Rs. 15,000.00 lakhs	1. Exclusive first charge through equitable Memorandum of Entry and declaration of land at Mindkrapur, Faridabad. 2. Exclusive first charge on the receivables of the project Mindkrapur, Faridabad. 3. Exclusive first charge through hypothecation on movable fixed assets and other assets, both present and future of the project Mindkrapur, Faridabad. 4. Corporate guarantee of Vatika I.T. Parks Private Limited and Vatika Limited. 5. Pledge of shares of Vatika I.T. Parks Private Limited. 6. Escrow of receivables from inventory of the project Mindkrapur, Faridabad. 7. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in twelve equal quarterly installments of Rs. 1,250 lakhs each, starting from 30 June 2017.	14,891.13	14,899.72	11,850.57
b.15	Reliance Home Finance Limited- Rs. 4,475.00 lakhs	1. Mortgage of entire freehold land, and any property or structure standing on the land of the Project Gurgaon-21 to be developed on group housing plot of land admeasuring 11.731 acres, falling in village Sihi, Sector 83, NH 8, Manesar, Gurgaon. 2. First charge on receivables of the Project Gurgaon-21 to be developed on group housing plot of land admeasuring 11.731 acres, falling in village Sihi, Sector 83, NH-8, Manesar, Gurgaon.	Repayable in twenty four equal monthly installments of Rs. 212.47 lakhs each till 15 December 2017.	1,787.29	3,832.54	4,430.00
Inter corporate deposits- secured						
c	The Company has secured the repayment of inter corporate deposits, by provisional letter of allotment of plots/commercial area in the proposed township and corporate guarantee of group companies along with personal guarantees of directors. During the year, the Company signed various extension agreements against inter corporate deposits. These deposits are repayable within 3 months of the date of agreement.			3,960.00	5,500.00	1,920.00

Overdraft facility from others- secured						
d	Indiabulls Financial Services Ltd.- Rs. 7,200.00 lakhs	1. Equitable mortgage of licensed group housing land of 12.21 acres approx. at Sector 88B, Gurgaon, owned by Vatika Limited, and various other land owning companies. 2. First and exclusive charge on all the receivables of licensed group housing land of 12.21 acres approx. at Sector 88B, Gurgaon, owned by Vatika limited and various other land owning companies 3. Equitable mortgage of land of approx 4.39 acres, situated at village Harsaru, Gurgaon owned by Blue Developers Private 4. First and exclusive charge on all the receivables of land of approx 4.39 acres, situated at village Harsaru, Gurgaon owned by Blue Developers Private Limited. 5. Equitable mortgage of land of approx 2.25 acres, situated at village Harsaru, Gurgaon owned by Feldon Developers 6. First and exclusive charge on all the receivables of land of approx 2.25 acres, situated at village Harsaru, Gurgaon owned by Feldon Developers Private Limited.	Repaid	-	7,200.00	7,200.00
Public deposits- unsecured						
e	The Company has unsecured public deposits outstanding as on 31 March 2017, having a maturity of 1 year.			[illegible]	[illegible]	84.00
f	Rate of interest: The Company's short term borrowings have contracted weighted average rate of 15.51% p.a. (31 March 2016 : 14.80% p.a.; 01 April 2015 : 16.35% p.a.)					

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

(₹ in lakhs)

	31 March 2017	31 March 2016
33. Revenue from operations		
Operating revenue		
Revenue from real estate operations	59,940.49	60,029.37
Other operating revenues		
Rental income	1,142.37	1,049.77
Transfer charges	675.14	728.49
Service income	463.33	286.88
Forfeiture income and service receipts	1,069.76	972.96
Other operating income	3,478.26	-
	66,769.34	63,067.47

(₹ in lakhs)

	31 March 2017	31 March 2016
34. Other income		
Interest income on		
-Bank deposits	512.16	571.73
-Income tax refund	-	400.97
-Debentures	2,442.05	-
-Loans	1,450.69	2,089.16
-Others	338.71	289.38
Profit on sale of investments	260.55	2,363.16
Profit on redemption of debentures	-	1,914.13
Gain on fair valuation of investment	1,365.21	2,657.02
Liabilities no longer required, written back	93.52	300.00
Provision for expected costs written back	39,137.26	6,156.17
Profit on sale of property plant and equipment (net)	13.64	-
Profit on sale of investment property (net of rent equalisation reserve written off pursuant to sale of property)	1,152.76	-
Bad debts recovered	702.62	-
Miscellaneous income	504.43	202.43
	47,973.62	17,023.15

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35. Cost of sales	31 March 2017	(₹ in lakhs) 31 March 2016
Project in progress		
Opening projects in progress	332,776.24	296,725.38
Movement during the year		
Cost of land and development rights (net of cancellations)	798.76	8,713.15
Government dues and fees	7,455.67	581.30
Architectural and consultancy fees	2,339.42	95.80
Material cost and contractor expenses	20,378.54	46,406.28
Other project and project related expenses and reversals	2,419.50	3,642.40
Employee benefit expense	1,718.45	2,399.72
Finance costs	31,727.93	24,510.73
Other expenses	436.15	-
Transfer from completed commercial properties	201.76	393.53
Total	**400,252.42**	**383,468.29**
Less :		
Projects in progress at the year end	320,810.08	332,776.24
Transfer to other group companies	87.10	56.72
Transferred to Investment Property	644.73	2,939.42
	78,710.51	**47,695.91**

36. Employee benefits expense	31 March 2017	(₹ in lakhs) 31 March 2016
Salaries wages and bonus	4,138.27	3,906.09
Contribution to provident and other funds	91.44	81.73
Staff welfare expenses	55.72	48.49
Less : Amount capitalised in construction project classified as 'inventory'	(1,718.45)	(2,399.72)
	2,566.98	**1,636.59**

For descriptive notes on disclosure of defined benefit obligation, refer note 46 - Employee benefit obligations.

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(₹ in lakhs)

	31 March 2017	31 March 2016
37. Finance costs	39,807.79	51,946.18
Interest expense	21,118.25	16,173.36
Other borrowing costs	51,727.93	22,858.79
Less : Amount transferred to projects in progress.	620.50	619.84
Less : Amount transferred to capital work-in progress	28,577.61	44,640.91

* Includes premium paid on redemption of 6750 (previous year 12,280) secured, unlisted, unrated, fully redeemable, non convertible, zero coupon debentures of face value of ' 10.00 lakhs each, amounting to ' 9543.01 lakhs (previous year ' 4,551.00 lakhs). For further details, refer note 5(b.32) and 5(b.33).

(₹ in lakhs)

	31 March 2017	31 March 2016
38. Depreciation and amortisation expense		
Depreciation on	172.40	247.55
Property, plant and equipment	107.16	112.61
Investment properties		
Amortisation on	5.07	6.15
Intangible assets	284.65	366.31

(₹ in lakhs)

	31 March 2017	31 March 2016
39. Other expenses	594.43	665.94
Rent	575.18	543.62
Rates and taxes	33.24	38.88
Insurance		
Repair and maintenance	24.40	24.32
- Vehicles	257.02	182.88
- Components	286.78	291.98
Others	64.32	62.22
Security charges	716.37	641.18
Advertising and publicity	132.59	122.78
Business promotion	85.99	76.79
Bank charges	111.31	531.95
Commission and brokerage	136.66	174.51
Travelling and conveyance	74.12	76.15
Communication charges	283.26	231.48
Legal and professional fees		
Auditors remuneration	5.00	45.00
Audit fees	-	2.25
Out of pocket expenses	73.01	0.80
Advances written off	89.80	149.61
Donation and subscription	140.42	308.97
Provision for doubtful debts/advances	58.14	2.47
Provision for diminution of investments	-	0.08
Loss on sale of fixed assets (net)	620.16	-
Foreign exchange loss	54.55	540.61
Claims and contingencies	2.95	7.97
Recruitment expenses	111.60	27.91
Miscellaneous expenses	(416.15)	(420.68)
Less : Amount transferred to projects in progress	4,091.35	4,329.67

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41. Other Comprehensive Income	31 March 2017	31 March 2016
		(₹ in lakhs)
(A) Items that will not be reclassified to profit or loss		
Remeasurement gains (losses) on defined benefit plans	(13.56)	8.95
Income tax effect	4.69	(3.10)
(B) Items that will be reclassified to profit or loss	-	-
	(8.87)	5.85

42. Earnings/ (loss) per equity share

The Company's Earnings Per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti dilutive.

	31 March 2017	31 March 2016
Earnings		
Net profit attributable to equity shareholders for calculation of basic and diluted EPS	-	(16,266.05)
Shares		
Weighted average number of equity shares outstanding during the year for calculation of basic and diluted EPS	557	557
Nominal value of each equity share (₹)	10	10
Earning per share (basic and diluted) (₹)		(29.21)

93

43. Transfer of projects

During the year ended 31 March 2015, the Company has transferred four of its projects to its subsidiaries namely Vatika Seven Elements Private Limited (*formerly known as Strong Infrabuild Private Limited*), Vatika Sovereign Park Private Limited (*formerly known as Planet Earth Estate Private Limited*), Vatika One India Next Private Limited (*formerly known as Shivgauri Buildtech Private Limited*) and Vatika One On One Private Limited (*formerly known as Calder Developers Private Limited*). Below are the details in respect of arrangement with the respective subsidiaries:-

a) Vatika Seven Elements Private Limited

Pursuant to Securities Subscription Agreement dated 4 December 2014 between the Company, Vatika Seven Elements Private Limited, Gaius Developers Private Limited and Reco Frontier 89 Private Limited, certain rights for land parcels at Village Harsaru, Gurgaon pertaining to the Seven Elements Project has been sold by the Company to Vatika Seven Elements Private Limited.

Such land parcels are owned by the Vatika Seven Elements Private Limited and the Company had a development agreement with the Vatika Seven Elements Private Limited for these land parcels, pursuant to which the Company was supposed to develop a project for a consideration linked with total super built up area of the project i.e. 68% of the total super built up area. The Company also renounced its rights conferred under a development agreement dated 12 November 2012 in favour of the Vatika Seven Elements Private Limited, along with net assets associated with the aforementioned project, for a total consideration of ₹ 16,921.92 lakhs (including revenue recognised of ₹ 10,805.00 lakhs).

b) Vatika Sovereign Park Private Limited

Pursuant to Securities Subscription Agreement dated 4 December 2014 between the Company, Vatika Sovereign Park Private Limited, Minorca Developers Private Limited and Reco Frontier 99 Private Limited, certain rights for land parcels at Dwarka Expressway pertaining to the Sovereign Park Project has been sold by the Company to Vatika Sovereign Park Private Limited.

Such land parcels are owned by the Vatika Sovereign Park Private Limited and the Company had a development agreement with the Vatika Sovereign Park Private Limited for these land parcels, pursuant to which the Company was supposed to develop the project for a consideration linked with total revenue of the project i.e. 75% of the total revenue. The Company also renounced its rights conferred under a development agreement dated 2 November 2012 in favour of the Vatika Sovereign Park Private Limited, along with net assets associated with the aforementioned project, for a total consideration of ₹ 7,773.72 lakhs (including revenue recognised of ₹ 4,525.09 lakhs).

c) Vatika One India Next Private Limited

Pursuant to Business Transfer Agreement dated 5 March 2015 between the Company and Vatika One India Next Private Limited, certain rights for land parcels at Village Shikohpur, Gurgaon of Vatika One India Next Project has been sold by the Company to Vatika One India Next Private Limited.

One of these land parcels is owned by Kolina Developers Private Limited ('Kolina Developers') and the Company had a development rights agreement dated 1 March 2010 with the Kolina Developers for such land parcel, pursuant to which the Company paid ₹ 1,058.46 lakhs to Kolina Developers Private Limited for the purchase of development rights of said land. The other land parcel is owned by Shivam Infratech Private Limited ('Shivam Infratech') and the Company had a collaboration agreement dated 1 April 2010 with the Shivam Infratech for such land parcel, pursuant to which the Company was supposed to develop the project for a consideration linked with total revenue of the project i.e. 52 % of the total revenue.

Pursuant to the arrangements above, the Company has transferred the underlying rights, interests and liabilities as a going concern on an as is where is basis along, for a total consideration of ₹ 8,255.91 lakhs (including revenue recognised of ₹ 2,045.00 lakhs).

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Note 43 (cont'd)

d) Vatika One On One Private Limited

Pursuant to Business Transfer Agreement 18 March 2015 between the Company and Vatika One On One Private Limited, certain rights for land parcels at Village Sidokhera, Gurgaon of Vatika One On One Project has been sold by the Company to Vatika One On One Private Limited.

Such land parcels are owned by third party collaborators and the Company had a development agreement dated 20 December 2012 with the Vatika One on One Private Limited (i.e. the company which has collaboration agreement with third party collaborators) for these land parcels, pursuant to which the Company was supposed to develop the project for a consideration linked with total revenue of the project i.e. 48 % of the total revenue.

Pursuant to the arrangements above, the Company has transferred the underlying rights, interests and liabilities as a going concern on an as is where is basis, for a total consideration of ₹ 15,359.34 lakhs (including *revenue recognised* of ₹ 17,490.00 lakhs)

The breakup of assets and liabilities transferred as part of the projects are as follows:

	31 March 2017	31 March 2016	01 April 2015
Assets			
Inventory	-	-	31,919.15
Loans and advances	-	-	8,997.32
Other current assets	-	-	9.10
Cash and bank balances	-	-	186.50
Others	-		261.75
Total assets	-	-	41,373.82
Liabilities			
Other current liabilities			
- Advances from customers	-	-	18,634.01
- License related payable	-	-	8,827.60
- Others	-	-	2,464.40
Total liabilities	-	-	29,926.01

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

44. Commitments

- The Company has an estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances) as on 31 March 2017 amounting to Nil (31 March 2016 : ₹ 675.56 lakhs; 01 April 2015 : ₹ 497.24 lakhs).
- The Company has undertaken to provide continued financial support to certain subsidiaries as and when required.

45. Contingent liabilities	31 March 2017	31 March 2016	01 April 2015
a. Contingent liabilities, not acknowledged as debt, include:			
Guarantees issued by the Company on behalf of:			
(i) Related parties, for loans availed			
Vatika Hotels Private Limited	45,669.74	11,739.83	8,833.93
SH Tech Park Developers Private Limited	13,400.00	16,708.20	11,774.39
Lincoln Developers Private Limited	-	-	4,277.61
Vatika One Express City Private Limited	-	-	8,894.48
Fermina Developers Private Limited	3,700.00	4,332.11	9,526.55
Vatika Seven Element Private Limited	8,660.00	8,660.00	-
Vatika Sovereign Park Private Limited	6,900.00	6,900.00	
(ii) Other companies, for loans availed			
Haben Developers Private Limited	6,919.98	9,817.28	3,406.33
Agnes Developers Private Limited	3,100.00	-	-
Ambyn Developers Private Limited	100.00	-	-
Aplin Developers Private Limited	1,400.00	-	-
Buko Developers Private Limited	3,500.00	-	-
Capparis Developers Private Limited	100.00	-	-
Caspar Developers Private Limited	3,600.00	-	-
Castor developers Private Limited	3,000.00	-	-
Crazy Properties Private Limited	5,400.00	-	-
Edrea Developers Private Limited	3,000.00	-	-
Vatika One India Private Limited	12,300.00	-	-
Gabby Developers Private Limited	100.00	-	-
Galicia Developers Private Limited	3,000.00	-	-
Haben Developers Private Limited	3,600.00	-	-
Hygrid Developers Private Limited	2,900.00	-	-
Mendell Developers Private Limited	3,000.00	-	-
Salton Developers Private Limited	9,500.00	-	-
Timur Developers Private Limited	100.00	-	-
Veliz developers Private Limited	2,800.00	-	-
Yapen Developers Private Limited	6,100.00	-	-
Zabrina Developers Private Limited	4,700.00	-	-
Haldia Developers Private Limited	9,084.43	12,955.03	3,507.26
Ignacio Developers Private Limited	10,613.82	11,738.35	3,464.19
Felina Developers Pvt Ltd	840.75	1,295.25	1,685.12
Jestin Developers Pvt Ltd	861.96	1,413.01	1,838.32
Oland Developers Pvt Ltd	925.57	1,468.33	1,912.16
Valda Developers Pvt Ltd	865.40	1,350.89	1,759.12
Valonia Developers Pvt Ltd	1,032.04	1,589.62	2,068.12
Fonzell Developers Pvt Ltd	1,031.61	1,633.98	2,122.83
Islay Developers Pvt Ltd	945.19	1,509.77	1,965.14
Kelsey Developers Pvt Ltd	1,061.44	1,692.33	2,198.58
Garin Developers Pvt Ltd	596.28	944.27	1,227.32
Cayden Developers Pvt Ltd		-	-
Kepa Developers Pvt Ltd	17,500.00	17,513.76	18,951.21
Genk Developers Pvt Ltd	1,207.38	1,500.00	1,600.00
Total (i) + (ii)	203,118.59	114,762.03	90,932.47

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 2015 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.

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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 employees 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.

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

46 Employer 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	10.36	74.41
Total	12.14	174.43	12.18	115.97	10.36	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	5.28	2.33
Net impact on profit (before tax)	45.99	36.88
Actuarial loss/(gain) recognised during the year	13.56	(8.95)
Amount recognised in the statement of profit and loss	59.55	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)	(22.80)
Present value of defined benefit obligation as at the start of the year	239.03	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
Employers contribution	1.78	16.05
Benefits Paid	(21.21)	(22.80)
Actuarial gain/(loss) on plan assets	(2.85)	(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.

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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	239.07	193.33
- Impact due to increase of 0.50 %	(14.62)	(12.30)
- Impact due to decrease of 0.50 %	16.05	13.51
Impact of the change in salary increase		
Present value of obligation at the end of the year	239.07	193.33
- Impact due to increase of 0.50 %	16.21	13.30
- Impact due to decrease of 0.50 %	(14.89)	(12.37)

The above sensitivity analyses 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 defined 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.

(₹ in lakhs)

(vii) Maturity profile of defined benefit obligation

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
	%	%	%
Investment 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 ₹ 37.23 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	16.57	5.32	3.49
Net interest cost	5.64	5.45	1.33	1.33
Actuarial loss/(gain) recognised during the year	19.53	19.15	(5.91)	(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	70.72	68.31	36.64	36.68
Expenses as above	43.71	42.17	0.74	(0.04)
Benefits paid	(41.81)	(39.76)	-	-
Closing net liability	72.62	70.72	37.38	36.64

(iii) Actuarial assumptions

Description	31 March 2017	31 March 2016	01 April 2015
Discount rate	7.54%	8.00%	8.00%
Future base 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 ₹ 59.78 lakhs (previous year ₹ 80.73 lakhs).

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92

93

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
*Pavonne Dwellers Private Limited
*Valencia Promoters and Developers Private Limited
*Vatika IT Parks Private Limited
*Gaines Developers Private Limited
#Trishul Propbuild Limited
*Vatika Overseas Limited
**Blossom Properties Private Limited
**Cirrus Properties Private Limited
**Pepsine Infrastructure Private Limited
**Sahar Land and Housing Private Limited
**Uppo Developers Private Limited
**Mendell Developers Private Limited
**Caspia Developers Private Limited
**Fontina Developers Private Limited
**Winston Developers Private Limited
**Avenzo Developers Private Limited
**Brock Developers Private Limited
**Stedmon Developers Private Limited
**Vatika One India Next Private Limited
**Sandear Buildtech Private Limited
**Nakshatra Builders Private Limited
**Vatika Infratech Private Limited
**Mapset Developers Private Limited
**Vatika Infrazone Private Limited
**Payton Developers Private Limited
**Vatika One on One Private Limited
**Minorca Developers Private Limited
**Galvin Developers Private Limited
**Mesa Developers Private Limited
**Pelin Developers Private Limited
**Giza Developers Private Limited
**Aster Promoters & Developers Private Limited
**Rhona Developers Private Limited
**Antonio Developers Private Limited
**Pandora Builders Private Limited
**VLM Projects Private Limited

Notes:
* 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:

Agres Developers Private Limited
Carlot Developers Private Limited
Ethna Developers Private Limited
Everlast Project Private Limited
Flax Developers Private Limited
Gavin Developers Private Limited
Greenfield Nursery and Landscapes Private Limited
Hapuel Developers Private Limited
Hagrid Developers Private Limited
Kaiden Developers Private Limited
Lincoln Developers Private Limited
Mansel Developers Private Limited
Manmanchas India Private Limited
Rakesh & A Realtors Private Limited
Shivajee Buildtas 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

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 directors

(iv) Trusts with whom transactions have taken place during the year/balances as at year ends

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

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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	-	-	-	-	-	1.85	-	-	-	-	-	1.85
[redacted]												
Anil Bhalla	-	-	-	-	224.39	223.76	-	-	-	-	224.39	223.76
Gautam Bhalla	-	-	-	-	109.29	106.72	-	-	-	-	109.29	106.72
[redacted]												
Anil Bhalla	-	-	-	-	7.13	8.11	-	-	-	-	7.13	8.11
[redacted]												
Greenfield Nursery and Landscape Private Limited	-	-	-	-	-	-	-	-	-	2.04	-	2.04
Vatika Hotels Private Limited	95.78	26.27	-	-	-	-	-	-	-	-	95.78	26.27
[illegible] India Private Limited	-	-	-	-	-	-	-	-	0.15	-	0.15	-
Lion Properties Private Limited	5,704.02	-	-	-	-	-	-	-	-	-	5,704.02	-
Sygnet Developers Private Limited	2,526.29	-	-	-	-	-	-	-	-	-	2,526.29	-
Lincoln Developers Private Limited	-	-	-	-	-	-	-	-	222.06	239.84	222.06	239.84
[illegible] Developers Private Limited	7,217.76	-	-	-	-	-	-	-	-	-	[illegible]	-
[illegible] Infrastructure Private Limited	4,873.83	-	-	-	-	-	-	-	-	-	4,873.83	-
JM Tech Park Developers Private Limited	989.71	517.34	-	-	-	-	-	-	-	-	989.71	517.34
Vatika One India Next Private Limited	1,649.07	7,218.80	-	-	-	-	-	-	-	-	1,649.07	7,218.80
[illegible] Developers Private Limited	4,690.71	2,356.24	-	-	-	-	-	-	-	-	4,690.71	2,356.24
Vatika Infratech Private Limited	370.87	-	-	-	-	-	-	-	-	-	370.87	-
Vatika One On One Private Limited	254.42	3,058.78	-	-	-	-	-	-	-	-	254.42	3,058.78
Vatika Sovereign Park Private Limited	17.81	495.02	-	-	-	-	-	-	-	-	17.81	495.02
Vatika Smart Elements Private Limited	57.20	728.54	-	-	-	-	-	-	-	-	57.20	728.54
[redacted]												
Vatika Hotels Private Limited	-	72.11	-	-	-	-	-	-	-	-	-	72.11
Lion Properties Private Limited	55.59	-	-	-	-	-	-	-	-	-	55.59	-
Sygnet Developers Private Limited	2.98	-	-	-	-	-	-	-	-	-	2.98	-
[illegible] Developers Private Limited	-	1.19	-	-	-	-	-	-	-	-	-	1.19
[illegible] Developers Private Limited	82.49	-	-	-	-	-	-	-	-	-	82.49	-
[illegible] Infrastructure Private Limited	82.73	-	-	-	-	-	-	-	-	-	82.73	-
[illegible] Developers Private Limited	2,522.43	81.27	-	-	-	-	-	-	-	-	2,522.43	81.27
Vatika Infratech Private Limited	370.87	-	-	-	-	-	-	-	-	-	370.87	-
Vatika Sovereign Park Private Limited	-	82.33	-	-	-	-	-	-	-	-	-	82.33
[redacted]												
Vatika Sovereign Park Private Limited	-	8,100.00	-	-	-	-	-	-	-	-	-	8,100.00
Vatika Overseas Limited	-	2,500.00	-	-	-	-	-	-	-	-	-	2,500.00
[redacted]												
Vatika Overseas Limited	-	576.25	-	-	-	-	-	-	-	-	-	576.25
[redacted]												
Vatika One India Next Private Limited	1,877.17	2,022.87	-	-	-	-	-	-	-	-	1,877.17	2,022.87
[illegible] Developers Private Limited	1,885.79	8,247.09	-	-	-	-	-	-	-	-	1,885.79	8,247.09
[redacted]												
Vatika One India Next Private Limited	154.02	309.38	-	-	-	-	-	-	-	-	154.02	309.38
[illegible] Developers Private Limited	137.36	465.84	-	-	-	-	-	-	-	-	137.36	465.84

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
[illegible]												
Bradbury Project Private Limited	-	-	-	-	-	-	-	-	8.50	-	8.50	-
Greenfield Nursery and Landscapes Private Limited	-	-	-	-	-	-	-	-	-	35.00	-	35.00
Vatika Farms Private Limited	-	-	-	-	-	-	-	-	8.83	-	8.83	-
Jaipur Expressway Private Limited	26,721.56	273,875.80	-	-	-	-	-	-	-	-	26,721.56	273,875.80
Expo Developers Private Limited	-	85.00	-	-	-	-	-	-	-	-	-	85.00
Premium Dwellers Private Limited	5,545.89	78,246.50	-	-	-	-	-	-	-	-	5,545.89	78,246.50
Lavanda Developers Private Limited	-	-	-	-	-	-	-	-	2,299.23	8,583.70	2,299.23	8,583.70
Mandal Developers Private Limited	-	73.00	-	-	-	-	-	-	-	-	-	73.00
Pegasus Infrastructure Private Limited	-	52.00	-	-	-	-	-	-	-	-	-	52.00
Hi Tech Park Developers Private Limited	15,331.17	2,758.03	-	-	-	-	-	-	-	-	15,331.17	2,758.03
Vatika One India Next Private Limited	18,415.98	-	-	-	-	-	-	-	-	-	18,415.98	-
Eastman Developers Private Limited	1.25	9.87	-	-	-	-	-	-	-	-	1.25	9.87
Vahnee Promoters and Developers Private Limited	4.00	-	-	-	-	-	-	-	-	-	4.00	-
Vatika Sugar Mill Developers Private Limited	-	8.55	-	-	-	-	-	-	-	-	-	8.55
Premium Developers Private Limited	3.38	-	-	-	-	-	-	-	-	-	3.38	-
Vatika One Express City Private Limited	-	-	-	-	-	-	-	-	823.50	6,485.21	823.50	6,485.21
Vatika One On One Private Limited	-	9.88	-	-	-	-	-	-	-	-	-	9.88
Kolon Developers Private Limited	56,258.70	187,705.08	-	-	-	-	-	-	-	-	56,258.70	187,705.08
Vatika Homes & Hotels Pvt. Ltd.	-	-	-	-	-	-	-	-	8.52	-	8.52	-
Vatika Sovereign Park Private Limited	1,942.60	-	-	-	-	-	-	-	-	-	1,942.60	-
Sovereign Builders Private Limited	-	-	-	-	-	-	-	-	8.50	-	8.50	-
Vatika Seven Elements Private Limited	2,189.99	450.21	-	-	-	-	-	-	-	-	2,189.99	450.21
[illegible]												
Bradbury Project Private Limited	-	-	-	-	-	-	-	-	8.50	-	8.50	-
Greenfield Nursery and Landscapes Private Limited	-	-	-	-	-	-	-	-	30.00	-	30.00	-
Vatika Farms Private Limited	-	-	-	-	-	-	-	-	25.41	-	25.41	-
Jaipur Expressway Private Limited	54,128.47	244,490.58	-	-	-	-	-	-	-	-	54,128.47	244,490.58
Expo Developers Private Limited	-	80.00	-	-	-	-	-	-	-	-	-	80.00
Premium Dwellers Private Limited	10,250.50	78,489.57	-	-	-	-	-	-	-	-	11,290.58	78,490.57
Lavanda Developers Private Limited	-	-	-	-	-	-	-	-	3,498.17	3,241.63	3,498.17	3,241.63
Mandal Developers Private Limited	-	73.00	-	-	-	-	-	-	-	-	-	73.00
Pegasus Infrastructure Private Limited	-	51.00	-	-	-	-	-	-	-	-	-	51.00
Hi Tech Park Developers Private Limited	-	12,359.40	-	-	-	-	-	-	-	-	-	12,277.40
Vahnee Promoters and Developers Private Limited	8.70	175.15	-	-	-	-	-	-	-	-	8.70	175.15
Vatika IT Parks Private Limited	20.07	-	-	-	-	-	-	-	-	-	20.07	-
Vatika One Express City Private Limited	-	-	-	-	-	-	-	-	61.39	770.22	61.39	770.22
Kolon Developers Private Limited	3,108.90	109,281.78	-	-	-	-	-	-	-	-	3,108.90	109,281.78
Vatika Homes & Hotels Pvt. Ltd.	-	-	-	-	-	-	-	-	0.50	-	0.50	-
Vatika Sovereign Park Private Limited	4,271.09	-	-	-	-	-	-	-	-	-	4,271.09	-
Sovereign Builders Private Limited	-	-	-	-	-	-	-	-	8.50	-	8.50	-
Vatika Seven Elements Private Limited	3,253.98	-	-	-	-	-	-	-	-	-	3,253.98	-
Vatika Crescent Limited	7,947.08	-	-	-	-	-	-	-	-	-	7,947.08	-
[illegible]												
Greenfield Nursery and Landscapes Private Limited	-	-	-	-	-	-	-	-	209.78	122.94	209.78	122.94
Vatika Events Private Limited	2,129.00	1,674.02	-	-	-	-	-	-	-	-	2,129.00	1,674.02
Mastermind India Private Limited	-	-	-	-	-	-	-	-	0.29	-	0.29	-

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
[illegible]												
Vatika Hotels Private Limited	92.19	100.53	-	-	-	-	-	-	-	-	92.19	100.53
[illegible]												
Vatika Sovereign Park Private Limited	1,129.62	-	-	-	-	-	-	-	-	-	1,129.62	-
Vatika Seven Elements Private Limited	1,175.49	-	-	-	-	-	-	-	-	-	1,175.49	-
[illegible]												
Vatika Hotels Private Limited	25.00	-	-	-	-	-	-	-	-	-	25.00	-
Cosy Properties Private Limited	5.68	-	-	-	-	-	-	-	-	-	5.68	-
IT Tech Park Developers Private Limited	5,261.90	-	-	-	-	-	-	-	-	-	5,261.90	-
Vatika One India Next Private Limited	2,076.78	1,780.17	-	-	-	-	-	-	-	-	2,076.78	1,780.17
Eden Developers Private Limited	-	-	-	-	-	-	-	-	3,050.00	-	3,050.00	-
Cosmo Developers Private Limited	-	-	-	-	-	-	-	-	3,800.00	-	3,800.00	-
Ignus Developers Private Limited	-	-	-	-	-	-	-	-	3,090.00	-	3,090.00	-
Vatika Education Services Private Limited	-	-	-	-	-	-	-	-	20,109.00	-	20,109.00	-
Vatika One On One Private Limited	4,268.72	-	-	-	-	-	-	-	-	-	4,268.72	-
Mapple Developers Private Limited	-	-	-	-	-	-	-	-	2,500.00	-	2,500.00	-
[illegible]												
Vatika Sovereign Park Private Limited	1,825.46	-	-	-	-	-	-	-	-	-	1,825.41	-
Vatika Seven Elements Private Limited	1,500.27	-	-	-	-	-	-	-	-	-	1,500.27	-
[illegible]												
Pioneer Dwellings Private Limited	-	5,300.70	-	-	-	-	-	-	-	-	-	5,300.70
[illegible]												
SH Tech Park Developers Private Limited	29.92	28.30	-	-	-	-	-	-	-	-	29.92	28.30
[illegible]												
Cosy Properties Private Limited	3.50	-	-	-	-	-	-	-	-	-	3.50	-
IT Tech Park Developers Private Limited	2,282.75	-	-	-	-	-	-	-	-	-	2,282.75	-
Vatika One India Next Private Limited	124.57	8.00	-	-	-	-	-	-	-	-	124.57	8.00
Ignus Developers Private Limited	-	-	-	-	-	-	-	-	5.87	-	5.89	-
Lotus Developers Private Limited	-	-	-	-	-	-	-	-	500.00	-	500.00	-
Vatika One On One Private Limited	7,501.23	-	-	-	-	-	-	-	-	-	7,501.23	-
Mapple Developers Private Limited	-	-	-	-	-	-	-	-	0.49	-	0.49	-
[illegible]												
Mapple Developers Private Limited	-	-	-	-	-	-	-	-	14,400.00	-	14,400.00	-
[illegible]												
Jasmin Developers Private Limited	-	-	-	-	-	-	-	-	245.55	2,243.74	245.55	2,243.74
[illegible]												
Aspen Properties Private Limited	-	451.54	-	-	-	-	-	-	-	-	-	451.54
Lavender Developers Private Limited	-	-	-	-	-	-	-	-	5.20	-	5.20	-
Vatika One India Next Private Limited	42.55	7,835.24	-	-	-	-	-	-	-	-	42.55	7,835.24
Vatika One On One Private Limited	300.49	4,578.91	-	-	-	-	-	-	-	-	300.49	4,578.91
Vatika Sovereign Park Private Limited	152.89	-	-	-	-	-	-	-	-	-	152.89	-
Vatika Seven Elements Private Limited	14.89	-	-	-	-	-	-	-	-	-	14.89	-
[illegible]												
Vatika Hotels Private Limited	29.32	73.88	-	-	-	-	-	-	-	-	29.32	73.88
SH Tech Park Developers Private Limited	694.24	598.82	-	-	-	-	-	-	-	-	694.24	598.82
[illegible]												
Vatika Sovereign Park Private Limited	-	178.75	-	-	-	-	-	-	-	-	-	178.75

Yatra 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
[illegible]												
[illegible] Shah	-	-	-	-	8.03	2.11	-	-	-	-	8.03	2.11
[illegible] Shah	-	-	-	-	5.57	14.73	-	-	-	-	5.57	14.78
[illegible] Shah	-	-	-	-	-	-	3.00	0.25	-	-	3.00	0.25
[illegible] Shah	-	-	-	-	-	-	0.75	0.16	-	-	0.75	0.16
[illegible]												
[illegible] Private Limited	-	51.88	-	-	-	-	-	-	-	-	-	51.88
[illegible] Developers Private Limited	-	906.50	-	-	-	-	-	-	-	-	-	906.50
Yatra One India Next Private Limited	-	68.15	-	-	-	-	-	-	-	-	-	68.15
[illegible] Private Limited	-	150.59	-	-	-	-	-	-	-	-	-	150.59
[illegible] Developers Private Limited	-	874.86	-	-	-	-	-	-	-	-	-	874.86
[illegible]												
Yatra One [illegible] Private Limited	-	-	-	-	-	-	-	-	8,215.14	-	8,215.14	-
[illegible]												
[illegible] Developers Private Limited	-	-	-	-	-	-	-	-	18.78	-	18.78	-
[illegible]												
Greenfield Nursery and Landscapes Private Limited	-	-	-	-	-	-	-	-	2.99	-	2.99	-
[illegible]												
Yatra One India Next Private Limited	-	8,253.59	-	-	-	-	-	-	-	-	-	8,253.59
Yatra One [illegible] Private Limited	-	13,293.34	-	-	-	-	-	-	-	-	-	13,293.34
Yatra Sovereign Park Private Limited	-	1,072.88	-	-	-	-	-	-	-	-	-	1,072.88
Yatra Seven Elements Private Limited	-	3,697.38	-	-	-	-	-	-	-	-	-	3,697.38
[illegible]												
[illegible] Shah	-	-	-	-	-	-	-	50.00	-	-	-	50.00
[illegible]												
[illegible] Shah	-	-	-	-	7.59	5.70	-	-	-	-	7.59	5.70
[illegible] Shah	-	-	-	-	-	-	7.20	3.42	-	-	7.20	3.42
[illegible]												
Yatra Sovereign Park Private Limited	175.77	145.05	-	-	-	-	-	-	-	-	175.77	145.05
Yatra Seven Elements Private Limited	125.56	899.72	-	-	-	-	-	-	-	-	125.56	899.72
[illegible]												
Yatra Sovereign Park Private Limited	688.42	525.35	-	-	-	-	-	-	-	-	688.42	525.35
Yatra Seven Elements Private Limited	1,260.75	1,450.27	-	-	-	-	-	-	-	-	1,260.75	1,450.27
[illegible]												
[illegible] Tech Park Developers Private Limited	-	3,250.25	-	-	-	-	-	-	-	-	-	3,250.25
[illegible]												
[illegible] Tech Park Developers Private Limited	-	3,744.13	-	-	-	-	-	-	-	-	-	3,744.13
[illegible]												
[illegible]	-	-	82.50	70.00	-	-	-	-	-	-	82.50	70.00
[illegible]												
[illegible] Tech Park Developers Private Limited	-	42.00	-	-	-	-	-	-	-	-	-	42.00
[illegible]												
Yatra Sovereign Park Private Limited	1,073.28	990.91	-	-	-	-	-	-	-	-	1,073.28	990.91
[illegible]												
Yatra Sovereign Park Private Limited	8.82	8.90	-	-	-	-	-	-	-	-	8.82	8.90
[illegible]												
Yatra Sovereign Park Private Limited	-	290.29	-	-	-	-	-	-	-	-	-	290.29

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												
[illegible]												
[illegible]												
Sahmil Developers Private Limited	-	-	-	-	-	-	-	-	14,950.00	-	14,950.02	-
Prateek Developers Private Limited	2,553.91	2,554.97	-	-	-	-	-	-	-	-	2,553.91	2,554.97
Bapt Developers Private Limited	2,022.70	-	-	-	-	-	-	-	-	-	2,022.70	-
Moddit Developers Private Limited	7,139.42	-	-	-	-	-	-	-	-	-	7,139.42	-
Vatika Fusion Private Limited	-	-	-	-	-	-	-	-	-	59.10	-	59.10
Nationwide India Private Limited	-	-	-	-	-	-	-	-	0.17	-	0.17	-
Lang Properties Private Limited	5,004.44	-	-	-	-	-	-	-	-	-	5,004.44	-
Fermions Dwellers Private Limited	42,789.30	43,833.13	-	-	-	-	-	-	-	-	42,789.30	43,833.13
Vatika One Express City Private Limited	-	-	-	-	-	-	-	-	-	5,695.76	-	5,695.76
SH Tech Park Developers Private Limited	5,512.21	-	-	-	-	-	-	-	-	-	5,512.21	-
Bigrun Infrastructure Private Limited	4,898.87	-	-	-	-	-	-	-	-	-	4,898.87	-
Vatika Seven Elements Private Limited	405.74	1,275.92	-	-	-	-	-	-	-	-	405.74	1,275.92
Vatika Sovereign Park Private Limited	608.23	1,530.64	-	-	-	-	-	-	-	-	608.23	1,530.64
Sahar Developers Private Limited	101,247.80	48,527.50	-	-	-	-	-	-	-	-	101,247.80	48,527.50
Greenfield Homes and Landscapes Private Limited	-	30.01	-	-	-	-	-	-	-	-	-	30.01
Super Properties Private Limited	135,802.78	147,232.56	-	-	-	-	-	-	-	-	135,802.78	147,232.56
Raheja and A.R. Residency Private Limited	-	-	-	-	-	-	-	-	1.02	1.02	1.02	1.02
Lincoln Developers Private Limited	-	-	-	-	-	-	-	-	7,363.03	6,217.23	7,363.03	6,217.23
Vedanta Developers Private Limited	15,891.11	15,808.88	-	-	-	-	-	-	-	-	15,891.11	15,808.88
Vatika IT Parks Private Limited	-	20.00	-	-	-	-	-	-	-	-	-	20.00
Vatika Jaipur SEZ Developers Private Limited	1,597.70	1,531.90	-	-	-	-	-	-	-	-	1,597.70	1,531.90
[illegible]												
Vatika Seven Elements Private Limited	5,097.20	3,512.55	-	-	-	-	-	-	-	-	5,097.20	3,512.55
Vatika Sovereign Park Private Limited	1,228.89	406.51	-	-	-	-	-	-	-	-	1,228.89	406.51
[illegible]												
Vatika Sovereign Park Private Limited	8,103.09	8,130.00	-	-	-	-	-	-	-	-	8,103.09	8,130.00
Vatika Overseas Limited	529.78	8,643.48	-	-	-	-	-	-	-	-	529.78	8,643.48
[illegible]												
Gaurav Bhalla	-	-	-	-	0.76	-	-	-	-	-	0.76	-
Gautam Bhalla	-	-	-	-	-	-	2.07	-	-	-	2.07	-
[illegible]												
Gaurav Bhalla	-	-	-	-	170.11	158.65	-	-	-	-	170.11	158.65
Gautam Bhalla	-	-	-	-	-	-	4.07	8.73	-	-	4.07	8.73
[illegible]												
Radius Developers Private Limited	-	-	-	-	-	-	-	-	8.27	-	8.27	-
Vatika One On One Private Limited	594.98	-	-	-	-	-	-	-	-	-	594.98	-
Vatika One India Next Private Limited	18,687.34	-	-	-	-	-	-	-	-	-	18,687.34	-
[illegible]												
Vatika Hotels Private Limited	8,398.31	8,398.31	-	-	-	-	-	-	-	-	8,398.31	8,398.31
Aspen Promoters Private Limited	1.00	1.00	-	-	-	-	-	-	-	-	1.00	1.00
Fermions Dwellers Private Limited	1.00	1.00	-	-	-	-	-	-	-	-	1.00	1.00
Kolkata 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	2,077.83	-	-	-	-	-	-	-	-	2,079.83	2,077.83
Lincoln Developers Private Limited	-	-	-	-	-	-	-	-	24.58	24.58	24.58	24.58
Gurer Developers Private Limited	1.00	1.00	-	-	-	-	-	-	-	-	1.00	1.00
Vatika Seven Elements Private Limited	3,176.45	-	-	-	-	-	-	-	-	-	3,176.45	-
Vatika Sovereign Park Private Limited	1,128.42	302.57	-	-	-	-	-	-	-	-	1,128.42	302.57
Trishul Industries Limited	19,784.81	13,794.75	-	-	-	-	-	-	-	-	19,784.81	13,794.75
Vatika Dwarka Limited	100.89	96.57	-	-	-	-	-	-	-	-	100.89	96.57

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

Note 37 (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]												
Vedika Seven Pleasant Private Limited	7,478.10	9,250.47	-	-	-	-	-	-	-	-	7,478.10	9,250.47
Vedika Sovereign Park Private Limited	3,507.29	2,549.42	-	-	-	-	-	-	-	-	3,508.29	2,549.42
[redacted]												
Vedika One India Nest Private Limited	-	(2,377.17)	-	-	-	-	-	-	-	-	-	(2,377.17)
[redacted]												
Vedika Sovereign Park Private Limited	(19.72)	(0.57)	-	-	-	-	-	-	-	-	(19.72)	(0.57)
[redacted]												
Vedika Sovereign Park Private Limited	(178.78)	(178.78)	-	-	-	-	-	-	-	-	178.78	(178.78)
[redacted]												
Sumant Bhalla	-	-	-	-	(36.06)	58.00	-	-	-	-	(36.06)	(58.00)
Deep Bhalla	-	-	-	-	-	-	(20.00)	(20.00)	-	-	(20.00)	20.00
[redacted]												
Vedika Education Services Private Limited	-	-	-	-	-	-	-	-	(20,995.25)	-	(20,995.25)	-
Bhagat Developers Private Limited	-	-	-	-	-	-	-	-	(3,600.13)	-	(3,599.80)	-
Kapil Developers Private Limited	-	-	-	-	-	-	-	-	(2,873.50)	-	2,800.68	-
Vedika Roads Private Limited	(8,748.85)	(730.44)	-	-	-	-	-	-	-	-	(7,748.50)	(730.44)
Gopal Developers Private Limited	-	-	-	-	-	-	-	-	(3,200.00)	-	(3,200.00)	-
Agrim Developers Private Limited	-	-	-	-	-	-	-	-	(3,097.88)	-	(3,097.88)	-
Greenfield Nursery and Landscapes Private Limited	-	-	-	-	-	-	-	-	(181.24)	(78.15)	181.24	78.15
[redacted]												
Sumant Bhalla	-	-	-	-	(13.40)	(6.57)	-	-	-	-	13.40	6.57
Deep Bhalla	-	-	-	-	-	-	(7.65)	(3.26)	-	-	(7.65)	(3.26)
Vedika One India Nest Private Limited	-	(22.75)	-	-	-	-	-	-	-	-	-	(22.75)
[redacted]												
Sumant Developers Private Limited	-	(6,009.84)	-	-	-	-	-	-	-	-	-	(6,008.84)
Vedika One-On-One Private Limited	-	(5,591.35)	-	-	-	-	-	-	-	-	-	5,591.35
Vedika One India Nest Private Limited	-	(3,125.42)	-	-	-	-	-	-	-	-	-	(3,125.42)
BR Tech Park Developers Private Limited	-	(5,308.58)	-	-	-	-	-	-	-	-	-	(5,308.58)
Vedika One Express City Private Limited	-	-	-	-	-	-	-	-	(862.32)	-	862.32	-
[redacted]												
Anil Bhalla	-	-	-	-	(0.06)	(2.12)	-	-	-	-	(0.06)	(2.12)
Divya Bhalla	-	-	-	-	-	-	-	(0.79)	-	-	-	(0.79)
Gaurav Bhalla	-	-	-	-	(178.24)	(109.32)	-	-	-	-	(178.24)	(107.98)
Gopal Developers Private Limited	-	-	-	-	-	-	-	-	(221.42)	-	221.42	-
Sunder Bhalla	-	-	-	-	-	-	(247.24)	(4.95)	-	-	(247.24)	(5.95)
[redacted]												
Vedika Roads Private Limited	45,665.24	11,759.82	-	-	-	-	-	-	-	-	45,665.24	11,759.82
SRI Tech Park Developers Private Limited	15,667.09	16,708.23	-	-	-	-	-	-	-	-	15,662.09	16,708.23
Premium Developers Private Limited	3,705.56	4,308.11	-	-	-	-	-	-	-	-	3,705.56	4,232.11
Vedika Green Rivers Private Limited	8,602.30	8,126.06	-	-	-	-	-	-	-	-	8,608.50	8,500.00
Vedika Sovereign Park Private Limited	4,958.30	4,700.00	-	-	-	-	-	-	-	-	4,760.50	4,700.00
[redacted]												
Anil Bhalla	-	-	-	-	-	242,985.13	-	-	-	-	-	242,985.13
Gaurav Bhalla	-	-	-	-	-	242,885.13	-	-	-	-	-	242,885.13
Sunder Bhalla	-	-	-	-	-	238,885.10	-	-	-	-	-	238,885.10
Vedika Sovereign Park Private Limited	-	8,150.00	-	-	-	-	-	-	-	-	-	8,150.00
Vedika IT Parks Private Limited	-	15,000.00	-	-	-	-	-	-	-	-	-	15,000.00

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 income:		
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. 19,364.40 lakhs (March 31, 2016: Rs. 2,079.77 lakhs), from compulsory acquisition of land by government.

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

31 Fair value disclosures

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped 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 analysis. 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 in such inputs was made keeping other variables constant.

Particulars	Discount rate	Vatika Seven Elements Private Limited		Vatika Sovereign Park Private Limited	
		31 March 2017	31 March 2016	31 March 2017	31 March 2016
Optionally convertible debentures	8.5%	12,636.00	11,868.34	5,177.15	3,591.88
	10.5%	11,190.65	11,203.76	4,958.61	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	12,575.90
Gain recognised in statement of profit and loss	2,439.[illegible]
As at 31 March 2016	15,015.66
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 amortised 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	5,600.30	5,402.72	4,775.73	5,102.10	3,159.36	3,511.91
Loan to employees	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	14,683.85	20,646.14	20,971.48	10,623.69	11,136.77
Other financial assets	Level 3	2,144.60	2,144.60	2,456.22	2,456.22	4,434.52	4,434.52
Total financial assets		22,464.86	22,249.53	27,899.52	28,551.22	18,233.28	19,098.92
Borrowings	Level 3	367,794.45	367,794.45	276,102.59	276,102.59	348,865.65	348,863.65
Security deposit	Level 3	34,611.36	33,830.53	35,369.24	35,466.45	45,656.02	46,472.41
Total financial liabilities		402,405.81	401,624.98	311,471.83	311,568.02	394,519.67	395,336.33

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 [illegible]
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 non-performance risk as at 31 March 2016 was assessed to be insignificant.

32 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*	17,469.14	-	-	15,050.53	-	-	15,037.02	-	-
Security deposits	-	-	5,600.30	-	-	4,775.73	-	-	3,159.36
Receivable from related parties	-	-	14,699.08	-	-	20,646.14	-	-	5,323.69
Receivable from others	-	-	-	-	-	-	-	-	5,300.00
Other financial assets	-	-	2,999.66	-	-	3,755.39	-	-	5,363.91
Trade receivables	-	-	119,393.78	-	-	105,998.76	-	-	157,351.42
Cash and cash equivalents	-	-	3,754.32	-	-	6,134.59	-	-	11,334.27
Other bank balances	-	-	4,761.49	-	-	4,389.94	-	-	7,996.60
Loans	-	-	20.88	-	-	21.42	-	-	15.71
Total	17,469.14	-	151,258.74	15,050.53	-	145,722.21	15,037.02	-	192,366.35
Financial liabilities									
Borrowings	-	-	363,601.45	-	-	264,550.34	-	-	316,694.01
Trade payable	-	-	78,122.80	-	-	64,151.21	-	-	71,922.55
Other financial liabilities	-	-	41,697.36	-	-	60,764.45	-	-	79,873.15
Total	-	-	483,401.58	-	-	389,469.66	-	-	468,489.77

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

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

(i) **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	20,180.47	26,445.80	15,714.26
	Investments	69,955.75	85,551.79	122,182.24
	Other financial assets	9,990.66	5,755.35	5,165.91
	Other bank balances	1,501.49	4,309.41	7,996.69
	Cash and cash equivalents	1,794.52	6,154.36	12,554.11
B: Medium	Trade receivables	339,664.57	365,805.94	337,738.63
D: Doubtful	Trade receivables	129.21	181.79	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 amortised 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.

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

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 [illegible] 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 groupings 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	10,019.59	179,556.05	49,510.07	239,025.32
Security deposit received	985.46	654.22	34,455.44	36,095.12
Short term borrowings	68,553.14	31,628.90	38,010.00	138,354.04
Trade payable	78,722.80	-	-	78,722.80
Other financial liabilities	33,003.12	-	-	33,003.12
Total	191,263.97	211,201.17	121,985.51	524,300.60

(₹ in lakhs)

31 March 2016	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings including interest	17,377.82	43,500.00	66,216.36	127,904.24
Security deposit received	877.94	659.00	35,164.55	36,697.35
Short term borrowings	53,672.40	51,140.04	70,082.73	155,095.37
Trade payable	64,154.21	-	-	64,154.21
Other financial liabilities	41,945.41	-	-	41,945.41
Total	168,528.99	97,300.81	170,523.61	432,646.61

(₹ in lakhs)

01 April 2015	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings including interest	37,216.96	90,554.79	72,008.05	199,729.80
Security deposit received	315.00	470.67	45,054.72	46,030.39
Short term borrowings	40,222.97	51,301.70	49,650.36	141,335.03
Trade payable	71,922.55	-	-	71,922.55
Other financial liabilities	45,434.48	-	-	45,434.48
Total	195,101.95	142,201.16	167,053.13	535,072.25

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Yatika 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	367,396.21	275,200.68	348,675.90
Fixed rate borrowing	398.22	901.70	189.75
Total borrowings	**367,794.43**	**276,102.39**	**348,865.65**

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	1,836.98	1,376.00
Interest rates – decrease by 50 bps basis points	(1,836.98)	(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.

34 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)	(32,531.57)
Net debt	**366,040.11**	**269,948.00**	**316,329.26**
Total equity	69,405.13	68,723	84,903.71
Net debt to equity ratio*	**5.27**	**3.93**	**3.96**

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

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34 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.

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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)	(4,128.59)
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	(299.12)
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	189.53
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)

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Vanika 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	**92,597.39**	**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**

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

5 Reconciliation of the assets and liabilities 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			-
Investment	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**	**935,728.26**
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	(375.56)	1,037.87
Other non current liabilities	-	924.56	924.56
Total non-current liabilities	115,552.91	(5,272.02)	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**	**85,875.88**	**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**

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Varlia 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	32,384.05	(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	770.65		(3,628.04)	(2,857.43)
Net loss for the year	(838.93)	0.00	(15,427.14)	(16,266.15)
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	(15,421.29)	(16,260.20)

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93

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 equalisation 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 straightlined 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 recognised 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.

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