

# SGCO & Co. LLP

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Kruti Multitrade Private Limited,

## Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Kruti Multitrade Private Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date 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 sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified in the Companies (Indian Accounting Standard) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone 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 financial statements are free from material misstatement.

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Mumbai • Bengaluru

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone 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 financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. 1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in exercise of powers conferred by sub-section 11 of section 143 of the Act, we give in "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by sub-section 3 of Section 143 of the Act, based on our audit we report that:-
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows 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 financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - e) On the basis of the written representations received from the Directors as on 31<sup>st</sup> March 2018 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31<sup>st</sup> March 2018 from being appointed as a Director in terms of subsection 2 of Section 164 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**" Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting and ;
- 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 does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For S G C O & Co. LLP**

Chartered Accountants

Firm's Registration No. 112081W/W100184

  
**Suresh Murarka**

Partner

Membership No.: 44739

Place: Mumbai

Date: 28<sup>th</sup> May 2018



## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading "**Report on Other Legal and Regulatory Requirements**" in our Independent Auditor's Report to the members of **Kruti Multitrade Private Limited** for the year ended 31<sup>st</sup> March, 2018.

As required by the Companies (Auditors Report) Order, 2016 and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) Since the Company does not have any fixed assets, the paragraph 3 (ii) of the said Order is not applicable to the Company.
- (ii) Since the Company does not have any inventory, the paragraph 3 (ii) of the said Order is not applicable to the Company.
- (iii) The Company has not granted any loans to the parties covered in the register maintained under Section 189 of the Act. Hence paragraph 3 (iii) (a), (b) and (c) of the said Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, section 185 and 186 of the Act is not applicable, since the Company has not granted any loan, not provided any guarantees or security and not made any investment during the year. Accordingly, paragraph 3 (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed for maintenance of cost records under subsection (1) of Section 148 of the Act.
- (vii) a) Accordingly to the records of the Company, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues wherever applicable have regularly been deposited with the appropriate authorities. There are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31<sup>st</sup> March, 2018 for a period more than six months from the date they became payable.  
  
b) There are no amount in respect of any disputed sales tax, income tax, service tax, duty of custom, duty of excise and Value Added Tax.
- (viii) The Company has no facilities from banks and financial institutions
- (ix) The company did not raise money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.



- (x) According to the information & explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not paid / provided for any managerial remuneration. Accordingly, paragraph 3 (xi) of the order is not applicable
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, section 177 of the Act is not applicable to the company and transactions with related parties are in compliance with 188 of the Act, where ever applicable and details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For S G C O & Co. LLP**

Chartered Accountants


**Firm's Registration No.112081W/W100184**

  
**Suresh Murarka**

Partner

**Membership No.: 44739**

Place: Mumbai

Date: 





**ANNEXURE “B” to the Independent Auditor’s Report of even date to the members of Kruti Multitrade Private Limited, on the standalone financial statements for the year ended 31<sup>st</sup> March 2018.**

**Independent 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 **Kruti Multitrade Private Limited** (“the Company”) as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

1. The Company’s Board of Directors is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) 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 the Company’s business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors’ Responsibility**

2. Our responsibility is to express an opinion on the Company’s IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (“the ICAI”) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
3. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
4. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company’s IFCoFR.



## Meaning of Internal Financial Controls over Financial Reporting

5. A company's IFCoFR 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 IFCoFR include 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

6. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

**For S G C O & Co. LLP**

Chartered Accountants

Firm's Reg. No. 112081W/W100184

  
**Suresh Murarka**

Partner

Membership No.: 44739



Place: Mumbai

Date: 20<sup>th</sup> May 2018

**Kruti Multitrade Private Limited**  
**Balance Sheet as at 31 March 2018**

(Amount in Rs.)

| Particulars                          | Note No. | As at 31.03.2018   | As at 31.03.2017   | As at 01.04.2016   |
|--------------------------------------|----------|--------------------|--------------------|--------------------|
| <b>ASSETS</b>                        |          |                    |                    |                    |
| <b>Non- Current assets</b>           |          |                    |                    |                    |
| Investment property                  | 3        | 515,620            | 515,620            | 515,620            |
| <b>Total non-current assets</b>      |          | <b>515,620</b>     | <b>515,620</b>     | <b>515,620</b>     |
| <b>Current assets</b>                |          |                    |                    |                    |
| <u>Financial Assets</u>              |          |                    |                    |                    |
| Cash and cash equivalents            | 4        | 72,757             | 72,757             | 72,757             |
| <b>Total current assets</b>          |          | <b>72,757</b>      | <b>72,757</b>      | <b>72,757</b>      |
| <b>TOTAL ASSETS</b>                  |          | <b>588,377</b>     | <b>588,377</b>     | <b>588,377</b>     |
| <b>EQUITY AND LIABILITIES</b>        |          |                    |                    |                    |
| <b>Equity</b>                        |          |                    |                    |                    |
| Equity Share capital                 | 5        | 100,000            | 100,000            | 100,000            |
| Other Equity                         |          | (3,656,451)        | (3,467,565)        | (2,464,993)        |
| <b>Total equity</b>                  |          | <b>(3,556,451)</b> | <b>(3,367,565)</b> | <b>(2,364,993)</b> |
| <b>Liabilities</b>                   |          |                    |                    |                    |
| <b>Non- Current Liabilities</b>      |          |                    |                    |                    |
| <u>Financial Liabilities</u>         |          |                    |                    |                    |
| Borrowings                           | 6        | 3,980,841          | 3,111,953          | 2,610,795          |
| Deferred Tax Liability               | 7        | 149,026            | 257,213            | 329,125            |
| <b>Total non-current liabilities</b> |          | <b>4,129,867</b>   | <b>3,369,165</b>   | <b>2,939,919</b>   |
| <b>Current Liabilities</b>           |          |                    |                    |                    |
| <u>Financial Liabilities</u>         |          |                    |                    |                    |
| Trade payables                       | 8        | 11,800             | 585,450            | 11,450             |
| Income Tax Liabilities (Net)         | 9        | -                  | -                  | 2,000              |
| Other current liabilities            | 10       | 3,161              | 1,326              | -                  |
| <b>Total current liabilities</b>     |          | <b>14,961</b>      | <b>586,776</b>     | <b>13,450</b>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |          | <b>588,377</b>     | <b>588,377</b>     | <b>588,377</b>     |

**Notes 1 to 22 form an integral part of these Ind AS standalone financial statements**

This is the Balance Sheet referred to in our audit report of even date

**For S G C O & Co. LLP**  
Chartered Accountants  
Firm Reg. No. 112081W/W100184

**Suresh Murarka**  
Partner  
Mem. No. 44739



Place : Mumbai  
Date : 28th May, 2018

**For and on behalf of the Board of Directors**

**Sudhanshu Chaturvedi**  
Director  
DIN : 05151360

**Prashant Koparde**  
Director  
DIN : 06838824








Place : Mumbai  
Date : 28th May, 2018



**Kruti Multitrade Private Limited**  
**Statement of Profit and Loss for the year ended 31 March 2018**

(Amount in Rs.)

| Particulars   | Note No. | Year ended 31.03.2018   | Year ended 31.03.2017 |
|---|----------|---|-----------------------|
| <b>INCOME</b>   |          |   |                       |
| Total Income  |          | -   | -                     |
| <b>EXPENSES</b>   |          |   |                       |
| Finance costs   | 11       | 285,273   | 245,981               |
| Other expenses  | 12       | 11,800  | 829,313               |
| <b>Total Expenses</b>   |          | <b>297,073</b>  | <b>1,075,294</b>      |
| <b>Profit/ (Loss) before Tax</b>  |          | <b>(297,073)</b>  | <b>(1,075,294)</b>    |
| <b>Less : Tax expense</b>   |          |   |                       |
| - Current tax   |          | -   | -                     |
| - Deferred tax liability / (asset)  |          | (108,187)   | (71,912)              |
| - Tax of earlier years  |          | -   | (810)                 |
| <b>Total tax expenses</b>   |          | <b>(108,187)</b>  | <b>(72,722)</b>       |
| <b>Profit/ (loss) for the year (A)</b>  |          | <b>(188,886)</b>  | <b>(1,002,572)</b>    |
| <b>Other comprehensive income (OCI)</b>   |          |   |                       |
| <b>Other Comprehensive Income / (Loss) for the Year, Net of tax (B)</b>   |          | -   | -                     |
| <b>Total Comprehensive Income / (Loss) for the year, net of Tax (A+B)</b>   |          | <b>(188,886)</b>  | <b>(1,002,572)</b>    |
| <b>Earning per equity share</b>   | 13       |   |                       |
| (Nominal value of share Rs. 10) : Basic and Diluted   |          | (18.89)   | (100.26)              |
| <b>Notes 1 to 22 form an integral part of these Ind AS standalone financial statements</b>  |          |   |                       |
| This is the statement of profit and loss referred to in our audit report of even date   |          |   |                       |
| <b>For S G C O &amp; Co. LLP</b><br>Chartered Accountants<br>Firm Reg. No. 112081W/W100184<br><br><br><b>Suresh Murarka</b><br>Partner<br>Mem. No. 44739<br><br><br>Place : Mumbai<br>Date : 28th May, 2018 |          | <b>For and on behalf of the Board of Directors</b><br><br><br><b>Sudhanshu Chaturvedi</b><br>Director<br>DIN : 05151360<br><br><br><b>Prashant Koparde</b><br>Director<br>DIN : 06838824<br><br><br>Place : Mumbai<br>Date : 28th May, 2018 |                       |

(Amount in Rs.)

| Particulars   | Year ended<br>31.03.2018 | Year ended<br>31.03.2017 |
|---|--------------------------|--------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>   |                          |                          |
| Net (loss) / profit before tax  | (297,073)                | (1,075,294)              |
| <b>Adjustments for</b>  |                          |                          |
| Finance costs   | 285,273                  | 245,981                  |
| <b>Operating profit before working capital changes</b>  | <b>(11,800)</b>          | <b>(829,313)</b>         |
| <b>Adjustments for changes in working capital:</b>  |                          |                          |
| (Decrease) / Increase in trade payables   | (573,650)                | 574,000                  |
| (Decrease) / Increase in Other current liabilities  | 1,835                    | 1,326                    |
| <b>Cash generated from / (used in) operations</b>   | <b>(583,615)</b>         | <b>(253,987)</b>         |
| Direct taxes paid (net of refunds received)   | -                        | (1,190)                  |
| <b>Net cash (used in) / from generated from operating activities</b>                                  | <b>(583,615)</b>         | <b>(255,177)</b>         |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>   |                          |                          |
| Net cash (used in) / generated from investing activities  | -                        | -                        |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>   |                          |                          |
| Proceeds from long-term borrowings (net)  | 583,615                  | 255,177                  |
| <b>Net cash (used in) / from financing activities</b>   | <b>583,615</b>           | <b>255,177</b>           |
| <b>Net decrease in cash and cash equivalents (A+B+C)</b>  | <b>-</b>                 | <b>-</b>                 |
| Cash and cash equivalents at the beginning of the year  | 72,757                   | 72,757                   |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>72,757</b>            | <b>72,757</b>            |
| <b>Components of cash and cash equivalents considered only for the purpose of cash flow statement</b> |                          |                          |
| In bank current accounts in Indian rupees   | 5,141                    | 5,141                    |
| Cash on hand  | 67,616                   | 67,616                   |
|   | <b>72,757</b>            | <b>72,757</b>            |

The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 ('Ind AS 7') on Cash Flow Statement prescribed in Companies (Indian Accounting Standard) Rules, 2015, notified under section 133 of the Companies Act, 2013.

The amendments to Ind AS 7 Cash flow statements 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 and financial assets arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st April, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendments.



## Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities

| Particulars  | 31.03.2017       | Cash flows     | Non-cash changes                         |  | 31.03.2018       |
|--|------------------|----------------|--|--|------------------|
|  |                  |                | Notional Interest on Interest Free Loans | Current / Non - current classification |                  |
| Long -term borrowings                              | 3,111,953        | 583,615        | 285,273                                  |  | 3,980,841        |
| <b>Total liabilities from financing activities</b> | <b>3,111,953</b> | <b>583,615</b> | <b>285,273</b>                           | <b>-</b>                               | <b>3,980,841</b> |

Notes 1 to 22 form an integral part of these Ind AS standalone financial statements

This is the Cash Flow Statement referred to in our audit report of even date

For S G C O &amp; Co. LLP

Chartered Accountants

Firm Reg. No. 112081W/W100184

Suresh Murarka

Partner

Mem. No. 44739



Place: Mumbai

Date : 28th May, 2018

For and on behalf of the Board of Directors

Sudhanshu Chaturvedi

Director

DIN - 05151360

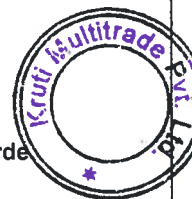
Place: Mumbai

Date : 28th May, 2018

Prashant Koparde

Director

DIN - 06838824



**Kruti Multitrade Private Limited**  
**Statement of Changes in Equity for the year ended 31 March 2018**

**A) Equity share capital**

(Amount in Rs.)

| Particulars   | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
|---|---------------------|---------------------|---------------------|
| <b>Authorised Capital</b>                               |                     |                     |                     |
| 10,000 (31st March 2017: 10,000 1st April 2016: 10,000) |                     |                     |                     |
| Equity Shares of Rs. 10 each                            | 100,000             | 100,000             | 100,000             |
|   | <b>100,000</b>      | <b>100,000</b>      | <b>100,000</b>      |
| <b>Issued, Subscribed and Fully Paid up</b>             |                     |                     |                     |
| 10,000 (31st March 2017: 10,000 1st April 2016: 10,000) |                     |                     |                     |
| Equity Shares of Rs. 10 each fully paid up              | 100,000             | 100,000             | 100,000             |
|   | <b>100,000</b>      | <b>100,000</b>      | <b>100,000</b>      |

**B) Other equity**

(Amount in Rs.)

| Particulars                             | Retained<br>earnings | Equity<br>Component of<br>loan taken<br>from Parent | Total equity<br>attributable to<br>equity holders |
|---|----------------------|---|---|
| <b>As at 1 April 2016</b>               | <b>(3,743,626)</b>   | <b>1,278,633</b>                                    | <b>(2,464,993)</b>                                |
| Total comprehensive income for the year | (1,002,572)          | -   | (1,002,572)                                       |
| <b>As at 31 March 2017</b>              | <b>(4,746,198)</b>   | <b>1,278,633</b>                                    | <b>(3,467,565)</b>                                |
| Total comprehensive income for the year | (188,886)            | -   | (188,886)   |
| <b>As at 31 March 2018</b>              | <b>(4,935,084)</b>   | <b>1,278,633</b>                                    | <b>(3,656,451)</b>                                |

**Notes 1 to 22 form an integral part of these Ind AS standalone financial statements**

This is the Statement of Changes in Equity referred to in our audit report of even date


**For S G C O & Co. LLP**  
Chartered Accountants  
Firm Reg. No. 112081W/W100184

  
**Suresh Murarka**  
Partner  
Mem. No. 44739



Place : Mumbai  
Date : 28th May, 2018

**For and on behalf of the Board of Directors**

  
**Sudhanshu Chaturvedi**  
Director  
DIN : 05151360

Place : Mumbai  
Date : 28th May, 2018

  
**Prashant Koparde**  
Director  
DIN : 06838824



**Summary of significant accounting policies and other explanatory information**  
**for the year ended 31 March 2018**

**Note 1 Corporate Information**

Kruti Multitrade Private Limited ("the Company") is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.

**Note 2.1 Basis of Preparation**

**(a) Statement of Compliance**

These Ind AS standalone financial statements (hereinafter "Ind AS financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Act and other relevant provisions of the Act. As these are the Company's first Ind AS financial statements prepared in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 2.3 to these Ind AS financial statements.

These Ind AS financial statements for the year ended 31 March 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 28th May 2018.

Details of accounting policies are included in Note 2.2 to the Ind AS financial statements.

**(b) Historical cost convention**

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are measured at fair value.

1. Financial instruments measured at fair value through profit or loss, if applicable
2. Financial instruments measured at fair value through other comprehensive income, if applicable

**(c) Functional and presentation currency**

These Ind AS financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All the financial information have been presented in Indian Rupees (INR) and all amounts have been rounded-off to the nearest Indian Rupees, except for share data and as otherwise stated.

**(d) Use of estimates and judgements**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are required in particular for:

- Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).





**Summary of significant accounting policies and other explanatory information**  
**for the year ended 31 March 2018**

• **Deferred tax assets**

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

**Note 2.2 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing the opening Ind AS balance sheet at 1 April 2016 for the purposes of the transition to Ind AS, unless otherwise indicated.

**(a) Current vs non-current classification**

**Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

**Current – non current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

**Assets**

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

- a. it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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

**Liabilities**

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

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

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

**(b) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



**Summary of significant accounting policies and other explanatory information**  
**for the year ended 31 March 2018**

**i) Financial Assets**

A financial asset is

(i) a contractual right to receive cash or another financial asset; to exchange financial assets or financial liabilities under potentially favourable conditions;

(ii) or a contract that will or may be settled in the entity's own equity instruments and a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

**Initial Recognition**

In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

**Financial Assets at Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

**Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

**Impairment of Financial Assets**

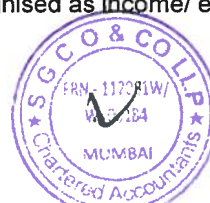
In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.



**Summary of significant accounting policies and other explanatory information**  
**for the year ended 31 March 2018**

**De-recognition of Financial Assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**ii) Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

**Financial Liabilities**

A financial liability is

(i) a contractual obligation to deliver cash or another financial asset to another entity; or to exchange financial instruments under potentially unfavourable conditions;

(ii) or a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of its own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

**Initial Recognition**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Subsequent Measurement**

The measurement of financial liabilities depends on their classification, as described below

**Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

**Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

**De-recognition of Financial Liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.



**iii) Offsetting 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.

**(c) Investment Property**

Investment properties are 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.

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 and loss as incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Investment Property is initially measured at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the item is recognised in Statement of Profit & Loss.

On transition to Ind AS, the Company has elected to continue with the carrying value of the investment property existing as at 1st April 2016 as per Previous GAAP and use that as its deemed cost.

**(d) Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable using the Effective Interest Rate ("EIR") method.

**(e) Income Tax**

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

**Current Income Tax**

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**Deferred Income Tax**

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.





**Minimum Alternative Tax ("MAT")**

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

**(f) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

**(g) Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

**(h) Cash and cash equivalents**

Cash and cash equivalent comprise of cash on hand and at banks, which are subject to an insignificant risk of changes in value.





**NOTE 2.3 : FIRST TIME ADOPTION OF IND AS**

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

The accounting policies set out in Note 2.2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet as at April 1, 2016 (The Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies(Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes :

**A) Exemptions and exceptions availed**

**1) Ind-AS optional exemptions :**

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

**a) Deemed cost**

The Company has elected to consider the carrying value of investment property recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Balance Sheet.

**b) For financial instruments, wherein fair market values are not available (viz. interest free and below market rate security deposits or loans) the Company has elected to adopt fair value recognition prospectively to transactions entered after the date of transition.**

**2) Ind AS mandatory exceptions :**

**a) Estimates**

An entity estimates in accordance with Ind AS 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 at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

**b) Derecognition of financial assets and financial liabilities**

Ind AS 101 requires a first time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly, the Company has applied the derecognition requirement for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after date of transition to Ind AS.

**c) Classification of financial assets and liabilities**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to Ind AS. Accordingly, the Company has applied the above requirement prospectively. Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

**d) Impairment of financial assets**

Ind AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per Ind AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments which were initially recognised and compare that to the credit risk at the date of transition to Ind AS. The Company has applied this exception prospectively.

**B) Transition to Ind AS - Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

- I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017 between previous GAAP and IND AS
- II. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017 between previous GAAP and IND AS
- III. Reconciliation of Equity as at April 1, 2016 and March 31, 2017 between previous GAAP and IND AS

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.



**Summary of significant accounting policies and other explanatory information  
for the year ended 31 March 2018**

**I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017 between previous GAAP and IND AS**

| Particulars                          | Refer note | Balance sheet<br>as at 31 March 2017 |                                 |                    | Opening balance sheet<br>as at 1 April 2016 |                                 |                    |
|--------------------------------------|------------|--------------------------------------|---------------------------------|--------------------|---|---------------------------------|--------------------|
|                                      |            | Previous GAAP                        | Effects of transition to Ind AS | Ind AS             | Previous GAAP                               | Effects of transition to Ind AS | Ind AS             |
| <b>ASSETS</b>                        |            |                                      |                                 |                    |   |                                 |                    |
| <b>Non-current assets</b>            |            |                                      |                                 |                    |   |                                 |                    |
| Investment Property                  | 1          | 515,620                              |                                 | 515,620            | -   | 515,620                         | 515,620            |
| <b>Financial assets</b>              |            |                                      |                                 |                    |   |                                 |                    |
| Non current investments              | 1          | -                                    | -                               | -                  | 515,620                                     | (515,620)                       | -                  |
| <b>Total non-current assets</b>      |            | <b>515,620</b>                       | <b>-</b>                        | <b>515,620</b>     | <b>515,620</b>                              | <b>-</b>                        | <b>515,620</b>     |
| <b>Current assets</b>                |            |                                      |                                 |                    |   |                                 |                    |
| <b>Financial assets</b>              |            |                                      |                                 |                    |   |                                 |                    |
| Cash and cash equivalents            |            | 72,757                               | -                               | 72,757             | 72,757                                      | -                               | 72,757             |
| <b>Total current assets</b>          |            | <b>72,757</b>                        | <b>-</b>                        | <b>72,757</b>      | <b>72,757</b>                               | <b>-</b>                        | <b>72,757</b>      |
| <b>TOTAL ASSETS</b>                  |            | <b>588,377</b>                       | <b>-</b>                        | <b>588,377</b>     | <b>588,377</b>                              | <b>-</b>                        | <b>588,377</b>     |
| <b>EQUITY AND LIABILITIES</b>        |            |                                      |                                 |                    |   |                                 |                    |
| <b>Equity</b>                        |            |                                      |                                 |                    |   |                                 |                    |
| Equity share capital                 |            | 100,000                              | -                               | 100,000            | 100,000                                     | -                               | 100,000            |
| Other equity                         |            | (4,042,758)                          | 575,194                         | (3,467,565)        | (3,200,995)                                 | 736,003                         | (2,464,993)        |
| <b>Total equity</b>                  |            | <b>(3,942,758)</b>                   | <b>575,194</b>                  | <b>(3,367,565)</b> | <b>(3,100,995)</b>                          | <b>736,003</b>                  | <b>(2,364,993)</b> |
| <b>Liabilities</b>                   |            |                                      |                                 |                    |   |                                 |                    |
| <b>Non-current liabilities</b>       |            |                                      |                                 |                    |   |                                 |                    |
| <b>Financial liabilities</b>         |            |                                      |                                 |                    |   |                                 |                    |
| Borrowings                           | 3          | 3,944,359                            | (832,406)                       | 3,111,953          | 3,675,922                                   | (1,065,127)                     | 2,610,795          |
| Deferred Tax Liability               |            | -                                    | 257,213                         | 257,213            | -   | 329,125                         | 329,125            |
| <b>Total non-current liabilities</b> |            | <b>3,944,359</b>                     | <b>(575,194)</b>                | <b>3,369,165</b>   | <b>3,675,922</b>                            | <b>(736,003)</b>                | <b>2,939,919</b>   |
| <b>Current liabilities</b>           |            |                                      |                                 |                    |   |                                 |                    |
| <b>Financial liabilities</b>         |            |                                      |                                 |                    |   |                                 |                    |
| Trade payables                       |            | 585,450                              | -                               | 585,450            | 11,450                                      | -                               | 11,450             |
| Income Tax Liabilities (Net)         |            | -                                    | -                               | -                  | 2,000                                       | -                               | 2,000              |
| Other current liabilities            |            | 1,326                                | -                               | 1,326              | -   | -                               | -                  |
| <b>Total current liabilities</b>     |            | <b>586,776</b>                       | <b>-</b>                        | <b>586,776</b>     | <b>13,450</b>                               | <b>-</b>                        | <b>13,450</b>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |            | <b>588,377</b>                       | <b>-</b>                        | <b>588,377</b>     | <b>588,377</b>                              | <b>-</b>                        | <b>588,377</b>     |

**II. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017 between previous GAAP and IND AS**

| Particulars  | Refer note | Year ended 31 March 2017 |                                 |                    |
|--|------------|--------------------------|---------------------------------|--------------------|
|  |            | Previous GAAP            | Effects of transition to Ind AS | Ind AS             |
| <b>Income</b>  |            |                          |                                 |                    |
| Total income   |            | -                        | -                               | -                  |
| <b>Expenses</b>  |            |                          |                                 |                    |
| Finance costs  | 3          | 13,260                   | 232,721                         | 245,981            |
| Other expenses   |            | 829,313                  |                                 | 829,313            |
| <b>Total expenses</b>  |            | <b>842,573</b>           | <b>232,721</b>                  | <b>1,075,294</b>   |
| <b>Profit/ (loss) before tax</b>                                 |            | <b>(842,573)</b>         | <b>(232,721)</b>                | <b>(1,075,294)</b> |
| <b>Tax expense</b>   |            |                          |                                 |                    |
| Deferred income tax  | 2          | -                        | (71,912)                        | (71,912)           |
| Taxation of earlier years  |            | (810)                    |                                 | (810)              |
| <b>Profit/ (loss) for the year (A)</b>                           |            | <b>(841,763)</b>         | <b>(160,809)</b>                | <b>(1,002,572)</b> |
| <b>Other comprehensive income</b>                                |            |                          |                                 |                    |
| Items not to be reclassified subsequently to profit or loss      |            | -                        | -                               | -                  |
| Items to be reclassified subsequently to profit or loss          |            | -                        | -                               | -                  |
| <b>Other comprehensive income for the year, net of tax (B)</b>   |            | <b>-</b>                 | <b>-</b>                        | <b>-</b>           |
| <b>Total comprehensive income for the year, net of tax (A+B)</b> |            | <b>(841,763)</b>         | <b>(160,809)</b>                | <b>(1,002,572)</b> |



## III. Reconciliation of Equity as at April 1, 2016 and March 31, 2017 between previous GAAP and IND AS

| Particulars   | Footn<br>otes | As at<br>31.03.2017 | As at<br>01.04.2016 |
|---|---------------|---------------------|---------------------|
| Equity as per Previous GAAP                         |               | (3,942,758)         | (3,100,995)         |
| Add/(Less) :  |               |                     |                     |
| Interest expense on loans taken from parent company | 3             | 832,406             | 1,065,127           |
| Deferred Tax on above                               | 2             | (257,213)           | (329,125)           |
| Equity as per IND AS                                |               | (3,367,565)         | (2,364,993)         |

Footnotes to the reconciliation of balance sheet as at April 1, 2016 & March 31, 2017 and Statement of profit and loss for the year ended March 31, 2017

**1) Recognition of Investment Property**

Investment Properties under previous GAAP, investment properties were presented as a part of non-current Investments or Plant, Property and Equipment. Under Ind AS, investment properties are required to be separately presented on the face of the balance sheet. There is no impact on the equity.

**2) Deferred Tax (Including MAT Credit)**

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. This has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in other equity or a separate component of equity.

**3) Loan from Parent Company**

Under Ind AS Loans are valued at present value as compared to being carried at cost under previous GAAP. This adjustment includes the difference between the book value and the present value of the interest free loan taken from parent, which is treated as equity component of parent. The interest on present value of this loan is recognised over the tenure of the loan.

**4) Statement of cash flows**

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flow from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2017 as compared with the previous GAAP.



**Kruti Multitrade Private Limited****Summary of significant accounting policies and other explanatory information**  
**for the year ended 31 March 2018****Note 3 : Investment Property**

| Particulars                                  | Building        | Total           |
|--|-----------------|-----------------|
| <b>Gross carrying value (at deemed cost)</b> |                 |                 |
| Balance as at 1 April 2016                   | 5,15,620        | 5,15,620        |
| Additions                                    | -               | -               |
| Disposals                                    | -               | -               |
| <b>Balance as at 31 March 2017</b>           | <b>5,15,620</b> | <b>5,15,620</b> |
| Additions                                    | -               | -               |
| Disposals                                    | -               | -               |
| <b>Balance as at 31 March 2018</b>           | <b>5,15,620</b> | <b>5,15,620</b> |
| <b>Accumulated amortisation</b>              |                 |                 |
| Balance as at 1 April 2016                   |                 |                 |
| Amortisation charge                          |                 |                 |
| <b>Balance as at 31 March 2017</b>           | <b>-</b>        | <b>-</b>        |
| Amortisation charge                          |                 |                 |
| <b>Balance as at 31 March 2018</b>           | <b>-</b>        | <b>-</b>        |
| <b>Net carrying value</b>                    |                 |                 |
| Balance as at 1 April 2016                   | 5,15,620        | 5,15,620        |
| Balance as at 31 March 2017                  | 5,15,620        | 5,15,620        |
| Balance as at 31 March 2018                  | 5,15,620        | 5,15,620        |

For investment property existing as on the date of transition to IND - AS, the Company has used Indian GAAP carrying value as deemed cost.

**i) Fair Value**

| Particulars           | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
|-----------------------|---------------------|---------------------|---------------------|
| Investment Properties | 19,75,480           | 19,75,480           | 19,75,480           |

**Estimation of Fair value :**

The above valuation of the investment properties are in accordance with the Ready Reckoner rates prescribed by the Government of Maharashtra for the purpose of levying stamp duty. Since the valuation is based on the published Ready Reckoner rates, the company has classified the same under Level 2 of Fair value hierarchy.



**Kruti Multitrade Private Limited**

**Summary of significant accounting policies and other explanatory information**  
**for the year ended 31 March 2018**

(Amount in Rs.)

**Note 4 : Cash and cash equivalents**

| Particulars                            | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
|--|---------------------|---------------------|---------------------|
| Balances with Banks:                   |                     |                     |                     |
| - In current accounts                  | 5,141               | 5,141               | 5,141               |
| Cash on hand                           | 67,616              | 67,616              | 67,616              |
| <b>Total Cash and cash equivalents</b> | <b>72,757</b>       | <b>72,757</b>       | <b>72,757</b>       |





**Kruti Multitrade Private Limited**

**Summary of significant accounting policies and other explanatory information**  
**for the year ended 31 March 2018**

(Amount in Rs.)

**Note 4 : Cash and cash equivalents**

| Particulars                            | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
|--|---------------------|---------------------|---------------------|
| Balances with Banks:                   |                     |                     |                     |
| - In current accounts                  | 5,141               | 5,141               | 5,141               |
| Cash on hand                           | 67,616              | 67,616              | 67,616              |
| <b>Total Cash and cash equivalents</b> | <b>72,757</b>       | <b>72,757</b>       | <b>72,757</b>       |



**Kruti Multitrade Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**for the year ended 31 March 2018**

**Note 5 : Equity Share capital**

(Amount in Rs.)

| Particulars  | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
|--|---------------------|---------------------|---------------------|
| <b>Authorised Capital</b>  |                     |                     |                     |
| 10,000 Equity Shares of Rs.10 each<br>(31.03.2017: 10,000 shares, 01.04.2016: 10,000 shares)                             | 100,000             | 100,000             | 100,000             |
| <b>Total Authorised Capital</b>  | <b>100,000</b>      | <b>100,000</b>      | <b>100,000</b>      |
| <b>Issued, Subscribed and Fully Paid Up</b>  |                     |                     |                     |
| 10,000 (P.Y. 10,000) Equity Shares of Rs.10 each fully paid up<br>(31.03.2017: 10,000 shares, 01.04.2016: 10,000 shares) | 100,000             | 100,000             | 100,000             |
|  | <b>100,000</b>      | <b>100,000</b>      | <b>100,000</b>      |

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

| Particulars                                 | As at 31.03.2018 |                | As at 31.03.2017 |                | As at 01.04.2016 |                |
|---|------------------|----------------|------------------|----------------|------------------|----------------|
|   | No. of Shares    | Amount (Rs.)   | No. of Shares    | Amount (Rs.)   | No. of Shares    | Amount (Rs.)   |
| <b>Equity Shares</b>                        |                  |                |                  |                |                  |                |
| At the beginning of the period              | 10,000           | 100,000        | 10,000           | 100,000        | 10,000           | 100,000        |
| Issued during the period                    | -                | -              | -                | -              | -                | -              |
| <b>Outstanding at the end of the period</b> | <b>10,000</b>    | <b>100,000</b> | <b>10,000</b>    | <b>100,000</b> | <b>10,000</b>    | <b>100,000</b> |

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

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

In the event of liquidation of the Company, the holder 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) Shares held by holding / ultimate holding company and / or their subsidiaries / associates**

| Particulars   | As at 31.03.2018 |              | As at 31.03.2017 |              | As at 01.04.2016 |              |
|---|------------------|--------------|------------------|--------------|------------------|--------------|
|   | No.              | Amount (Rs.) | No.              | Amount (Rs.) | No.              | Amount (Rs.) |
| Prozone Intu Properties Limited<br>(Formerly known as Prozone Capital Shopping Centres Limited), Holding Company & its nominees | 10,000           | 100,000      | 10,000           | 100,000      | 10,000           | 100,000      |

**d) Details of Shareholders holding more than 5% shares in the company:**

| Particulars   | As at 31.03.2018 |           | As at 31.03.2017 |           | As at 01.04.2016 |           |
|---|------------------|-----------|------------------|-----------|------------------|-----------|
|   | No.              | % holding | No.              | % holding | No.              | % holding |
| Prozone Intu Properties Limited<br>(Formerly Known as Prozone Capital Shopping Centers Limited), Holding Company and its nominees | 10,000           | 100%      | 10,000           | 100%      | 10,000           | 100%      |



**Kruti Multitrade Private Limited**

**Summary of significant accounting policies and other explanatory information**  
**for the year ended 31 March 2018**

(Amount in Rs.)

**Note 6 : Borrowings**

(Unsecured)

| Particulars                 | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
|-----------------------------|---------------------|---------------------|---------------------|
| Loan from Holding Company * | 3,980,841           | 3,111,953           | 2,610,795           |
| <b>Total Borrowings</b>     | <b>3,980,841</b>    | <b>3,111,953</b>    | <b>2,610,795</b>    |

\*carry interest @ 8.5% p.a. (31.03.2017: 8.5% p.a., 01.04.2016: 8.5% p.a.)

**Note 7 : Deferred Tax Liability**

| Particulars                            | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
|--|---------------------|---------------------|---------------------|
| Interest free Loan from parent company | 149,026             | 257,213             | 329,125             |
| <b>Total Deferred Tax Liability</b>    | <b>149,026</b>      | <b>257,213</b>      | <b>329,125</b>      |

**Note 8 : Trade payables**

| Particulars                                | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
|--|---------------------|---------------------|---------------------|
| - Due to Micro, Small & Medium Enterprises | 11,800              | 11,450              | 11,450              |
| - Due to Others                            | -                   | 574,000             | -                   |
| <b>Total Trade payables</b>                | <b>11,800</b>       | <b>585,450</b>      | <b>11,450</b>       |

The Company had sought confirmation from the vendors whether they fall in the category of Micro, Small and Medium Enterprises. Based on the information available, the required disclosure for Micro, Small and Medium Enterprises under the above Act is given below :

| Particulars  | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
|--|---------------------|---------------------|---------------------|
| The principal amount remaining unpaid to any supplier as at the end of accounting year ;   | 11,800              | 11,450              | 11,450              |
| interest due thereon remaining unpaid at the end of accounting year;   | -                   | -                   | -                   |
| The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;   | -                   | -                   | -                   |
| The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);   | -                   | -                   | -                   |
| The amount of interest accrued and remaining unpaid at the end of accounting year; and   | -                   | -                   | -                   |
| The amount of further interest due and payable even in the succeeding year, 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. | -                   | -                   | -                   |



**Kruti Multitrade Private Limited**

**Summary of significant accounting policies and other explanatory information**  
**for the year ended 31 March 2018**

(Amount in Rs.)

**Note 9 : Income Tax Liabilities (Net)**

| Particular   | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
|--|---------------------|---------------------|---------------------|
| Provision for Taxation (net of advance income tax and TDS) | -                   | -                   | 2,000               |
| <b>Total income tax liabilities (Net)</b>                  | <b>-</b>            | <b>-</b>            | <b>2,000</b>        |

**Note 10 : Other current liabilities**

| Particulars                            | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
|--|---------------------|---------------------|---------------------|
| Duties & taxes payable                 | 3,161               | 1,326               | -                   |
| <b>Total other current liabilities</b> | <b>3,161</b>        | <b>1,326</b>        | <b>-</b>            |

**Note 11 : Finance costs**

| Particulars  | Year ended<br>31.03.2018 | Year ended<br>31.03.2017 |
|--|--------------------------|--------------------------|
| Interest expense on loan taken from parent company | 285,273                  | 245,981                  |
| <b>Total Finance costs</b>                         | <b>285,273</b>           | <b>245,981</b>           |

**Note 12 : Other expenses**

| Particulars                 | Year ended<br>31.03.2018 | Year ended<br>31.03.2017 |
|-----------------------------|--------------------------|--------------------------|
| Professional fees           | -                        | 625,000                  |
| Auditors Remuneration       | 11,800                   | 11,500                   |
| Miscellaneous Expenses      | -                        | 192,813                  |
| <b>Total Other expenses</b> | <b>11,800</b>            | <b>829,313</b>           |

**Payment to auditor includes :**

| Particulars  | Year ended<br>31.03.2018 | Year ended<br>31.03.2017 |
|--------------|--------------------------|--------------------------|
| Audit Fees   | 11,800                   | 11,500                   |
| <b>Total</b> | <b>11,800</b>            | <b>11,500</b>            |



**Kruti Multitrade Private Limited****Summary of significant accounting policies and other explanatory information**  
**for the year ended 31 March 2018****(Amount in Rs.)****Note 13 : Earning per equity share**

The amount considered in ascertaining the Company's earnings per share constitutes the net loss after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

**Basic and diluted EPS**

| <b>Particulars</b>   |                | <b>Year ended<br/>31.03.2018</b> | <b>Year ended<br/>31.03.2017</b> |
|--|----------------|----------------------------------|----------------------------------|
| Profit computation for basic earnings per share of Rs. 10 each                               |                |                                  |                                  |
| Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders | (Amount in Rs) | (188,886)                        | (1,002,572)                      |
| Weighted average number of equity shares for EPS computation                                 | (Nos.)         | 10,000                           | 10,000                           |
| EPS - Basic  | (Rs.)          | (18.89)                          | (100.26)                         |





**Summary of significant accounting policies and other explanatory information  
for the year ended 31 March 2018****Note 14: Contingent liabilities disclosures as required under Indian Accounting Standard 37, "Provisions, Contingent Liabilities and Contingent Assets":**

Contingent Liabilities not provided for Rs. NIL (P.Y. Rs. NIL).

**Note 15: Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'**

No Provision for retirement benefits is made as required by the Indian Accounting Standard (Ind AS) - 19, since the Company does not have any employees during the year.

**Note 16 :** Net worth of the company has been completely eroded. However, considering the future expansion plans of the Company the financial statements have been prepared on a going concern basis and no adjustments are required to the carrying value of assets and liabilities.**Note 17 : Deferred tax liabilities/(assets)**

There are no items attributable to the deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base as required by Ind AS-12. In view of uncertainty regarding generation of sufficient future taxable income and as matter of prudence no deferred tax assets has been recognized on the losses incurred during the year.

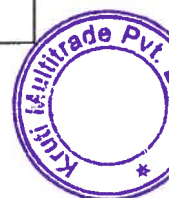
**Note 18 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:**

a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)

| Nature of relationship  | Nature of the party |
|---|---------------------|
| 1) Mr. Sudhanshu Chaturvedi   | Director            |
| 2) Mr. Prashant Koparde   | Director            |
| 3) Prozone Intu Properties Limited  | Holding Company     |
| 4) Prozone Intu Developers Private Limited (Formerly known as Jaipur Festival City Private Limited) | Fellow Subsidiary   |
| 5) Royal Mall Pvt.Ltd.  | Fellow Subsidiary   |

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

| Particulars  | (Amount in Rs.)             |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>31 March 2018 | Year ended<br>31 March 2017 |
| <b>i) Holding Company</b>  |                             |                             |
| <b>Prozone Intu Properties Limited</b>   |                             |                             |
| Loan Taken   | 924,276                     | 256,503                     |
| Loan Repaid  | 340,661                     | 1,326                       |
| Interest Expense   | 285,273                     | 245,981                     |
| <b>Balance outstanding as at the year end</b>  |                             |                             |
| Loan Payable   | 3,980,841                   | 3,111,953                   |
| <b>Balance outstanding as at beginning of the year</b>   |                             |                             |
| Loan Payable   | 3,111,953                   | 2,610,795                   |
| <b>ii) Fellow Subsidiary Company</b>   |                             |                             |
| <b>Professional Fees</b>   |                             |                             |
| Prozone Intu Developers Private Limited (Formerly known as Jaipur Festival City Private Limited) | -                           | 225,000                     |
| Royal Mall Pvt.Ltd.  | -                           | 337,500                     |
| <b>Balance outstanding as at the year end</b>  |                             |                             |
| <b>Trade Payables</b>  |                             |                             |
| Prozone Intu Developers Private Limited (Formerly known as Jaipur Festival City Private Limited) | -                           | 225,000                     |
| Royal Mall Pvt.Ltd.  | -                           | 337,500                     |
| <b>Balance outstanding as at beginning of the year</b>   |                             |                             |
| <b>Trade Payables</b>  |                             |                             |
| Prozone Intu Developers Private Limited (Formerly known as Jaipur Festival City Private Limited) | 225,000                     | -                           |
| Royal Mall Pvt.Ltd.  | 337,500                     | -                           |



**Kruti Multitrade Private Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018**

**Note 19: Fair Value Measurement**

**(i) Financial instruments by category**

| Particulars                        | Refer note | 31 March 2018 |       |                  | 31 March 2017 |       |                  | 01 April 2016 |       |                  |
|------------------------------------|------------|---------------|-------|------------------|---------------|-------|------------------|---------------|-------|------------------|
|                                    |            | FVPL          | FVOCI | Amortised Cost   | FVPL          | FVOCI | Amortised Cost   | FVPL          | FVOCI | Amortised Cost   |
| <b>Financial Assets:</b>           |            |               |       |                  |               |       |                  |               |       |                  |
| Cash and cash equivalents          | 4          | -             | -     | 72,757           | -             | -     | 72,757           | -             | -     | 72,757           |
| <b>Total Financial Assets</b>      |            | -             | -     | <b>72,757</b>    | -             | -     | <b>72,757</b>    | -             | -     | <b>72,757</b>    |
| <b>Financial Liabilities:</b>      |            |               |       |                  |               |       |                  |               |       |                  |
| Borrowings                         | 6          | -             | -     | 3,980,841        | -             | -     | 3,111,953        | -             | -     | 2,610,795        |
| Trade payables                     | 8          | -             | -     | 11,800           | -             | -     | 585,450          | -             | -     | 11,450           |
| <b>Total Financial Liabilities</b> |            | -             | -     | <b>3,992,641</b> | -             | -     | <b>3,697,403</b> | -             | -     | <b>2,622,245</b> |

**(ii) Fair value hierarchy**

Fair value hierarchy explains the judgement and estimates made in determining the fair values of the financial instruments that are -

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)



**Kruti Multitrade Private Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018**

**Note 19: Fair Value Measurement**

**Assets and Liabilities that are disclosed at Amortised Cost for which Fair values are classified as Level 3.**

If one or more of the significant inputs is not based on observable market data, the respective assets and liabilities are considered under Level 3.

**(iii) Fair value of financial assets and liabilities measured at amortised cost**

| Particulars                        | Refer note | (Amount in Rs.)  |                  |                  |                  |
|------------------------------------|------------|------------------|------------------|------------------|------------------|
|                                    |            | 31 March 2018    |                  | 01 April 2016    |                  |
|                                    |            | Carrying Amount  | Fair Value       | Carrying Amount  | Fair Value       |
| <b>Financial Assets:</b>           |            |                  |                  |                  |                  |
| Cash and cash equivalents          | 4          | 72,757           | 72,757           | 72,757           | 72,757           |
| <b>Total Financial Assets</b>      |            | <b>72,757</b>    | <b>72,757</b>    | <b>72,757</b>    | <b>72,757</b>    |
| <b>Financial Liabilities:</b>      |            |                  |                  |                  |                  |
| Borrowings                         | 6          | 3,980,841        | 3,980,841        | 3,111,953        | 2,610,795        |
| Trade payables                     | 8          | 11,800           | 11,800           | 585,450          | 11,450           |
| <b>Total Financial Liabilities</b> |            | <b>3,992,641</b> | <b>3,992,641</b> | <b>3,697,403</b> | <b>2,622,245</b> |



**Note 20 : Financial risk management objectives and policies**

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

**i. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk includes loans and borrowings.

**a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's total debt obligations with floating interest rates.

**b) Foreign currency risk**

The Company is not exposed to foreign exchange risk as at the respective reporting dates.

**c) Other price risk**

The Company is not exposed to any other price risk.

**ii. Credit risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, cash and cash equivalents and receivable from group companies. Company does not foresee any credit risk.

**iii. Liquidity risk**

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities:

(Amount in Rs.)

| Particulars                | On demand      | 0-6 Months | 6-12 Months | More than 1<br>Year | Total            |
|----------------------------|----------------|------------|-------------|---------------------|------------------|
| <b>As at 31 March 2018</b> |                |            |             |                     |                  |
| Borrowings                 | -              | -          | -           | 3,980,841           | 3,980,841        |
| Trade payables             | 11,800         | -          | -           | -                   | 11,800           |
|                            | <b>11,800</b>  | -          | -           | <b>3,980,841</b>    | <b>3,992,641</b> |
| <b>As at 31 March 2017</b> |                |            |             |                     |                  |
| Borrowings                 | -              | -          | -           | 3,111,953           | 3,111,953        |
| Trade payables             | 585,450        | -          | -           | -                   | 585,450          |
|                            | <b>585,450</b> | -          | -           | <b>3,111,953</b>    | <b>3,697,403</b> |
| <b>As at 01 April 2016</b> |                |            |             |                     |                  |
| Borrowings                 | -              | -          | -           | 2,610,795           | 2,610,795        |
| Trade payables             | 11,450         | -          | -           | -                   | 11,450           |
|                            | <b>11,450</b>  | -          | -           | <b>2,610,795</b>    | <b>2,622,245</b> |



**Note 21 : Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total capital plus total debts

| Particulars  | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
|--|---------------------|---------------------|---------------------|
| Total debts  | 3,980,841           | 3,111,953           | 2,610,795           |
| Total equity                                       | (3,556,451)         | (3,367,565)         | (2,364,993)         |
| <b>Total debts to equity ratio (Gearing ratio)</b> | <b>9.38</b>         | <b>(12.17)</b>      | <b>10.62</b>        |

**Note 22 : Prior year comparatives**


Previous year's figures have been regrouped or reclassified, to conform to the current year's presentation wherever considered necessary.

**Notes 1 to 22 form an integral part of these Ind AS standalone financial statements**

This is a summary of significant accounting policies and other explanatory information referred to in our report of even date

**For S G C O & Co. LLP**

Chartered Accountants  
Firm Reg. No. 112081W/W100184

  
**Suresh Murarka**  
Partner  
Mem. No. 44739



Place : Mumbai  
Date : 28th May, 2018

**For and on behalf of the Board of Directors**

  
**Sudhanshu Chaturvedi**  
Director  
DIN : 05151360

Place : Mumbai  
Date : 28th May, 2018

  
**Prashant Koparde**  
Director  
DIN : 06838824

