

BSD & Co.

Chartered Accountants

Branch Office Delhi: 810, 8th Floor, Antriksh Bhawan, 22 Kasturba Gandhi Marg, New Delhi-110001(Delhi)
Tel. : 011-43029888, Email id: delhi@bsdgroup.in website : www.bsdgroup.in

INDEPENDENT AUDITOR'S REPORT

To The Members of Navratan Techbuild Private Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Navratan Techbuild Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to Standalone Financial Statement including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

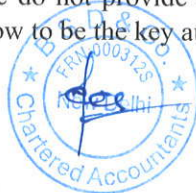
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019, and profit (including other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters ("KAM") are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report



Description of key Audit Matters

| Sr.No. | Key Audit Matters | <u>How that matter was addressed in our audit report</u> |
|--------|--|--|
| 1. | Pending Income Tax cases The Company has pending income tax cases involving tax demands which involve significant judgement to determine possible outcome of these cases. Refer Note 18 to the Financial Statements | We obtained details of all pending income tax matters involving tax demands on the Company and discussed with the Company's inhouse tax team regarding sustainability of Company's claim before various income tax/ appellate authorities on matters under litigation. The inhouse tax team of the company relied upon past legal and other rulings, submissions made by them during various hearings held; which was taken in consideration by us to evaluate management position on these tax demands. |

Management's Responsibility for the Standalone Financial Statements

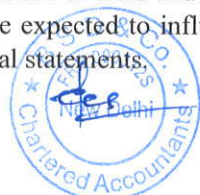
The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income),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

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

The Board of Directors are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.



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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) 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 Flow and the Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure-II**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
 - 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the “**Annexure I**” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For B S D & Co.
Chartered Accountants
Firm's Registration No: 000312S



Prakash Chand Surana
Partner
Membership No: 010276

Place: New Delhi
Date: 22 MAY 2019

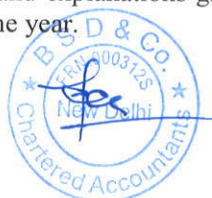
Annexure I to Independent Auditors' Report

(Referred to in paragraph 2 under "Report on other Legal and Regulatory Requirements section of our report to the members of Navratan Techbuild Private Limited of even date)

- i. The Company does not have any Fixed Assets.
- ii. The inventory includes completed real estate projects. Physical verification of inventory has been conducted at reasonable intervals by the management and discrepancies noticed which were not material in nature have been properly dealt with in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not specified for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013. Accordingly Clause 3(vi) of the order is not applicable.
- vii.(a) According to the records of the Company, provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, duty of customs, duty of excise, GST, cess and other applicable material undisputed statutory dues have been deposited regularly during the year with the appropriate authorities.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, GST or other applicable material statutory dues which have not been deposited on account of any dispute except the following:

| Name of Statutes | Nature of Dues | Financial Year to which the matter pertains | Forum where dispute is pending | Amount Outstanding (in Rs.) |
|----------------------|----------------|---|--------------------------------|-----------------------------|
| Income Tax Act, 1961 | Income Tax | 2009-2010 | CIT (Appeals) | 49,00,000 |

- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loan from any banks and financial institutions.
- ix. According to the information and explanations given to us, no term loan was taken and no money was raised by way of initial public offer or further public offer (including debt instruments) by the Company. Accordingly Clause 3(ix) of the order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us, no managerial remuneration has been paid or provided during the year.



- xii. According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, the transaction with the related parties is in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the standalone Ind AS Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. According to information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

For B S D & Co.

Chartered Accountants

Firm's Registration No: 000312S



Prakash Chand Surana

Partner

Membership No: 010276

Place: New Delhi

Date: 22 MAY 2019

Annexure II to Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Navratan Techbuild Private Limited of even date)

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 **Navratan Techbuild Private Limited** ("the Company") as at 31st March 2019 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

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



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

Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

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

For B S D & Co.

Chartered Accountants

Firm's Registration No: 000312S



Prakash Chand Surana

Partner

Membership No: 010276

Place: New Delhi

Date: 22 MAY 2019

Navratan Techbuild Private Limited

Regd. Office: 58, First Floor, Orbit Mall A.B Road, Indore, M.P -452003
Corporate Identity Number: U45203MP2005PTC017489

Balance Sheet as at March 31, 2019

(Amount in Rupees)

| Particulars | Note No. | As at March 31, 2019 | As at March 31, 2018 |
|-------------------------------------|----------|-----------------------|-----------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| a) Financial Assets | | | |
| i) Investments | 1 | 324,013,012.00 | 324,013,012.00 |
| ii) Loans | 2 | 500,000.00 | 500,000.00 |
| b) Deferred Tax Assets (Net) | 3 | 9,673,241.00 | 9,673,241.00 |
| c) Non-Current Tax Assets (Net) | | 1,765,440.00 | 1,765,440.00 |
| | | 335,951,693.00 | 335,951,693.00 |
| Current Assets | | | |
| a) Inventories | 4 | 2,340,466.58 | 2,340,466.58 |
| b) Financial Assets | | | |
| i) Trade Receivables | 5 | 1,343,621.98 | 963,103.67 |
| ii) Cash and Cash Equivalents | 6 | 250,953.73 | 317,074.73 |
| c) Other Current Assets | 7 | 11,292,862.49 | 11,673,380.80 |
| | | 15,227,904.78 | 15,294,025.78 |
| | | | |
| TOTAL ASSETS | | 351,179,597.78 | 351,245,718.78 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| a) Equity Share capital | 8 | 500,000.00 | 500,000.00 |
| b) Other Equity | | 148,175,495.49 | 148,281,319.49 |
| | | 148,675,495.49 | 148,781,319.49 |
| Liabilities | | | |
| Current liabilities | | | |
| a) Financial Liabilities | | | |
| i) Other Financial Liabilities | 9 | 11,000.00 | 17,700.00 |
| b) Other Current Liabilities | 10 | 202,493,102.29 | 201,643,102.29 |
| c) Current Tax Liabilities (net) | 11 | - | 803,597.00 |
| | | 202,504,102.29 | 202,464,399.29 |
| | | | |
| TOTAL EQUITY AND LIABILITIES | | 351,179,597.78 | 351,245,718.78 |
| Significant accounting policies | A | | |

The note nos. 1-25 form an integral part of financial statements.

As per our report of even date attached

For and on behalf of
B S D & Co.
Chartered Accountants
Regn. No. 000312S



Prakash Chand Surana

Prakash Chand Surana
Partner
M.No. 010276

For and on behalf of the Board of Directors

Arindam Shaw
Arindam Shaw
(Director)
DIN: 08155590

Rajneesh Pabbi
Rajneesh Pabbi
(Director)
DIN: 03563078

Place : New Delhi
Date : 22 MAY 2019

Navratan Techbuild Private Limited

Regd. Office: 58, First Floor, Orbit Mall A.B Road, Indore, M.P -452003
Corporate Identity Number: U45203MP2005PTC017489

Statement of Profit and Loss for the year ended March 31, 2019

(Amount in Rupees)

| Particulars | Note No. | Year ended March 31, 2019 | Year ended March 31, 2018 |
|---|----------|---------------------------|---------------------------|
| REVENUE | | | |
| Revenue from operations | 12 | - | 4,621,841.99 |
| Other income | | 41,200.00 | 72,000.00 |
| TOTAL INCOME | | 41,200.00 | 4,693,841.99 |
| Expenses | | | |
| Changes in inventory of finished stock | 13 | - | 405,181.40 |
| Finance cost | 14 | 944.00 | 408.50 |
| Other expenses | 15 | 73,364.00 | 71,001.00 |
| TOTAL EXPENSES | | 74,308.00 | 476,590.90 |
| Profit/(Loss) Before Tax | | (33,108.00) | 4,217,251.09 |
| Tax expense | 16 | 72,716.00 | - |
| Profit/(loss) for the year | | (105,824.00) | 4,217,251.09 |
| Other comprehensive Income | | | |
| Tax on above items | | - | - |
| Total other comprehensive Income | | - | - |
| Total comprehensive Income for the year | | (105,824.00) | 4,217,251.09 |
| Earnings per equity share (in Rupees): Basic & diluted (Face value of Rs. 10 each) | 17 | (2.12) | 84.35 |
| Significant accounting policies | A | | |

The note nos. 1-25 form an integral part of financial statements.

As per our report of even date attached

For and on behalf of
B S D & Co.
Chartered Accountants
Regn. No. 0003125



Prakash Chand Surana

Prakash Chand Surana
Partner
M.No. 010276

Place : New Delhi
Date : 22 MAY 2019

For and on behalf of the Board of Directors

Arindam Shaw
Arindam Shaw
(Director)
DIN: 08155590

Rajneesh Pabbi
Rajneesh Pabbi
(Director)
DIN: 03563078

Navratan Techbuild Private Limited

Regd. Office: 58, First Floor, Orbit Mall A.B Road, Indore, M.P -452003
Corporate Identity Number: U45203MP2005PTC017489

Statement of Changes in Equity for the Year Ended March 31, 2019

A. Equity Share Capital

| Particulars | Numbers | Amount in Rupees |
|--|---------------|-------------------|
| Balance as at 1 April 2017 | 50,000 | 500,000.00 |
| Changes in equity share capital during 2017-18 | - | - |
| Balance as at 31 March 2018 | 50,000 | 500,000.00 |
| Balance as at 1 April 2018 | 50,000 | 500,000.00 |
| Changes in equity share capital during 2018-19 | - | - |
| Balance as at 31 March 2019 | 50,000 | 500,000.00 |

B. Other Equity

(Amount in Rupees)

| Description | Attributable to owners of Navratan Techbuild Private Limited | | |
|------------------------------------|--|----------------------------|-----------------------|
| | Retained Earnings | Other comprehensive Income | Total Other Equity |
| Balance as at 1 April 2017 | 144,064,068.40 | - | 144,064,068.40 |
| Profit/(loss) for the year | 4,217,251.09 | - | 4,217,251.09 |
| Other Comprehensive Income | - | - | - |
| Balance as at 31 March 2018 | 148,281,319.49 | - | 148,281,319.49 |
| Balance as at 1 April 2018 | 148,281,319.49 | - | 148,281,319.49 |
| Profit/(loss) for the year | (105,824.00) | - | (105,824.00) |
| Other Comprehensive Income | - | - | - |
| Balance as at 31 March 2019 | 148,175,495.49 | - | 148,175,495.49 |

The notes referred to above form an integral part of financial statements.

As per our audit report of even date attached

For and on behalf of

B S D & Co.

Chartered Accountants

Regn. No. 000312S



(Handwritten signature of Prakash Chand Surana)

Prakash Chand Surana

Partner

M.No. 010276

For and on behalf of board of directors

(Handwritten signature of Arindam Shaw)

Arindam Shaw

(Director)

DIN: 08155590

(Handwritten signature of Rajveesh Pabbi)

Rajveesh Pabbi

(Director)

DIN: 03563078

Place: New Delhi

Date: **22 MAY 2019**

Navratan Techbuild Private Limited

Regd. Office: 58, First Floor, Orbit Mall A.B Road, Indore, M.P -452003
Corporate Identity Number: U45203MP2005PTC017489

Cash flow statement for the year ended March 31,2019

| | (Amount in Rupees) | |
|---|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 |
| A. Cash flow from operating activities | | |
| Profit/(loss) for the year before tax | (33,108.00) | 4,217,251.09 |
| Adjustment for: | | |
| Finance Charges | 944.00 | 408.50 |
| Operating profit/(loss) before working capital changes | (32,164.00) | 4,217,659.59 |
| Adjustments for working capital | | |
| Inventory | - | 405,181.40 |
| Trade Receivable | (380,518.31) | (767,841.06) |
| Other Current Assets | 380,518.31 | (3,873,028.25) |
| Current Other financial liabilities | (6,700.00) | (41,770.00) |
| Other Current Liabilities | 850,000.00 | 9,027.32 |
| | 843,300.00 | (4,268,430.59) |
| Cash (used in)/generated from operating activities | 811,136.00 | (50,771.00) |
| Direct taxes paid | (876,313.00) | - |
| Net cash (used in) / generated from operating activities | (65,177.00) | (50,771.00) |
| B. Cash flow from investing activities | - | - |
| C. Cash flow from financing activities | | |
| Finance charges Paid | (944.00) | (408.50) |
| Net cash (used in) / generated from Financing activities | (944.00) | (408.50) |
| Net (decrease) / increase in cash and cash equivalents (A+B+C) | (66,121.00) | (51,179.50) |
| Opening balance of cash and cash equivalents | 317,074.73 | 368,254.23 |
| Closing balance of cash and cash equivalents(refer note no. 6) | 250,953.73 | 317,074.73 |

As per our report of even date attached

For and on behalf of
B S D & Co.
Chartered Accountants
Regn. No. 000312S



Prakash Chand Surana
Partner
M.No. 010276

Place : New Delhi
Date : 22 MAY 2019

For and on behalf of the Board of Directors

Arindam Shaw
Arindam Shaw
(Director)
DIN: 08155590

Rajneesh Pabbi
Rajneesh Pabbi
(Director)
DIN: 03563078

Navratan Techbuild Private Limited

Regd. Office: 58, First Floor, Orbit Mall A.B Road, Indore, M.P -452003

Corporate Identity Number: U45203MP2005PTC017489

A. Significant accounting policies

1. Corporate information

Navratan Techbuild Private Limited ("The Company") is a subsidiary company of Omaxe Limited . Registered address of the Company is 58, First Floor, Orbit Mall A.B Road, Indore, M.P-452003.

The company is into the Real Estate Business.

2. Significant accounting policies

i) Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 ('Ind AS') issued by Ministry of Corporate Affairs ('MCA'). The Company has uniformly applied the accounting policies during the period presented.

ii) Revenue recognition

Revenue is recognised on accrual basis and measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers.

(a) Real estate projects

The company derives revenue from execution of real estate projects. Effective from 1st April 2018, Revenue from Real Estate project is recognised in accordance with Ind AS 115 which establishes a comprehensive framework in determining whether how much and when revenue is to be recognised .

Ind AS 115 replaces Ind AS 18 revenue and Ind AS 11 construction contracts which prescribes control approach for revenue recognition as against risk and rewards as per Ind AS 18. The company has opted to apply modified retrospective approach as per Ind AS 115 . Revenue from real estate projects are recognised upon transfer of control of promised real estate property to customer at an amount that reflects the consideration which the company expects to receive in exchange for such booking and is based on following 6 steps :

1. Identification of contract with customers

The company accounts for contract with a customer only when all the following criteria are met:

- Parties (i.e. the company and the customer) to the contract have approved the contract (in writing, orally or in accordance with business practices) and are committed to perform their respective obligations.
- The company can identify each customer's right regarding the goods or services to be transferred.
- The company can identify the payment terms for the goods or services to be transferred.
- The contract has commercial substance (i.e. risk, timing or amount of the company's future cash flow is expected to change as a result of the contract) and
- It is probable that the company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. Consideration may not be the same due to discount rate etc.

2. Identify the separate performance obligation in the contract:-

Performance obligation is a promise to transfer to a customer:

- Goods or services or a bundle of goods or services i.e. distinct or a series of goods or services that are substantially the same and are transferred in the same way.
- If a promise to transfer goods or services is not distinct from goods or services in a contract, then the goods or services are combined in a single performance obligation.
- The goods or services that is promised to a customer is distinct if both the following criteria are met:
 - The customer can benefit from the goods or services either on its own or together with resources that are readily available to the customer (i.e. The goods or services are capable of being distinct) and
 - The company's promise to transfer the goods or services to the customer is separately identifiable from the other promises in the contract i.e. The goods or services are distinct within The context of the contract.

3. Satisfaction of the performance obligation:-

The company recognizes revenue when (or as) the company satisfies a performance obligation by transferring a promised goods or services to the customer.

The real estate properties are transferred when (or as) the customer obtains control of Property.

4 Determination of transaction price:-

The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to customer excluding GST.

The consideration promised in a contract with a customer may include fixed amount, variable amount or both. In determining transaction price, the company assumes that goods or services will be transferred to the customer as promised in accordance with the existing contract and the contract can't be cancelled, renewed or modified

5 Allocating the transaction price to the performance obligation:-

The allocation of the total contract price to various performance obligation are done based on their standalone selling prices, the stand alone selling price is the price at which the company would sell promised goods or services separately to the customers.



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6. Recognition of revenue when (or as) the company satisfies a performance obligation:

Performance obligation is satisfied over time or at a point in time

Performance obligation is satisfied over time if one of the criteria out of the following three is met:

- The customer simultaneously receives and consumes a benefit provided by the company's performance as the company performs.
- The company's performance creates or enhances an asset that a customer controls as asset is created or enhanced or
- The company's performance doesn't create an asset within an alternative use to the company and the company has an enforceable right to payment for performance completed to date.

Therefore the revenue recognition for a performance obligation is done over time if one of the criteria is met out of the above three else revenue recognition for a performance obligation is done at point in time.

The company disaggregate revenue from real estate projects on the basis of nature of revenue.

(b) Interest Income

Interest due on delayed payments by customers is accounted on accrual basis.

(c) Dividend income

Dividend income is recognized when the right to receive the payment is established.

iii) Inventories

Land is valued at lower of cost and net realisable value. Cost is determined on average method. Cost includes cost of acquisition and all related costs.

iv) Impairment of Non Financial Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

v) Financial Instruments

a) Financial Assets

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Subsequent measurement

(1) Financial instruments at amortised cost – the financial instrument is measured at the amortised cost if both the following conditions are met:

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

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

De-recognition of financial assets

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

b) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that are attributable to the acquisition of the financial liabilities are also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

De-recognition of financial liabilities

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



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c) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 22 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

vi) Provisions, contingent assets and contingent liabilities

A provision is recognized when:

- the Company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

vii) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

viii) Income Tax

i. Provision for current tax is made based on the tax payable under the Income Tax Act, 1961. Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity)

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

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

ix) Significant management judgement in applying accounting policies and estimation of uncertainty

Significant management judgements

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

(a) Revenue

Revenue is recognised on accrual basis and comprises of aggregate amounts of sale price agreed with customer and is recognised on the basis of cost of rights so transferred.

(b) Recognition of deferred tax assets

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

(c) Inventories

Inventory is stated at the lower of cost or net realisable value (NRV).

NRV for completed inventory is assessed including but not limited to market conditions and prices existing at the reporting date and is determined by the Company based on net amount that it expects to realise from the sale of inventory in the ordinary course of business

NRV in respect of inventories under construction is assessed with reference to market prices (by referring to expected or recent selling price) at the reporting date less estimated costs to complete the construction, and estimated cost necessary to make the sale. The costs to complete the construction are estimated by management

(d) Classification of assets and liabilities into current and non-current

The Management classifies assets and liabilities into current and non-current categories based on its operating cycle.



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1. NON CURRENT INVESTMENT

(Amount in Rupees)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| unquoted at cost | | |
| Investment in equity instruments in subsidiary company | | |
| 50,000 (50,000) Equity shares of S.N Realtors Private Limited of Rs. 10/- each fully paid-up | 324,013,012.00 | 324,013,012.00 |
| | 324,013,012.00 | 324,013,012.00 |

Figures in brackets represent those of the previous year.

2. NON CURRENT LOANS

(Amount in Rupees)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| (unsecured, considered good unless otherwise stated) | | |
| Security Deposit | 500,000.00 | 500,000.00 |
| | 500,000.00 | 500,000.00 |

3. DEFERRED TAX ASSETS (NET)

(Amount in Rupees)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|------------------------|-------------------------|-------------------------|
| Mat credit entitlement | 9,673,241.00 | 9,673,241.00 |
| | 9,673,241.00 | 9,673,241.00 |

4. INVENTORIES

(Amount in Rupees)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--------------------------------|-------------------------|-------------------------|
| Completed Real estate projects | 2,340,466.58 | 2,340,466.58 |
| | 2,340,466.58 | 2,340,466.58 |

5. TRADE RECEIVABLES

(Amount in Rupees)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|-----------------|-------------------------|-------------------------|
| (Unsecured) | | |
| Considered Good | 1,343,621.98 | 963,103.67 |
| | 1,343,621.98 | 963,103.67 |

6. CASH AND CASH EQUIVALENTS

(Amount in Rupees)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|-----------------------|-------------------------|-------------------------|
| Balance with Banks: | | |
| - In Current Accounts | 250,103.73 | 295,647.73 |
| Cash on hand | 850.00 | 21,427.00 |
| | 250,953.73 | 317,074.73 |



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7. OTHER CURRENT ASSETS

(Amount in Rupees)

| Particulars | (Amount in Rupees) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2019 | As at March 31, 2018 |
| (unsecured, considered good unless otherwise stated) | | |
| Advance to fellow subsidiary company* | 10,642,862.49 | 11,023,380.80 |
| Advance against goods, service and others | | |
| Considered Good | 650,000.00 | 650,000.00 |
| (*Omaxe Buildwell Limited) | | |
| | 11,292,862.49 | 11,673,380.80 |

8. EQUITY SHARE CAPITAL

(Amount in Rupees)

| Particulars | (Amount in Rupees) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2019 | As at March 31, 2018 |
| Authorised | | |
| 50,000(50,000) Equity Shares of Rs.10 each | 500,000.00 | 500,000.00 |
| | 500,000.00 | 500,000.00 |
| Issued, subscribed & paid up | | |
| 50,000 (50,000) Equity Shares of Rs.10 each fully paid up | 500,000.00 | 500,000.00 |
| | 500,000.00 | 500,000.00 |

Figures in brackets represent those of the previous year.

8.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year

| Particulars | As at March 31, 2019 | | As at March 31, 2018 | |
|---|-------------------------|-------------------|-------------------------|-------------------|
| | Number | Amount | Number | Amount |
| Equity Shares of Rs 10 each fully paid | | | | |
| Shares outstanding at the beginning of the year | 50,000 | 500,000.00 | 50,000 | 500,000.00 |
| Shares issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 50,000 | 500,000.00 | 50,000 | 500,000.00 |

8.2 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 shares is entitled to one vote per share. If new equity shares, issued by the company shall be ranked pari-passu with the existing equity shares. The company declares and pays dividend in Indian rupees. The dividend proposed if any by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any in proportion to the number of equity shares held by the share holders.

8.3 Shares held by holding / Ultimate holding company and / or their subsidiaries and associates

| Particulars | As at March 31, 2019 | | As at March 31, 2018 | |
|------------------------|--------------------------|-------------------|--------------------------|-------------------|
| | Number of Shares held | Amount | Number of Shares held | Amount |
| Holding Company | | | | |
| Omaxe Limited | 50,000 | 500,000.00 | 50,000 | 500,000.00 |
| | 50,000 | 500,000.00 | 50,000 | 500,000.00 |



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8.4 Detail of shareholders holding more than 5% shares in equity capital of the company

| Particulars | As at March 31, 2019 | | As at March 31, 2018 | |
|---------------|--------------------------|-----------|--------------------------|-----------|
| | Number of Shares held | % Holding | Number of Shares held | % Holding |
| Omaxe Limited | 50,000 | 100.00 | 50,000 | 100.00 |

The aforesaid disclosure is based upon percentages computed as at the balance sheet date. As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

8.5 The company has not reserved any shares for issue under options and contracts / commitments for the sale of shares / disinvestment.

8.6 The company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash and has neither allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the Period of five years immediately preceding the balance sheet date.

9. CURRENT OTHER FINANCIAL LIABILITIES

(Amount in Rupees)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|-------------------|-------------------------|-------------------------|
| Audit fee payable | 10,000.00 | 11,800.00 |
| Other Payable | 1,000.00 | 5,900.00 |
| | 11,000.00 | 17,700.00 |

10. OTHER CURRENT LIABILITIES

(Amount in Rupees)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|-------------------------|-------------------------|
| Advance from Ultimate holding company# | | |
| # Due to Guild builders Private Limited | 176,000,000.00 | 176,000,000.00 |
| Advance from holding Company* (*Amount Due to Omaxe Limited) | 26,493,102.29 | 25,643,102.29 |
| | 202,493,102.29 | 201,643,102.29 |

11. CURRENT TAX LIABILITIES(NET)

(Amount in Rupees)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|-----------------------|-------------------------|-------------------------|
| Current tax liability | - | 803,597.00 |
| | - | 803,597.00 |



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12. REVENUE FROM OPERATIONS

| Particulars | (Amount in Rupees) | |
|----------------------------------|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
| Income from real estate projects | - | 4,621,841.99 |
| | - | 4,621,841.99 |

13. CHANGE IN INVENTORIES OF FINISHED STOCK

| Particulars | (Amount in Rupees) | |
|---|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
| Inventory at the beginning of the year | | |
| Completed real estate Projects | 2,340,466.58 | 2,745,647.98 |
| | 2,340,466.58 | 2,745,647.98 |
| Less : Inventory at the end of the year | | |
| Completed real estate Projects | 2,340,466.58 | 2,340,466.58 |
| | 2,340,466.58 | 2,340,466.58 |
| | - | 405,181.40 |

14. FINANCE COSTS

| Particulars | (Amount in Rupees) | |
|--------------|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
| Bank charges | 944.00 | 408.50 |
| | 944.00 | 408.50 |

15. OTHER EXPENSES

| Particulars | (Amount in Rupees) | |
|------------------------------|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
| Administrative expenses | | |
| Rent | 48,144.00 | 47,838.00 |
| Rates and taxes | 1,860.00 | 5,000.00 |
| Legal & professional charges | 13,360.00 | 6,363.00 |
| Statutory audit fee | 10,000.00 | 11,800.00 |
| | 73,364.00 | 71,001.00 |

16. INCOME TAX

| Particulars | (Amount in Rupees) | |
|-----------------------------|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
| Tax expenses comprises of : | | |
| Current Income Tax | - | 803,597.00 |
| Earlier year tax adjustment | 72,716.00 | - |
| MAT Credit Entitlement | - | (803,597.00) |
| | 72,716.00 | - |

The major component of income tax expenses and the reconciliation of expected tax expenses based on the domestic effective tax rate of company and reported tax expense in statement of profit and loss are as follows :

| Particulars | (Amount in Rupees) | |
|--|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
| Accounting profit/(loss) before tax | (33,108.00) | 4,217,251.09 |
| Applicable Tax Rates | 19.055% | 19.055% |
| Computed Tax Expenses | - | 803,597.00 |
| Current Tax Provisions(A) | - | 803,597.00 |
| MAT Credit Entitlement (B) | - | (803,597.00) |
| Adjustments recognised in current year in relation to current tax of prior years (C) | 72,716.00 | - |
| Tax expenses recognised in statement of profit and loss(A+B+C) | 72,716.00 | - |



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17. EARNINGS PER SHARE

| Particulars | (Amount in Rupees) | |
|--|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
| Profit/(loss) after tax (in Rupees) | (105,824.00) | 4,217,251.09 |
| Numerator used for calculating basic and diluted earnings per share | (105,824.00) | 4,217,251.09 |
| Equity shares outstanding as at the year end | 50,000 | 50,000 |
| Weighted average number of shares used as denominator for calculating basic & diluted earnings per share | 50,000 | 50,000 |
| Nominal value per share (in Rupees) | 10.00 | 10.00 |
| Basic & diluted earnings per share (in Rupees) | (2.12) | 84.35 |

18. CONTINGENT LIABILITIES & COMMITMENTS

| Particulars | (Amount in Rupees) | |
|----------------------------|-------------------------|-------------------------|
| | As at March 31, 2019 | As at March 31, 2018 |
| Disputed Income tax amount | 85,140,376.00 | 85,140,376.00 |

19. Balances of trade receivable, loan/ advances given and other financial and non financial assets and liabilities are subject to reconciliation and confirmation from respective parties. The balance of said trade receivable, trade payable, loan/ advances given and other financial and non financial assets and liabilities are taken as shown by the books of accounts. The ultimate outcome of such reconciliation and confirmation cannot presently be determined, therefore, no provision for any liability that may result out of such reconciliation and confirmation has been made in the financial statement, the financial impact of which is unascertainable due to the reasons as above stated.

20. SEGMENT REPORTING

In line with the provisions of Ind AS 108 - Operating Segments and on the basis of review of operations being done by the management of the company, the operations of the company falls under real estate business, which is considered to be the only reportable segment by management.



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NOTE 21 : FAIR VALUE MEASUREMENTS

(i) Financial Assets by category

(Amount in Rupees)

| Particulars | Note | As at March 31, 2019 | As at March 31, 2018 |
|------------------------------------|------|-------------------------|-------------------------|
| Financial Assets | | | |
| At Amortised cost | | | |
| Non Current | | | |
| Loans | 2 | 500,000.00 | 500,000.00 |
| Current | | | |
| Trade Receivables | 5 | 1,343,621.98 | 963,103.67 |
| Cash and Cash Equivalents | 6 | 250,953.73 | 317,074.73 |
| Total Financial Assets | | 2,094,575.71 | 1,780,178.40 |
| Financial Liabilities | | | |
| At Amortised cost | | | |
| Current Liabilities | | | |
| Other Financial Liabilities | 9 | 11,000.00 | 17,700.00 |
| Total Financial Liabilities | | 11,000.00 | 17,700.00 |

Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements'.

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

(Amount in Rupees)

| | As at March 31, 2019 | | As at March 31, 2018 | |
|------------------------------------|-------------------------|---------------------|-------------------------|---------------------|
| | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| Financial Assets | | | | |
| Non Current Assets | | | | |
| Loans | 500,000.00 | 500,000.00 | 500,000.00 | 500,000.00 |
| Current Assets | | | | |
| Trade Receivables | 1,343,621.98 | 1,343,621.98 | 963,103.67 | 963,103.67 |
| Cash and Cash Equivalents | 250,953.73 | 250,953.73 | 317,074.73 | 317,074.73 |
| Total Financial Assets | 2,094,575.71 | 2,094,575.71 | 1,780,178.40 | 1,780,178.40 |
| Financial Liabilities | | | | |
| Current Liabilities | | | | |
| Other Financial Liabilities | 11,000.00 | 11,000.00 | 17,700.00 | 17,700.00 |
| Total Financial Liabilities | 11,000.00 | 11,000.00 | 17,700.00 | 17,700.00 |

For short term financial assets and liabilities carried at amortized cost, the carrying value is reasonable approximation of fair value.



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NOTE 22 : RISK MANAGEMENT

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

Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date

B: Moderate credit risk

The company provides for expected credit loss based on the following:

| Credit risk | Basis of categorisation | Provision for expected credit loss |
|----------------------|--|---|
| Low credit risk | Cash and cash equivalents and Investments | 12 month expected credit loss |
| Moderate credit risk | Trade receivables and other financial assets | Life time expected credit loss or 12 month expected credit loss |

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in the statement of profit and loss.

| Credit rating | Particulars | (Amount in Rupees) | |
|-------------------------|--|------------------------|------------------------|
| | | As at 31 March 2019 | As at 31 March 2018 |
| A: Low credit risk | Cash and cash equivalents and Investments | 324,263,965.73 | 324,330,086.73 |
| B: Moderate credit risk | Trade Receivables and other financial assets | 1,843,621.98 | 1,463,103.67 |

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the financial liabilities into relevant maturity pattern based on their contractual maturities.

| Particulars | (Amount in Rupees) | | | | Total | Carrying Amount |
|-----------------------------|--------------------|-------------|-------------|-------------------|------------------|------------------|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | | |
| As at 31 March 2019 | | | | | | |
| Other Financial Liabilities | 11,000.00 | - | - | - | 11,000.00 | 11,000.00 |
| Total | 11,000.00 | - | - | - | 11,000.00 | 11,000.00 |
| As at 31 March 2018 | | | | | | |
| Other Financial Liabilities | 17,700.00 | - | - | - | 17,700.00 | 17,700.00 |
| Total | 17,700.00 | - | - | - | 17,700.00 | 17,700.00 |

Note 23 : CAPITAL MANAGEMENT POLICIES

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity plus its subordinated loan, less cash and cash equivalents as presented on the face of the statement of financial position and cash flow hedges recognised in other comprehensive income.



24. Related Parties**A. Name of related parties**

1. Guild Builders Private Limited (ultimate holding company)
2. Omaxe Limited (holding company)
3. Omaxe Buildwell Limited (fellow subsidiary company)
3. S N Realtors Private Limited (subsidiary company)

B. Summary of transactions with related parties

(Amount in Rupees)

| Transactions | Year Ended | Guild Builders Private Limited | Omaxe Limited | Omaxe Buildwell Limited | S N Realtors Private Limited | Total |
|----------------------------|---------------|--------------------------------|-----------------|-------------------------|------------------------------|------------------|
| Share of Revenue | March 31,2019 | NIL | NIL | (380,518.31) | NIL | (380,518.31) |
| | March 31,2018 | (NIL) | (NIL) | (3,763,028.25) | (NIL) | (3,763,028.25) |
| Advances received (net) | March 31,2019 | NIL | 850,000.00 | NIL | NIL | 850,000.00 |
| | March 31,2018 | (NIL) | (9,027.32) | (NIL) | (NIL) | (9,027.32) |
| Balance outstanding | As on | | | | | |
| Balance Receivable | March 31,2019 | NIL | NIL | 10,642,862.49 | NIL | 10,642,862.49 |
| | March 31,2018 | (NIL) | (NIL) | (11,023,380.80) | (NIL) | (11,023,380.80) |
| Balance Payable | March 31,2019 | 176,000,000.00 | 26,493,102.29 | NIL | NIL | 202,493,102.29 |
| | March 31,2018 | (176,000,000.00) | (25,643,102.29) | (NIL) | (NIL) | (201,643,102.29) |
| Total Investment | March 31,2019 | NIL | NIL | NIL | 324,013,012.00 | 324,013,012.00 |
| | March 31,2018 | (NIL) | (NIL) | (NIL) | (324,013,012.00) | (324,013,012.00) |

Figures in bracket represent those of the previous year.

25. The company has regrouped / reclassified previous year figures where necessary to conform with current year's classification.

The note nos. 1-25 referred to above form an integral part of financial statements.

As per our report of even date attached

For and on behalf of
B S D & Co.
 Chartered Accountants
 Regn. No. 000312S



Prakash Chand Surana
 Partner
 M.No. 010276

For and on behalf of the Board of Directors

Arindam Shaw
Arindam Shaw
 (Director)
 DIN: 08155590

Rajneesh Pabbi
Rajneesh Pabbi
 (Director)
 DIN: 03563078

Place : New Delhi

Date : 22 MAY 2019