



# CHATURVEDI & COMPANY

CHARTERED ACCOUNTANTS

KOLKATA . MUMBAI . DELHI . CHENNAI . KANPUR

60, BENTINCK STREET, KOLKATA-700 069

## INDEPENDENT AUDITOR'S REPORT

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To  
The Members of  
**M/s. AMBUJA HOUSING AND URBAN INFRASTRUCTURE COMPANY LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **AMBUJA HOUSING AND URBAN INFRASTRUCTURE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards required that we comply with ethical requirements and



plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 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, 2017 and its loss and its cash flows for the year ended on that date.

### **Reports on Other Legal and Regulatory Requirements**

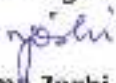
(i) As required by the Companies (Auditors Report) order, 2016 (the Order) issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a Statement on the matters specified in paragraph 3 and 4 of the order (ii) As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act 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 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure B 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 in its financial statements.
  - ii. The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.
  - iii. There are no amounts which are required to be transferred to the Investors Education and Protection Fund by the company during the year.
  - iv. The company has provided requisite disclosures in its financial statements for dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note No. 40 to the financial statements.

**For Chaturvedi & Company**  
*Chartered Accountants*  
**(Firm Reg. No. 302137E)**

  
**Nilima Joshi**  
Partner  
Mem. No. 52122

Place : Kolkata  
Date : 27/06/2017



### Annexure A to the Auditors' Report

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit we report that:

- (i) (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained by the Management, all the assets have been physically verified by the management during the year-end which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the title deeds of immovable properties are held in the name of the Company except one farm land at Shyamolina at Mouza Raichak for which initial Agreement is entered into but it has not been concluded whether a conveyance or lease agreement would be finally entered into and another farm land acquired by way of assignment of lease also at Shyamolina at Mouza Raichak for which an agreement has been entered into between the assignor and the Company however registered deed for assignment of leasehold interest in land is yet to be entered into. In certain cases such deeds are pledged with banks for which receipts have been shown to us.
- (ii) As explained to us the inventory has been physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanation given to us the frequency of verification is reasonable and the discrepancies, if any, noticed on verification between the physical stocks and the book records were not material.
- (iii) a) On the basis of examination of records and according to information and explanation given to us, the Company has granted unsecured loans to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013.
- b) According to the information and explanation given to us no repayment schedule has been specified and loans are repayable on demand but the recovery of interest has been regular. Accordingly paragraph 3(iii)(b) and 3(iii)(c) of the order is not applicable to the Company in respect of repayment of principal amount.
- (iv) On the basis of examination of records and according to information and explanation given to us, the Company has complied the provision of section 185 and 186 of the Act, with respect to loans, investments, guarantee and security.



- (v) The Company has not accepted any deposits and therefore the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules formed thereunder are not applicable to the company.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) a) According to information and explanation given to us and as per the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it. No statutory dues were outstanding, as at 31<sup>st</sup> March 2017 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, amounts payable in respect of income tax, service tax, sales tax, value added tax, duty of custom, duty of excise, cess and other material statutory dues which were outstanding, as at 31<sup>st</sup> March 2017 on account of any dispute are as follows-

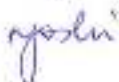
Nature of statute	Nature of Dues	Financial year to which the matter pertains	Forum where dispute is pending	Amount
Service Tax	Indirect Tax	2010-2011 and 2011-2012	Commissioner of Central Excise (Appeals-I)	1,338,594
Income Tax	Income tax and interest	2012-2013	CIT Appeal-4	102,440
Income Tax	Income tax and interest	2013-2014	CIT Appeal-4	386,880

- (viii) Based on our audit procedures and on the information and explanations given by the Management, the Company has not defaulted in repayment of dues to financial institutions or bank. The company has not issued debentures.
- (ix) According to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans taken were applied for the purpose for which it was acquired.
- (x) According to the information and explanation 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 explanation given to us and based on our examination of the records of the company, the company has paid and provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with schedule V to the Act.
- (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 explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the 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 as per the records of the Company examined by us, 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) The Financial Assets Constitute more than 50 percent of the total assets and also income from financial asset constitute more than 50 percent of gross income of the Company during this year. Under Section 45IA of the Reserve Bank of India Act, 1934 Registration as NBFC with RBI is required. As per the explanations given to us, the company is primarily engaged in the business of real estate development. Due to lack of activity in the real estate sector during the current year, the company's financial assets and income from such financial assets has increased, which is likely to be reversed in the future years. Hence the requirement of registration as NBFC with RBI would cease to exist.

**For Chaturvedi & Company**  
Chartered Accountants  
Firm Reg. No. 302137E



**Nilima Joshi**  
Partner  
Mem. No. 52122

Place : Kolkata  
Date : 27.06.2017



## Annexure B to the Auditors' Report

### **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 **AMBUJA HOUSING AND URBAN INFRASTRUCTURE COMPANY LIMITED** ('the Company') as on 31<sup>st</sup> March, 2017 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safe guarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 operative 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 auditors judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in responsible 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 authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

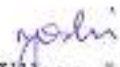
### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2017, based on the 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 issued by the Institute of Chartered Accountants of India.

For **Chaturvedi & Company**  
Chartered Accountants  
Firm Reg. No. 302137E

  
**Nilima Joshi**  
Partner

Mem. No. 52122

Place : Kolkata  
Date : 27.06.2017





**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH 2017**

PARTICULARS	NOTE NO.	AS AT 31.03.2017 Rs.	AS AT 31.03.2016 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Fund</b>			
Share Capital	2	1,500,000,000	1,500,000,000
Reserves and Surplus	3	159,412,815	176,943,257
		<b>1,669,412,815</b>	<b>1,676,943,257</b>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	35,300,000	36,900,000
Deferred Tax Liabilities (Net)	5	12,956,939	13,839,187
Other Long Term Liabilities	6	39,477,870	39,246,407
Long Term Provisions	7	1,022,221	1,216,600
		<b>88,757,030</b>	<b>93,172,194</b>
<b>Current Liabilities</b>			
Short Term Borrowings	8	47,980,853	26,595,050
Trade Payables	9		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		17,529,076	25,137,598
Other Current Liabilities	10	158,888,541	40,941,885
Short Term Provisions	11	379,800	342,710
		<b>224,778,270</b>	<b>95,017,243</b>
		<b>1,982,948,115</b>	<b>1,865,132,694</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	12	115,496,143	126,261,913
Intangible Assets	13	3,339,270	5,327,081
Capital work-in-progress		-	-
		<b>118,835,413</b>	<b>131,588,994</b>
Non-Current Investments	14	821,460,023	816,459,323
Long Term Loans and Advances	15	460,439,470	386,235,412
Other Non-Current Assets	16	38,680,868	28,199,984
		<b>1,320,580,361</b>	<b>1,230,894,719</b>
<b>Current Assets</b>			
Inventories	17	58,879,784	19,043,555
Trade Receivables	18	63,787,631	62,292,907
Cash and Cash Equivalents	19	14,683,567	18,443,239
Short Term Loans and Advances	20	368,808,366	357,563,880
Other Current Assets	21	37,372,993	45,285,400
		<b>543,532,341</b>	<b>502,648,981</b>
		<b>1,982,948,115</b>	<b>1,865,132,694</b>

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date


For **Chaturvedi & Company**  
Chartered Accountants  
Firm Registration No. 302137E


  
Nilima Joshi  
Partner  
Membership No. 52122  
60, Beantick Street  
Kolkata - 700 059


Dated: 27th June, 2017



For and on behalf of the Board

  
Pratik Ranjan Dasgupta  
Whole Time Director  
DIN: 01581246

  
Vikash Jaju  
Director  
DIN: 01594698

  
Vivek Gupta  
Chief Financial Officer

**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2017**

PARTICULARS	NOTE NO.	For the Year Ended 31.03.2017 Rs.	For the Year Ended 31.03.2016 Rs.
<b>REVENUE</b>			
Revenue From Operations	22	38,572,757	52,485,802
Other Income	23	111,710,299	89,311,607
<b>Total Revenue</b>		<b>150,283,056</b>	<b>141,797,409</b>
<b>EXPENSES</b>			
Construction Cost	24	36,331,392	2,254,600
Changes in inventories of Finished units and Work-in-progress	25	(38,176,971)	9,249,369
Employee benefits expense	26	34,141,407	32,622,561
Finance Costs	27	10,879,662	10,883,158
Depreciation and amortization expense	28	12,903,400	15,904,335
Other expenses	29	92,636,856	73,084,088
<b>Total Expenses</b>		<b>148,715,746</b>	<b>143,998,111</b>
<b>Profit / (Loss) Before Tax</b>		<b>1,567,310</b>	<b>(2,200,702)</b>
<b>Tax Expense</b>			
- Current tax		9,950,000	450,000
- Deferred tax		(852,248)	7,441,377
- Income tax of earlier years written back		-	(3,034,419)
		<b>9,097,752</b>	<b>4,856,958</b>
<b>Profit for the period</b>		<b>(7,530,442)</b>	<b>(7,057,660)</b>
<b>Earning per Equity Share</b>			
- Basic		(0.05)	(0.05)
- Diluted		(0.05)	(0.05)

Summary of significant accounting policies **1**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **Chaturvedi & Company**

Chartered Accountants

Firm Registration No. 302137E

*Nilima Joshi*  
Nilima Joshi

Partner

Membership No. 52122

60, Bentinck Street

Kolkata - 700 069

Dated: 27th June, 2017



For and on behalf of the Board

*Pramod Ranjan Dwivedi*  
Pramod Ranjan Dwivedi  
Whole Time Director  
DIN: 01681246

*Vivek Gupta*  
Vivek Gupta  
Chief Financial Officer

*Vikash Jaju*  
Vikash Jaju  
Director  
DIN: 01594698

**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**

**Cash Flow Statement for the year ended 31<sup>st</sup> March, 2017**

	Year ended 31.03.2017 (Rs.)	Year ended 31.03.2016 (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	1,567,310	(2,200,702)
<b>Adjustments for</b>		
Depreciation and amortization	12,903,400	15,904,335
Interest on fixed loans and others excluding foreign exchange fluctuations	10,879,662	10,883,158
Sundry Balances written off	-	105,875
Interest on loans, deposits etc	(87,771,347)	(84,028,229)
Provision for doubtful loans	250,000	-
Diminution in Value of Investment in Joint Venture	24,999,300	-
Dividend received	-	(742,500)
Operating profit before working capital changes	<b>(37,738,985)</b>	<b>(57,877,361)</b>
<b>Adjustments for</b>		
Decrease / (Increase) in Inventories	(39,836,229)	8,475,322
(Increase) / Decrease in Receivables and other bank balances	8,905,791	16,568,503
(Increase) / Decrease in long term loans and advances	(9,484,728)	(20,365,540)
Increase/(Decrease) in trade and other Payables	110,458,163	(1,962,874)
Cash generated from operation	<b>70,042,997</b>	<b>2,715,411</b>
Direct Taxes paid	<b>32,871,322</b>	<b>(57,362,652)</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(3,169,330)</b>	<b>(6,318,482)</b>
	<b>29,701,992</b>	<b>(63,681,134)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investment in subsidiary	(30,000,000)	-
Loan (given) / given received back (Net)	(93,375,000)	32,638,201
Purchase of tangible assets	(157,545)	(442,343)
Sale of tangible assets	7,724	-
Purchase of intangible assets	-	(67,326)
Interest received on loans, deposits etc	85,202,870	68,004,358
Dividend Income	-	742,500
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(38,321,951)</b>	<b>101,875,390</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Loan	(3,600,000)	(3,600,000)
Interest Paid	(10,925,516)	(10,946,227)
Increase/(Decrease) in Cash Credit facility etc from banks	19,385,803	(18,216,969)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>4,860,287</b>	<b>(32,763,196)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(3,759,672)</b>	<b>5,431,060</b>
CASH AND CASH EQUIVALENTS- OPENING [Refer (ii) below]	9,598,915	4,167,855
CASH AND CASH EQUIVALENTS- CLOSING [Refer (ii) below]	5,839,243	9,598,915
	<b>3,759,672</b>	<b>(5,431,060)</b>

**Notes:**

(1) Figures in brackets represent outflows.

Summary of significant accounting policies

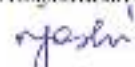
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As per our report of even date

For Chaturvedi & Company

Chartered Accountants

Firm Registration No. 302132F



Nilima Jaisri

Partner

Membership No. 52122

60, Baranuck Street

Kolkata - 700 069

Dated: 27th June, 2017



For and on behalf of the Board

  
Pramod Ranjan Dwivedi

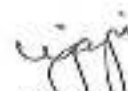
Whole Time Director

DTN: 01681246



Vivek Gupta

Chief Financial Officer



Vikash Jaju

Director

DTN: 01594696

Notes to the Financial Statements

1 Significant Accounting Policies

(a) **Basis of preparation**

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year, except for the change in accounting policy explained below.

Assets and liabilities have been classified as current and non-current as per the Company's operating cycle and other criteria set out in the Schedule II to the Companies Act, 2013. Operating cycle is determined for each ongoing project based on the time taken between the acquisition of assets for processing and their realisation in cash or cash equivalents, which ranges from two to five years. In all other cases it has been considered to have a duration of 12 months.

(b) **Fixed Assets**

Tangible assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Intangible assets are stated at cost, less accumulated amortization thereon. Cost comprises the purchase price inclusive of duties (net of central), taxes and incidental expenses.

Capital Work-in-progress are stated at cost and inclusive of pre operative expenses, project development expenses, etc.

(c) **Depreciation**

Depreciation on tangible fixed assets is provided using the written down value method as per the useful lives of the assets, as prescribed under Schedule II to the Companies Act, 2013, prorated to the period of use of assets. The residual value of an asset for this purpose is determined at the rate of 5% of the original cost of the asset.

Intangible assets are amortised on straight line method over their useful life not exceeding a period of 5 years from the date assets became available for use.

(d) **Impairment**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

(e) **Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset, are classified as operating leases. Operating lease receipts are recognized as an income in the Statement of Profit and Loss on a straight-line basis over the lease term.

(f) **Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

(g) **Inventories**

Construction materials : At weighted average cost.

Work-in-progress : At cost comprising of direct costs relating to specific projects and appropriate share of allocable indirect costs.

Finished Units : At cost of the project attributable to the units or sale value whichever is lower.

(h) **Foreign Currency Conversion**

Foreign currency transactions are recognised at the rates of exchange prevailing on the date of transactions. Monetary foreign currency assets and liabilities outstanding at the close of the financial year are restated at the exchange rates prevailing on the balance sheet date. Exchange differences arising on settlement/ restatement of foreign currency monetary items and transactions are recognised in the Statement of Profit and Loss.



**Notes to the Financial Statements**

**(i) 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.

In keeping with the Guidance Note on Recognition of Revenue by Real Estate Developers issued by the Institute of Chartered Accountants of India (ICAI), Sales are recognized on transfer to the allottees all significant risks, rewards of ownership and effective control of the related property and on establishing certainty of consideration and reasonability of ultimate collection thereof, on percentage completion method, determined on the basis of expenditure incurred on construction and development works, excluding land costs, to the total estimated construction and development costs of the project. On prudent basis such recognition of sales commences upon completion of construction and development works to a reasonable extent based on Management's assessment. Effective 1st April 2012, in accordance with the Guidance Note on Accounting for Real Estate Transaction (Revised 2012), all projects commencing on or after the said date or projects which have already commenced but where the revenue is recognised for the first time on or after above date, revenue on such projects have been recognised on percentage of completion method provided the following thresholds have been met:

- All critical approvals necessary for the commencement of project have been obtained;
- The expenditure incurred on construction and development costs is not less than 25 percent of the total estimated construction and development costs;
- At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and
- At least 10 percent of the agreement value is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

Revenue from project management consultancy fees is recognised under the proportionate completion method when services are

Rental Income : Income from operating lease is recognized on a straight line basis over the period of lease.

Interest : Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends : Income is recognized when the shareholders' right to receive payment is established by the Balance Sheet date.

Other items are recognised on accrual basis.

**(j) Miscellaneous Expenditure**

Preliminary Expenses and Preoperative Expenses incurred before commencement of commercial activities are expensed in the first year of commencement of commercial activities of the Company.

**(k) Borrowing Costs**

Borrowing costs relating to acquisition / construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete and commercially stabilized. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are expensed in the period in which they are incurred.

**(l) Employee Benefits**

Short Term Employees Benefits

- All short term benefits are charged to statement of profit and loss at their undiscounted value.

Defined Contribution Plan

- Contributions towards provident fund and employee state insurance are made on monthly basis to the appropriate government authority and charged to statement of profit and loss.

Defined Benefit Plan

- Liability towards gratuity is charged to statement of profit and loss based on actuarial valuation alongwith actuarial gains/ losses and funded.
- Liability towards accrued leave is charged to statement of profit and loss based on actuarial valuation alongwith actuarial gains/ losses.

**(m) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

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



Notes to the Financial Statements

**(n) Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note Issued by The Institute of Chartered Accountants Of India, asset arising from MAT credit entitlement is recognised when such MAT became due. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during specified period.

**(o) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

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

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

**(q) Cash and Cash Equivalents**

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.



**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**

**Notes to the Financial Statements**

	AS AT 31.03.2017		AS AT 31.03.2016	
	Nos.	Rs.	Nos.	Rs.
<b>2 SHARE CAPITAL</b>				
<b>A Authorised, Issued, Subscribed and paid-up share capital and par value per share</b>				
<b>Authorised Share Capital</b>				
Equity Shares of Rs 10/- each.	175,000,000	1,750,000,000	175,000,000	1,750,000,000
6% Preference Share Capital of Rs 100/- each.	25,000,000	250,000,000	25,000,000	250,000,000
		<u>2,000,000,000</u>		<u>2,000,000,000</u>
<b>Issued, Subscribed and Fully Paid-up</b>				
Equity Shares of Rs 10/- each.	150,000,000	1,500,000,000	150,000,000	1,500,000,000
		<u>1,500,000,000</u>		<u>1,500,000,000</u>

**B Reconciliation of number of shares outstanding at the beginning and at the end of the year**

**I Equity Shares**

Balance at the beginning of the period	150,000,000	1,500,000,000	150,000,000	1,500,000,000
Balance at the end of the period	<u>150,000,000</u>	<u>1,500,000,000</u>	<u>150,000,000</u>	<u>1,500,000,000</u>

**C Rights, preferences and restrictions attaching to various classes of shares**

- I Equity Shares** The company has one class of equity shares having a par value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**D Details of shareholders holding more than 5% shares in the Company**

	% of Holding	AS AT 31.03.2017		AS AT 31.03.2016	
		Nos.	Rs.	Nos.	Rs.
<b>I Equity Shares</b>					
a Ambuja Neeha Holdings Pvt Ltd	100.00% (100.00%)	150,000,000	1,500,000,000	150,000,000	1,500,000,000

**E Shares held by Holding Company**

Out of equity shares issued by the Company, shares held by its holding company is as follows: -

	% of Holding	AS AT 31.03.2017		AS AT 31.03.2016	
		Nos.	Rs.	Nos.	Rs.
<b>I Equity Shares</b>					
a Ambuja Neeha Holdings Pvt Ltd	100.00% (100.00%)	150,000,000	1,500,000,000	150,000,000	1,500,000,000

**3 RESERVES AND SURPLUS**

**A GENERAL RESERVE**

	AS AT 31.03.2017 Rs.	AS AT 31.03.2016 Rs.
Balance as per last financial statements	129,000,000	129,000,000
Closing Balance	<u>129,000,000</u>	<u>129,000,000</u>

**B Surplus (Deficit) in Statement of Profit and Loss**

Balance as per last financial statements	47,943,257	55,000,917
Profit for the year	(7,530,442)	(7,057,660)
Closing Balance	<u>40,412,815</u>	<u>47,943,257</u>
	<u>169,412,815</u>	<u>176,943,257</u>



**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**

**Notes to the Financial Statements**

	AS AT 31.03.2017 Rs.	AS AT 31.03.2016 Rs.
<b>4 LONG TERM BORROWINGS</b>		
Secured		
Term Loan from Bank	35,300,000	38,900,000
	<b>35,300,000</b>	<b>38,900,000</b>
<p>Term Loans from a bank amounting to Rs. 35,300,000/- (Previous year Rs. 38,900,000/-)</p> <p><b>Term of Repayment :</b> Repayable in 119 structured installments (varying from Rs 300,000/- to Rs.800,000/- in the last instalment) beginning from April 2014 along with interest of base rate plus 2.75% payable monthly.</p> <p><b>Nature of security:</b> Secured by Extension of Equitable mortgage of 35103 sq ft of space consisting of Food Court and Ecohub at Ecospace New Town, Kolkata. Extension of Equitable mortgage of 19752 sq ft of space at Block 4A of Ecospace New Town, Kolkata. Extension of Equitable mortgage of 19237 sq ft of office space and 7543 sq ft of Terrace Area situated at 2nd Floor and 3rd Floor of Block 4B of Ecospace, Extension of Equitable mortgage on 32138 sq ft in Block 3A and 10040 sq ft in Block 4A unit no. together with undivided proportionate share of land 40483.53 sq mtr. /Acre. Corporate Guarantee of Ambuja Realty Development Limited (Owner of the property).</p>		
<b>5 DEFERRED TAX LIABILITIES</b>	AS AT 31.03.2017	AS AT 31.03.2016
Timing Difference resulting in Liability on account of :		
Fixed assets, impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	13,338,467	14,151,262
Excess of tax allowances over expenditure recognised in the books	371,387	458,443
Timing Difference resulting in Assets on account of :		
Expenses allowable against taxable income in future years on payment basis	(133,224)	(481,827)
Unabsorbed tax depreciation / losses	(319,691)	(313,691)
	<b>12,956,939</b>	<b>13,809,187</b>
<b>6 OTHER LONG TERM LIABILITIES</b>		
Security Deposits	39,477,870	39,246,407
	<b>39,477,870</b>	<b>39,246,407</b>
<b>7 LONG TERM PROVISIONS</b>		
Long Term Provisions		
Provision for employee benefits		
Provision for leave encashment	1,022,221	1,216,600
	<b>1,022,221</b>	<b>1,216,600</b>
<b>8 SHORT TERM BORROWINGS</b>		
Secured		
Cash Credit facility from Bank	47,980,853	28,595,050
	<b>47,980,853</b>	<b>28,595,050</b>
<p>Cash Credit facility from Bank amounting to Rs 47,980,853/- (Previous Year Rs 28,595,050/-)</p> <p><b>Nature of security:</b> Secured by creation of Equitable mortgage of 35103 sq ft of space consisting of Food Court and Ecohub at Ecospace New Town, Kolkata. Extension of Equitable mortgage of 19237 sq ft of office space and 7543 sq ft of Terrace Area situated at 2nd Floor and 3rd Floor of Block 4B of Ecospace together with undivided proportionate share of land 40483.53 sq mtr. /Acre. Corporate Guarantee of Ambuja Realty Development Limited (Owner of the property).</p>		
	AS AT 31.03.2017	AS AT 31.03.2016
<b>9 TRADE PAYABLES</b>		
Total outstanding dues of micro enterprises and small enterprises [Refer (a) below]	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	17,529,076	25,137,598
	<b>17,529,076</b>	<b>25,137,598</b>

(a) Based on the information / documents available with the company, no creditor is covered under Micro, Small and Medium Enterprises Development Act, 2006. As a result, no interest provisions / payments have been made by the company to such creditors, if any, and no disclosures thereof are made in these accounts.





**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**

**Notes to the Financial Statements**

	<b>AS AT 31.03.2017</b>	<b>AS AT 31.03.2016</b>
<b>10 OTHER CURRENT LIABILITIES</b>	<b>Rs.</b>	<b>Rs.</b>
Current maturities of long-term debt	3,600,000	3,600,000
Interest accrued but not due on borrowings	398,334	444,188
Advance from customers	143,001,735	14,874,979
Employee benefits payable	2,648,396	4,811,315
Statutory dues including Provident Fund and Tax Deducted at Source	4,111,139	1,708,906
Compensation payable to customers	190,000	782,201
Others	4,938,937	14,720,296
	<b>158,888,541</b>	<b>40,941,885</b>
<b>11 SHORT TERM PROVISIONS</b>		
Provision for leave encashment	379,800	342,710
	<b>379,800</b>	<b>342,710</b>



**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**

Notes to the Financial Statements

**12 FIXED ASSETS - TANGIBLE**

Description	Gross Block				Accumulated Depreciation			Net Block	
	As at	Additional/ adjustment during the year	Deductions during the year	As at	Provided during the year	Deductions during the year	As at	As at	
	01.04.2016			31.03.2017	01.04.2016	31.03.2017	31.03.2017	31.03.2017	31.03.2016
Land	5,000,000	-	-	5,000,000	-	-	5,000,000	5,000,000	
Building	150,311,913	-	-	150,311,913	-	-	94,965,040	99,776,510	
Plant and Machinery	34,338,416	-	-	34,338,416	-	-	26,523,607	7,874,809	
Computers	17,208,314	112,890	146,276	17,174,978	-	138,500	14,057,401	5,146,992	
Motor Car and Vehicles	671,530	-	-	671,530	-	-	540,343	131,187	
Furnitures & Fixtures	37,513,965	44,655	-	37,558,620	31,095,488	2,080,602	33,176,090	4,382,530	
<b>Previous Year</b>	<b>245,104,138</b>	<b>157,545</b>	<b>146,226</b>	<b>245,115,457</b>	<b>118,942,225</b>	<b>10,915,589</b>	<b>129,619,314</b>	<b>115,496,143</b>	<b>126,261,913</b>
	244,661,795	462,343	-	245,104,138	104,982,158	13,860,667	118,842,725	126,261,913	

**13 FIXED ASSETS - INTANGIBLE**

Description	Gross Block				Accumulated Depreciation			Net Block	
	As at	Additional/ adjustment during the year	Deductions during the year	As at	Provided during the year	Deductions during the year	As at	As at	
	01.04.2016			31.03.2017	01.04.2016	31.03.2017	31.03.2017	31.03.2016	
Computer Software	10,286,466	-	-	10,286,466	4,959,385	1,987,811	6,947,196	3,339,270	5,327,061
<b>Previous Year</b>	<b>10,286,466</b>	<b>-</b>	<b>-</b>	<b>10,286,466</b>	<b>4,959,385</b>	<b>1,987,811</b>	<b>6,947,196</b>	<b>3,339,270</b>	<b>5,327,081</b>
	10,219,140	67,326	-	10,286,466	2,915,117	2,044,268	4,959,385	5,327,081	



**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**

**Notes to the Financial Statements**

	FACE VALUE	AS AT 31.03.2017		AS AT 31.03.2016	
		Nos.	Rs.	Nos.	Rs.
<b>14 NON-CURRENT INVESTMENT</b>					
<b>A Long Term, Other than trade (Unquoted) (At cost)</b>					
<b>I Investments in Equity Instruments of Subsidiary Companies (Fully Paid Up)</b>					
- Ambuja Realty Events Management Ltd.	10	49,994	499,940	49,994	499,940
- Blooming Skies Real Estate Private Ltd.	10	9,999	99,990	9,999	99,990
- Designer Real Estate India Private Ltd.	10	250,000	114,224,855	250,000	114,224,855
- Quality Maintenance Venture Ltd.	10	49,994	499,940	49,994	499,940
- Skyroof Builders Ltd.	10	1,999,999	19,999,990	1,999,999	19,999,990
- Skylark Ropelines and Amusement Private Ltd.	10	2,485,000	55,653,687	2,485,000	55,653,687
- Vinayak Infrotech Private Ltd.	10	490,000	4,900,000	490,000	4,900,000
- Ulkarsh Static Ltd.	10	15,375,070	210,136,300	15,187,570	180,136,300
			<b>406,014,702</b>		<b>376,014,702</b>
<b>II Investments in Equity Instruments of Joint Venture Companies (Fully Paid Up)</b>					
- Bengal Ambuja Housing Development Ltd.	10	2,475,000	372,178,125	2,475,000	372,178,125
- Bengal Ambuja Metro Development Ltd.	10	495,000	42,180,188	495,000	42,180,188
- Bhagirathi Greenfield Real Estate Ltd.	10	2,499,930	24,999,300	2,499,930	24,999,300
Less: Provision for diminution in the value			(24,999,300)		-
			<b>414,358,313</b>		<b>439,357,613</b>
<b>III Investments in Equity Instruments of Fellow Subsidiary Company (Fully Paid Up)</b>					
- Building Research and Management Services Pvt. Ltd.	10	1,244	887,008	1,244	887,008
- Enrico Real Estate Private Ltd.	10	10,000	100,000	10,000	100,000
- Shankhanil Realtors Private Ltd.	10	10,000	100,000	10,000	100,000
			<b>1,087,008</b>		<b>1,087,008</b>
<b>Total ( I + II +III)</b>			<b>821,460,023</b>		<b>816,459,323</b>
Aggregate amount of unquoted investments			821,460,023		816,459,323
Out of the above equity shares held by the Company, the following number of equity shares specified below are held in the name of its nominees.					
- Designer Real Estate (I) Pvt Ltd.	10	6	60	6	60
- Enrico Real Estate Pvt Ltd.	10	-	-	6	60
- Shankhanil Realtors Pvt Ltd.	10	-	-	6	60
- Skylark Ropelines and Amusement Private Ltd.	10	-	-	6	60
- Ulkarsh Static Ltd.	10	7	70	1	10
- Skyroof Builders Ltd.	10	6	60	6	60
<b>15 LONG TERM LOANS AND ADVANCES</b> (Unsecured, considered good, unless otherwise stated)					
<b>I Loans and advances to Related Parties</b>					
Inter Corporate Loans				381,500,000	310,000,000
<b>II Other Loans and advances</b>					
Security Deposits				33,361,068	25,331,272
Advance Income Tax				26,551,379	29,287,016
(Net of provision Rs.23,650,000/- , Previous year Rs. 13,413,070/-)					
Minimum Alternate Tax Credit Entitlement				15,825,220	19,870,254
Prepaid expenses				1,999,902	260,000
Plan Assets				1,201,900	1,486,870
				<b>460,439,470</b>	<b>386,235,412</b>



**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**

**Notes to the Financial Statements**

	AS AT 31.03.2017 Rs.	AS AT 31.03.2016 Rs.
<b>16 OTHER NON CURRENT ASSETS</b>		
Other Bank Balances		
Interest Receivable	38,680,868	28,199,984
	<b>38,680,868</b>	<b>28,199,984</b>
<b>17 INVENTORIES</b>		
(at lower of cost and net realisable value)		
Construction Material	3,163,758	1,504,500
Work-in-progress	55,716,026	17,539,055
	<b>58,879,784</b>	<b>19,043,555</b>
<b>18 TRADE RECEIVABLES</b>		
(Unsecured, considered good unless otherwise stated)		
Outstanding for a period exceeding 6 months from the date they are due for payments	25,963,631	43,316,089
Others	37,821,000	18,975,818
	<b>63,784,631</b>	<b>62,291,907</b>
<b>19 CASH AND BANK BALANCES</b>		
Cash and cash equivalents		
Bank Balances		
In current accounts (net of temporary overdrafts)	5,839,243	9,598,915
Other bank balances		
Bank Deposits of maturity more than 3 months but less than 1 year	4,662,000	4,662,000
Bank deposit with more than 12 months maturity	4,182,324	4,182,324
	<b>14,683,567</b>	<b>18,443,239</b>
<b>20 SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good unless otherwise stated)		
<b>I Loans and advances to Related Parties</b>		
Unsecured considered good	235,025,000	199,850,000
Doubtful	250,000	-
	<b>235,275,000</b>	<b>199,850,000</b>
Less: Provision for doubtful loans	250,000	-
	<b>235,025,000</b>	<b>199,850,000</b>
Advances (recoverable in cash or in kind or for value to be received or pending adjustments)	-	501,712
<b>II Other Loans and advances</b>		
Inter Corporate Loans	109,450,000	123,000,000
Advance to contractors/ suppliers	5,589,227	8,929,614
Advance given for procurement of Land	15,000,000	15,000,000
Balance with government and other revenue authorities	3,744,139	6,325,783
Advances (recoverable in cash or in kind or for value to be received or pending adjustments)	-	2,941,369
Prepaid expenses	-	1,035,402
	<b>368,808,366</b>	<b>357,583,880</b>
<b>21 OTHER CURRENT ASSETS</b>		
Interest receivables		
From related party	25,715,535	39,677,283
From others	11,637,458	5,408,117
	<b>37,352,993</b>	<b>45,085,400</b>



**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**

**Notes to the Financial Statements**

		<b>For the Year Ended</b>	
		<b>31.03.2017</b>	<b>31.03.2016</b>
		<b>Rs.</b>	<b>Rs.</b>
<b>22</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of Constructed Properties	-	13,177,400
	Sale of services		
	Real Estate Consultancy Charges	3,226,757	86,695
	Rental Income	27,052,674	24,848,553
	Other operating revenues		
	Maintenance and Service Income	8,293,326	14,073,154
		<b>38,572,757</b>	<b>52,485,802</b>
<b>23</b>	<b>OTHER INCOME</b>		
	Interest from		
	Bank	477,988	864,492
	Loans	82,354,623	79,904,699
	Others	4,938,736	3,258,838
	Income from Long term investments - other than trade		
	Dividend on shares	-	742,500
	Commission received	20,000,000	-
	Transfer fees received	3,366,485	1,303,719
	Deputation income	-	1,723,249
	Liabilities no longer required/ written back	35,493	273,851
	Misc Income	536,974	1,240,059
		<b>111,710,299</b>	<b>89,311,607</b>
<b>24</b>	<b>CONSTRUCTION COST</b>		
	Land and Land Development Cost	-	295,172
	Construction Materials Consumed	18,581,782	-
	Construction Contractors' Charges	12,375,006	546,231
	Infrastructure Development Expenses	1,072,497	-
	Architectural and Consultancy Fees	4,301,106	2,413,197
		<b>36,331,392</b>	<b>2,254,600</b>
<b>25</b>	<b>Changes in inventories of finished units and work-in-progress</b>		
	<b>Finished Units</b>		
	Stock at the beginning of the year	-	10,261,644
	Stock at the end of the year	-	-
		<b>-</b>	<b>10,261,644</b>
	<b>Work-in-progress</b>		
	Stock at the beginning of the year	17,539,055	16,526,780
	Stock at the end of the year	55,716,026	17,539,055
		<b>(38,176,971)</b>	<b>(1,012,275)</b>
	<b>Changes in inventories - (Increase)/ Decrease</b>	<b>(38,176,971)</b>	<b>9,249,369</b>
<b>26</b>	<b>EMPLOYEE BENEFITS EXPENSE</b>		
	Salaries, Wages and bonus	32,541,021	30,428,442
	Contribution to PF, ESI and other fund	1,322,679	1,425,270
	Staff Welfare Expenses	277,707	768,849
		<b>34,141,407</b>	<b>32,622,561</b>
<b>27</b>	<b>FINANCE COSTS</b>		
	Interest Expense	10,765,453	10,740,033
	Other Borrowing Cost	94,209	143,125
		<b>10,879,662</b>	<b>10,883,158</b>



**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**

**Notes to the Financial Statements**

	For the Year Ended	
	31.03.2017 Rs.	31.03.2016 Rs.
<b>28 DEPRECIATION AND AMORTISATION</b>		
Depreciation	10,915,589	13,860,067
Amortization	1,987,811	2,044,268
	<b>12,903,400</b>	<b>15,904,335</b>
<b>29 OTHER EXPENSES</b>		
Power & Fuel Expenses	29,338,489	22,755,755
Less: Recovered	23,553,051	16,994,266
	5,785,438	5,761,489
Rent	10,942,479	10,623,956
Insurance	151,933	93,085
Rates and Taxes	602,551	391,890
Office & Site Maintenance Expenses	18,081,154	20,939,835
Payments to statutory auditors		
As audit fees		
Standalone financial statements	250,000	250,000
Consolidated financial statements	125,000	250,000
As tax audit fees	50,000	50,000
Other Matters (Including tax)	102,875	2,125
Legal, professional and consultancy charges	13,990,695	15,640,785
Travelling & Conveyance Expenses	7,297,593	7,970,905
Telephone Expenses	940,900	956,455
Compensation expenses	-	846,956
Advertisement, Publicity and Sale Promotion Expenses	3,103,342	1,265,716
Director's fees	177,104	175,870
Security Charges	3,046,833	2,524,118
Printing & Stationery	336,205	373,178
Brokerage	820,445	1,216,295
Filing Fees	10,711	22,348
Sundry balances written off	-	105,875
Provision for doubtful loans	250,000	-
Provision for diminution in the value of non current investments	24,999,300	-
Corporate Social Responsibility expenses	385,000	454,000
Miscellaneous Expenses	1,187,099	3,168,607
	<b>92,636,856</b>	<b>73,084,088</b>
<b>30 Contingent liabilities</b>		
Contingent liabilities		
Claims against the Company not acknowledged as debt		
Disputed Service Tax Demand	1,338,594	-
Disputed Income Tax Demand	489,320	-
Bank guarantee outstanding	8,844,324	8,844,324
Corporate guarantee outstanding	2,000,000,000	2,000,000,000
	<b>2,010,672,238</b>	<b>2,008,844,324</b>



**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**

**Notes to the Financial Statements**

**31 Employees Benefits**

The Company has incurred Rs.1,031,641/- and Rs. 6,068/- (Previous Year Rs.1,364,432/- and Rs. 9,728/-) towards provident fund and Employees State Insurance respectively during the year.

Brief description of Defined Benefit Plan:

- Encashment of accumulated earned leave is allowed upto 20 days once in a calendar year. Such accumulation is allowed upto 28 days encashable on separation.
- Gratuity is payable to eligible employees on separation according to the Payment of Gratuity Act, 1972 without any maximum limit.

**Reconciliation of opening and closing balances of the present value of the defined benefit obligation: -**

Particulars	Gratuity		Leave Encashment	
	31.03.2017 Rs.	31.03.2016 Rs.	31.03.2017 Rs.	31.03.2016 Rs.
Opening balance	2,999,038	3,146,998	1,559,956	1,593,826
Current service cost	380,270	424,000	180,050	310,750
Interest cost	233,720	223,640	109,040	107,070
Actuarial losses / (gains)	36,850	(235,180)	(88,060)	(10,790)
Benefit paid	(81,900)	(560,420)	(358,320)	(440,900)
<b>Closing balance</b>	<b>3,567,978</b>	<b>2,999,038</b>	<b>1,402,666</b>	<b>1,559,956</b>

**Reconciliation of opening and closing balances of the fair value of plan asset: -**

Particulars	Gratuity	
	31.03.2017 Rs.	31.03.2016 Rs.
Opening balance	4,485,908	4,684,978
Expected return on plan asset	400,080	395,460
Actuarial gain / (loss)	(34,210)	(35,110)
Actual Company contribution	-	-
Benefit paid	(81,900)	(560,420)
<b>Closing balance</b>	<b>4,769,878</b>	<b>4,485,908</b>

**Reconciliation of present value of the defined benefit obligation and the fair value of plan asset: -**

Particulars	Gratuity (Rs.)		Leave Encashment (Rs.)	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Present value of defined benefit obligation	3,567,978	2,999,038	1,402,666	1,559,956
Fair value of plan asset	4,769,878	4,485,908	-	-
<b>Funded status [Surplus/(Deficit)]</b>	<b>1,201,900</b>	<b>1,486,870</b>	<b>(1,402,666)</b>	<b>(1,559,956)</b>
Unrecognised past service costs	-	-	-	-
<b>Net asset/ (liability) recognised in the balance</b>	<b>1,201,900</b>	<b>1,486,870</b>	<b>(1,402,666)</b>	<b>(1,559,956)</b>

**Expenses recognised in the statement of profit and loss for the year: -**

Particulars	Gratuity (Rs.)		Leave Encashment (Rs.)	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Current service cost	380,270	424,000	180,050	310,750
Interest cost	233,720	223,640	109,040	107,070
Expected return on plan asset	(400,080)	(395,460)	-	-
Actuarial losses / (gains)	71,060	(200,070)	(88,060)	(10,790)
Past service cost	-	-	-	-
<b>Total expense</b>	<b>284,970</b>	<b>51,110</b>	<b>201,030</b>	<b>407,030</b>
<b>Under</b>	Contribution to Provident fund & other fund		Salaries, Bonus & Allowances	









**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**

**Notes to the Financial Statements**

		Amount in Rs.	
		31.03.2017	31.03.2016
<b>34</b>	<b>Expenditure incurred on Corporate Social Responsibility activities is as follows:</b>		
	(a) Gross amount required to be spent by the company during the year	385,000	454,000
	(b) Amount spent during the year on:		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	385,000	454,000
	<b>TOTAL</b>	<b>385,000</b>	<b>938,712</b>
<b>35</b>	<b>Earnings per share (Basic &amp; Diluted)</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>Basic Earnings Per Share</b>		
	i Profit / (Loss) for the period (Rs.)	(7,530,442)	(7,057,660)
	ii Provision for Preference Dividend	-	-
	iii Profit available for Equity Shareholders	(7,530,442)	(7,057,660)
	iv Weighted average number of Equity Shares @ Rs. 10 each	150,000,000	150,000,000
	v Earnings/(Loss) per share (Rs.)	(0.05)	(0.05)
	<b>Diluted Earnings Per Share</b>		
	i Number of dilutive potential equity shares resulting from	-	-
	ii Diluted earnings/ (loss) per share (Rs) [ (iv) / (ii) ]	(0.05)	(0.05)
<b>36</b>	<b>Disclosures in respect of arrangement in the nature of Operating Lease Income</b>		
	Assets subject to operating lease are included under fixed assets or inventories as considered appropriate. Lease income (Rental Income) Rs 27,052,674 (Previous Year Rs 24,848,553/- ) is recognised in the Statement of Profit and Loss. Depreciation are recognised as an expense in the Statement of Profit and Loss. These lease agreements inter alia include escalation clause / option for renewal. The Company has leased certain facilities under non-cancellable operating leases.		
	The future minimum lease rentals receivables in respect of non cancellable operating leases as at March 31, 2017 are		
		<b>31.03.2017</b>	<b>31.03.2016</b>
	Minimum Lease Rent Receivables		
	( i ) Not later than one year	989,895	1,862,458
	( ii ) Later than one year and not later than five years	-	989,895
	<b>Expenses</b>		
	Rent paid and office and project maintenance includes lease payments of Rs.10,942,479 (Previous Year Rs.10,623,956/- ) respectively relating to operating leases. The lease arrangements range from less than a year to 9 years and are primarily in respect of accommodation for office premises. The significant non cancellable operating lease agreement inter alia include escalation clause / option for renewal.		
	The future minimum lease rentals payables in respect of non cancellable operating leases as at March 31, 2017 are		
		<b>31.03.2017</b>	<b>31.03.2016</b>
	Minimum Lease Rent Payables		
	( i ) Not later than one year	-	3,203,946
	( ii ) Later than one year and not later than five years	-	-
<b>37</b>	<b>Value and percentage of consumption of construction materials [including materials consumed Rs. NIL (Previous Year: Rs. NIL) for infrastructural facilities]:</b>		
		<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>Value of construction materials consumed</b>	%	%
	Indigenous	(Rs.)	(Rs.)
	Imported	100.00%	18,581,782
	Total	0.00%	-
		100.00%	18,581,782
		0.00%	-
<b>38</b>	<b>Expenditure in Foreign Currency</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	Travelling	700,516	500,000
<b>39</b>	<b>Disclosure in keeping with requirement of Guidance Note on Accounting for Real Estate Transactions (Revised 2012) :</b>		
	(a) The aggregate amount of costs incurred for projects in progress	55,716,026	17,539,055
	(b) Amount of work-in-progress	55,716,026	17,539,055



**AMBUJA HOUSING AND URBAN INFRASTRUCTURE CO LIMITED**

**Notes to the Financial Statements**

**40** Details of Specified Bank Notes (SBN) (i.e. bank notes as specified in Notification no. S.O. 3407 (E) dated 8th November, 2016 issued by the Department of Economic Affairs, the Ministry of Finance of the Government of India) held and transacted during the period 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	105,000	10	105,010
Add: Permitted receipts	-	368,251	368,251
Less: Permitted payments	-	308,700	308,700
Less: Amount deposited in Banks	105,000	-	105,000
Closing Cash in hand as on 30.12.2016	-	59,561	59,561

**41** Certain balances of Loans & Advances, trade payables and trade receivables are subject to receipt of confirmation.

**42** There is no impairment of assets as per AS 28.

**43** Previous year's figures are reclassified, wherever considered necessary, to confirm to this year's classification.

As per our report of even date

For **Chaturvedi & Company**  
Chartered Accountants  
Firm Registration No. 302137E

*Nirma Joshi*  
Nirma Joshi  
Partner  
Membership No. 52122  
60, Bentinck Street  
Kolkata - 700 069

Dated: 27th June, 2017

For and on behalf of the Board

*Pramod Ranjan Deyvedi*  
Pramod Ranjan Deyvedi  
Whole Time Director  
DIN: 0168 246

*Vivek Gupta*  
Vivek Gupta  
Chief Financial Officer

*Vikas Jaiswal*  
Vikas Jaiswal  
Director  
DIN: 01594698

