

Independent Auditors' Report

To the Members of Bengal Shriram Hitech City Private Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Bengal Shriram Hitech City Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. 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 (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
3. The responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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



Auditors' Responsibility (continued)

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

Opinion

9. 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, including the Ind AS, of the financial position of the Company as at 31 March 2017, and its financial performance (including other comprehensive income), its cash flows and the changes in equity for the year ended on that day.

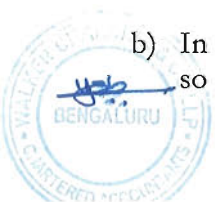
Other Matter

10. The comparative financial information of the Company for the year ended 31 March 2016 and the transition date opening balance sheet as at 01 April 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31 March 2016 and 31 March 2015 dated 22 September 2016 and 29 September 2015 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us. Our opinion is not modified in respect of this manner.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
12. 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;



Report on Other Legal and Regulatory Requirements (continued)

- 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 books of account;
- d) In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 II; 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 (as amended), 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 litigation on its financial position in its financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. the Company, as detailed in Note 31 to the financial statements, has made requisite disclosures in these financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the Company.

Walker Chandiook & Co. LLP
For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Banthia
per **Sanjay Banthia**
Partner
Membership No.: 061068

Place: Bengaluru
Date: 28 September 2017



For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No.: 116231W/W-100024

Vipin Lodha
per **Vipin Lodha**
Partner
Membership No.: 076806

Place: Bengaluru
Date: 28 September 2017



Annexure I to the Independent Auditors' Report of even date to the members of Bengal Shriram Hitech City Private Limited, on the financial statements for the year ended 31 March 2017

As referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified every year, 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) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.
- (ii) The Company is primarily engaged in the business of real estate development and related services and holds inventories only in the form of land, properties under development and constructed properties. Thus, paragraph 3(ii) of the order is not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us and based on the legal opinion obtained by the management, the Company has complied with provisions of Section 185 and 186 of the Act, with respect to loans taken, guarantee taken and security given.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



Annexure I to the Independent Auditors' Report (continued)

- (vii)(a) Undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. As explained to us, the Company did not have any dues on account of Customs duty and Excise duty.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, sales-tax, service tax, value added tax, cess and other material statutory dues were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income tax, Service tax and Value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution. The Company did not have any outstanding dues to banks, government or debenture-holders during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained, though idle/surplus funds which were not required for immediate utilization were temporarily used for the purpose other than for which the loan was sanctioned but were ultimately utilized for the stated end-use.
- (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 period covered by our audit.
- (xi) The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under Section 2(71) of the Act. Accordingly, provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.



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

Annexure I to the Independent Auditors' Report (continued)

(xv) In our opinion and according to the information and explanations give to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) In our opinion and according to the 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.

Walker Chandiosk & Co. LLP
For **Walker Chandiosk & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No.: 116231W/W/100024

Sanjay Banthia
per **Sanjay Banthia**
Partner
Membership No.: 061068

Vipin Lodha
per **Vipin Lodha**
Partner
Membership No.: 076806

Place: Bengaluru
Date: 28 September 2017

Place: Bengaluru
Date: 28 September 2017



Annexure II to the Independent Auditors' Report of even date to the members of Bengal Shriram Hitech City Private Limited on the financial statements for the year ended 31 March 2017

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

1. In conjunction with our audit of the financial statements of Bengal Shriram Hitech City Private Limited ('the Company') as at and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 ('Guidance note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the 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

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 IFCoFR.



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2017, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance note issued by the ICAI.

Walker Chandiook & Co. LLP

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Banthia

per **Sanjay Banthia**
Partner
Membership No.: 061068

Place: Bengaluru
Date: 28 September 2017



For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No.: 116231W/W-100024

Vipin Lodha

per **Vipin Lodha**
Partner
Membership No.: 076806

Place: Bengaluru
Date: 28 September 2017



Bengal Shriram Hitech City Private Limited
Balance sheet as at 31 March 2017
(All amounts in ₹ millions, unless otherwise stated)

	Note	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
I ASSETS				
Non-current assets				
(a) Property, plant and equipment	2	4.15	4.01	1.14
(b) Other intangible assets	3	0.41	0.27	0.01
(c) Financial assets				
(i) Loans	4A	19.08	20.56	11.23
(d) Non-current tax assets (net)	5	4.26	3.84	3.23
Total non-current assets		27.90	28.68	15.61
Current assets				
(a) Inventories	8	4,147.08	3,804.46	3,513.82
(b) Financial assets				
(i) Cash and cash equivalents	9	90.01	3.00	2.27
(ii) Other bank balances	10	4.00	-	-
(iii) Loans	4B	2.11	4.03	1.25
(iv) Other financial assets	6	0.37	-	-
(c) Other current assets	7	110.05	72.66	58.12
Total current assets		4,353.62	3,884.15	3,585.47
TOTAL ASSETS		4,381.52	3,912.83	3,571.08
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	11	493.65	493.65	493.65
(b) Other equity	12	1,781.09	1,911.26	1,980.54
Total equity		2,274.74	2,404.91	2,474.19
Liabilities				
Non-current liabilities				
(a) Provisions	15A	1.66	1.20	0.51
Total non-current liabilities		1.66	1.20	0.51
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	13	1,674.95	1,160.47	986.47
(ii) Trade payables	14			
total outstanding dues of micro enterprises and small enterprises		-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		17.34	60.33	25.36
(iii) Other financial liabilities	16	8.89	29.78	3.73
(b) Other current liabilities	17	402.92	255.53	80.64
(c) Provisions	15B	1.02	0.61	0.18
Total current liabilities		2,105.12	1,506.72	1,096.38
TOTAL EQUITY AND LIABILITIES		4,381.52	3,912.83	3,571.08

Significant accounting policies

1.2

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

As per report of even date

Walker Chandio & Co. LLP

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.:
001076N/N500013

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No.:
116231W/W-100024

For and behalf of the board of directors of
Bengal Shriram Hitech City Private Limited

Sanjay Banthia

per Sanjay Banthia
Partner
Membership No. : 061068

Vipin Lodha
per Vipin Lodha
Partner
Membership No. : 076806

M Murali
M Murali
Director
DIN: C0030036

Krishna Veeraraghavan
Krishna Veeraraghavan
Director
DIN: 06320435

Bengaluru
28 September 2017



Bengaluru
28 September 2017



Bengaluru
28 September 2017



Bengaluru
28 September 2017

Bengal Shriram Hitech City Private Limited
Statement of profit and loss for the year ended 31 March 2017
 (All amounts in ₹ millions, unless otherwise stated)

	Note	Year ended 31 March 2017	Year ended 31 March 2016
Revenue			
Other income	18	13.63	3.21
Total revenue		13.63	3.21
Expenses			
Material and contract costs		156.77	139.23
Changes in inventories	19	(342.62)	(290.64)
Employee benefits expense	20	32.47	17.15
Finance expense, net	21	183.44	150.46
Depreciation and amortisation expense	2&3	1.53	0.69
Other expenses	22	111.75	55.25
Total expenses		143.34	72.14
Loss before tax		(129.71)	(68.93)
Tax expense	23	-	-
Loss after tax		(129.71)	(68.93)
Other comprehensive income/(loss)	24		
A (i) Items that will not be reclassified to profit or loss		(0.45)	(0.36)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive loss for the year		(0.45)	(0.35)
Total comprehensive loss for the year		(130.16)	(69.28)
Loss per equity share (Nominal value ₹ 10 per share)	25		
Basic & Diluted(₹)		(6.03)	(3.21)

Significant accounting policies

1.2

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

As per report of even date

Walker Chandio & Co LLP

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.:

001076N/N500013

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No.:

116231W/W-100024

For and behalf of the board of directors of
Bengal Shriram Hitech City Private Limited

Sanjay Banthia.

per Sanjay Banthia

Partner

Membership No. :

031068

per Vipin Lodha

Partner

Membership No. : 076806

M Murali

Director

DIN: 00030096

Krishna Veeraraghavan

Director

DIN: 00620405

Bengaluru

28 September 2017

Bengaluru

26 September 2017

Bengaluru

28 September 2017

Bengaluru

28 September 2017



Bengal Shriram Hitech City Private Limited
Cash flow statement for the year ended 31 March 2017
 (All amounts in ₹ millions, unless otherwise stated)

	Year ended 31 March 2017	Year ended 31 March 2016
Cash flows from operating activities:		
Loss before taxation	(129.71)	(68.93)
<i>Adjustments:</i>		
Depreciation and amortisation	1.53	0.69
(Profit)/loss on sale of fixed assets	-	(0.01)
Provision no longer required written back	(12.92)	(3.12)
Finance expense, net	183.44	150.46
Operating cash flow before working capital changes	42.34	79.09
<i>Working capital changes :</i>		
(Increase) in loans and advances and other assets	(34.35)	(46.64)
Increase in liabilities and provisions	96.87	239.81
(Increase) in inventories	(342.63)	(290.64)
Cash used in operating activities	(237.77)	(18.38)
Tax paid	(0.42)	(0.61)
Net cash used in operating activities	(238.19)	(19.99)
Cash flows from investing activities:		
Purchase of fixed assets	(1.81)	(3.81)
Net investment in bank deposits	(4.00)	-
Interest received	1.55	-
Net cash used in investing activities	(4.26)	(3.81)
Cash flows from financing activities:		
Proceeds from term loan	370.00	-
Processing charges paid	(2.50)	-
Proceeds from related party loan	38.96	23.53
Payment for related party loan	(43.28)	-
Interest paid on term loans	(33.72)	-
Net cash generated from financing activities	329.46	23.53
Net increase/(decrease) in cash and cash equivalents	87.01	0.73
Cash and cash equivalents at beginning of the year	3.00	2.27
Cash and cash equivalents at end of the year (Refer Note 9)	90.01	3.00

As per report of even date

Walker Chandniok & Co. LLP

For Walker Chandniok & Co LLP
 Chartered Accountants
 Firm's Registration No.:
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For and behalf of the board of directors of
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 Partner
 Membership No. : 061068

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 DIN: 06620405

Bengaluru
 28 September 2017

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 28 September 2017

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 28 September 2017



Bengal Shriram Hitech City Private Limited
 Statement of Changes in Equity for the year ended 31 March 2017
 (All amounts in ₹ millions, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at 1 April 2015	493.65
Changes in equity share capital during 2015-16	-
Balance as at 31 March 2016	493.65
Changes in equity share capital during 2016-17	-
Balance as at 31 March 2017	493.65

B. Other equity

Particulars	Security Premium	Retained earnings	Total
Balance as at 01 April 2015 (Refer note 40)	2,780.11	(799.58)	1,980.53
Loss for the year	-	(68.93)	(68.93)
Other Comprehensive Income	-	(0.35)	(0.35)
Balance as at 31 March 2016	2,780.11	(868.86)	1,911.25
Loss for the year	-	(129.71)	(129.71)
Other Comprehensive loss	-	(0.45)	(0.45)
Balance as at 31 March 2017	2,780.11	(999.02)	1,781.09

As per report of even date

Walker Chandiook & Co. LLP
 For Walker Chandiook & Co LLP
 Chartered Accountants
 Firm's Registration No.:
 001076N/N500013

For B S R & Associates LLP
 Chartered Accountants
 Firm's Registration No.:
 116231W/W-100024

For and behalf of the board of directors of
 Bengal Shriram Hitech City Private Limited

Sanjay Banthia

per Sanjay Banthia
 Partner
 Membership No. : 061068

Bengaluru
 28 September 2017

Vipin Lodha

per Vipin Lodha
 Partner
 Membership No. : 076806

Bengaluru
 28 September 2017

M Murali

M Murali
 Director
 DIN: 00030096

Bengaluru
 28 September 2017

Krishna Veeraraghavan

Krishna Veeraraghavan
 Director
 DIN: 06620405

Bengaluru
 28 September 2017



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1 Company overview and significant accounting policies

1.1 Company overview

Bengal Shriram Hitech City Private Limited (' the Company '), was incorporated on 17 November 2006. The registered office of the Company is located at Bengaluru, Karnataka, India. The Company is engaged in the business of development and sale of real estate projects.

1.2 Significant accounting policies

a. Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as per Companies (Indian Accounting Standards) Rules 2015 notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The financial statements up to and for the year ended 31 March 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in note 40.

The financial statements for the year ended 31 March 2017 were authorized and approved for issue by the Board of Directors on 28 September 2017.

b. Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases that are in effect as at 31 March 2017, as summarized below.

In accordance with Ind AS 101, 'First-time Adoption of Indian Accounting Standards' the Company presents three balance sheets, two statement of profit and loss, two statements of cash flows and two statements of changes in equity and related notes, including comparative information for all statements presented, in its first Ind AS financial statements. In future periods, Ind AS 1, 'Presentation of Financial Statements' requires two comparative periods to be presented for the balance sheet only in certain circumstances.

c. Basis of preparation of financial statements

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, 'Share-based Payment', leasing transactions that are within the scope of Ind AS 17, 'Leases', and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 'Inventories', or value in use in Ind AS 36 'Impairment of

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

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

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

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

d. Functional and presentation currency

The financial statements are presented in Indian Rupee (' ₹ ') which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

e. Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require significant accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 1.3 and 1.4.

f. Standards, not yet effective and have not been adopted early by the Company

Information on new standards, amendments and interpretations that are expected to be relevant to the financial statements is provided below.

Amendment to Ind AS 7 'Statement of Cash Flows'

The amendments to Ind AS 7, 'Statement of cash flows' inter-alia require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The effective date of the amendment is 01 April 2017. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.



1.2 Significant accounting policies (continued)

g. Current versus non-current classification

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

(i) An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

(ii) All other assets are classified as non-current.

(iii) A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

(iv) All other liabilities are classified as non-current.

(v) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of service and the time between the acquisition of assets for development and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as four years for the purpose of current and non-current classification of assets and liabilities which pertain to the project and for all other assets and liabilities the Company has considered twelve months.

h. Foreign currency transactions

(a) Initial recognition

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

(b) Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

i. Revenue recognition

Revenue from projects

Revenue from sale of properties is recognized when it is recognised upon transfer of all significant risks and rewards of ownership of such property, as per the terms of the binding agreement entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements and it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes.

In accordance with the "Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)" (guidance note) all projects where revenue is recognized for the first time, construction revenue on such projects have been recognized on percentage of completion method provided the following thresholds have been met:

(a) all critical approvals necessary for the commencement have been obtained;

(b) the expenditure incurred on construction and development costs is not less than 25 percent of the total estimated construction and development costs;

(c) at least 25 percent of the saleable project area is secured by agreements with buyers; and

(d) at least 10 percent of the agreements are realized at the reporting date in respect of such contracts.

Contract revenues represent the aggregate amounts of fair value of sale price for agreements entered into and are accrued based on the percentage that the actual construction costs incurred until the reporting date bears to the total estimated construction costs to completion.

Contract costs include the estimated construction, development, proportionate land cost and other directly attributable costs of the projects under construction. Losses expected to be incurred on projects in progress, are charged to the statement of profit and loss in the period in which these losses are known.

For projects executed through joint development arrangements, the Company provides land and the developer undertakes to develop the project on such land. The Company has agreed to receive a certain percentage of constructed area or certain percentage of the revenue proceeds in lieu of land provided by the Company. Revenue from the development and transfer of constructed area/ revenue sharing arrangement and its corresponding project cost is being accounted following the accounting treatment as suggested by the Guidance Note on Accounting for Real Estate Transactions (Ind AS).

The estimates for saleable area and contract costs are reviewed by the management periodically and the cumulative effect of the changes in these estimates, if any, are recognized in the period in which these changes may be reliably measured.

Unbilled revenue disclosed under other financial assets represents revenue recognized over and above the amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognized profits to date on projects under construction are disclosed as unearned revenue under other current liabilities. Any billed amount that has not been collected is disclosed under trade receivables and is net of any provisions for amounts doubtful of recovery.

Interest Income

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

Interest on delayed receipts, cancellation/forfeiture income and transfer fees from customers are recognized on accrual basis except in cases where ultimate collection is considered doubtful.



1.2 Significant accounting policies (continued)

i. Inventories

Properties under development

Properties under development represents construction work in progress which are stated at the lower of cost and net realizable value. This comprises of cost of land, construction related overhead expenditure, borrowing costs and other net costs incurred during the period of development.

Properties held for development

Properties held for development represents land acquired for future development and construction, and is stated at cost including the cost of land; the related costs of acquisition and other costs incurred to get the properties ready for their intended use.

k. Property, Plant and Equipment (PPE)

Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met, any expected costs of decommissioning and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement

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

Depreciation and useful lives

Depreciation/amortization on fixed assets is provided on the straight-line method, based on the useful life of asset specified in Schedule II to the Companies Act, 2013. The Management estimates the useful lives of the assets as per the indicative useful life prescribed in Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Furniture and fixtures	10 years
Office equipments	5 years
Computer equipment	3 years
Vehicles	8 years
Plant and machinery	10 years
Leasehold improvements	3 years

Cost of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress.

De-recognition

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

l. Intangible assets

Recognition and initial measurement

Intangible assets (software) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortization)

The cost of capitalized software is amortized over a period of 3 years from the date of its acquisition on a straight line basis.

m. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalization rate to the expenditures on that asset.

The Company suspends capitalization of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

n. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.



1.2 Significant accounting policies (continued)

o. Leases

Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Payments made under operating leases are recognised in statement of profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expenses over the term of the lease.

p. Employee benefits

Defined contribution plan

The Company's contribution to provident fund is charged to the statement of profit and loss. The Company's contributions towards provident fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan, in accordance with Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Defined benefit plan

The liability recognized in the balance sheet for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries who use the projected unit credit method to calculate the defined benefit obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Actuarial gain or loss arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income in the year in which such gain or loss arise.

Vacation pay

The Company also provides benefit of vacation pay to its employees. Liability in respect of vacation pay becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss or inventorized as a part of project under development, as the case may be in the year in which such gains or losses arise.

The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Other short-term benefits

Short-term employee benefits comprising employee costs including performance bonus is recognized in the statement of profit and loss on the basis of the amount paid or payable for the period during which services are rendered by the employee.

q. Tax expense

Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Company operates and generates taxable income.

Deferred tax

Deferred tax is recognized 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 are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the period

Current and deferred tax are recognized in profit or loss, except when they are relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

r. Earnings per share

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

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



1.2 Significant accounting policies (continued)

f. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

l. Financial instruments

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

Debt Instruments

Debt instruments at amortized cost

A 'Debt instruments' is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the statement of profit and loss.

Debt Instruments at fair value through other comprehensive income (FVTOCI)

A debt instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Fair value movements are recognized in other comprehensive income (OCI).

Debt instruments at Fair value through profit and loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition of financial assets

A financial asset is primarily de-recognized 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.

u. Financial liabilities

Initial recognition

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

Subsequent measurement

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

De-recognition of financial liabilities

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

Offsetting of financial instruments

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

v. Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.



1.2 Significant accounting policies (continued)

w. Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

x. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is engaged in the business of construction, development and sale of all or any part of housing project which is the only reportable segment. The Company operates primarily in India and there is no other significant geographical segment.

1.3 Significant estimates in applying accounting policies

- a. Revenue and inventories – The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of the outcomes of long-term construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims and incentive payments to the extent they are probable and they are capable of being reliably measured.
- b. Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.
- c. Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other assets.
- d. Defined Benefit Obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

1.4 Critical judgements in applying accounting policies

- a. 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. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.
- b. Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- c. Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgement.
- d. Classification of leases – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.



Bengal Shriram Hitech City Private Limited
 Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ millions, unless otherwise stated)

2 Property, plant and equipment

Details of the Company's property, plant and equipment and reconciliation of their carrying amounts from beginning to end of reporting period is as follows:

Particulars	Furnitures and fixtures	Vehicles	Office equipments	Computers	Plant and machinery	Total
Gross carrying amount						
At 01 April 2015 (refer note a)	0.14	0.91	0.09	-	-	1.14
Additions	0.06	0.09	1.84	1.55	-	3.54
Disposals/Adjustments	-	-	-	-	-	-
At 31 March 2016	0.20	1.00	1.93	1.55	-	4.68
Additions	0.27	-	0.31	0.12	0.76	1.46
Disposals/Adjustments	-	-	-	-	-	-
At 31 March 2017	0.47	1.00	2.24	1.67	0.76	6.14
Accumulated depreciation						
At 01 April 2015	-	-	-	-	-	-
Charge for the year	0.04	0.40	0.12	0.11	-	0.67
Adjustments for disposals	-	-	-	-	-	-
At 31 March 2016	0.04	0.40	0.12	0.11	-	0.67
Charge for the year	0.05	0.27	0.42	0.53	0.05	1.32
Adjustments for disposals	-	-	-	-	-	-
At 31 March 2017	0.09	0.67	0.54	0.64	0.05	1.99
Net block						
At 01 April 2015	0.14	0.91	0.09	-	-	1.14
At 31 March 2016	0.16	0.60	1.81	1.44	-	4.01
At 31 March 2017	0.38	0.33	1.70	1.03	0.71	4.15

a. Deemed carrying cost

For property, plant and equipment existing as on the date of transition to Ind AS, i.e., 01 April 2015, the Company has used previous GAAP carrying value as deemed costs.

b. Contractual obligations

There are no contractual commitments pending for the acquisition of property, plant and equipment as at balance sheet date.

c. Capitalized borrowing cost

There are no borrowing costs capitalized during the year ended 31 March 2017 and 31 March 2016.

d. Property, plant and equipment pledged as security

There are no assets pledged as security.

3 Particulars

Particulars	Computer software	Total
Gross carrying amount		
At 01 April 2015 (refer note a)	0.01	0.01
Additions	0.28	0.28
Disposals/adjustments	-	-
At 31 March 2016	0.29	0.29
Additions	0.35	0.35
Disposals/adjustments	-	-
At 31 March 2017	0.64	0.64
Accumulated amortization		
At 01 April 2015	-	-
Charge for the year	0.02	0.02
Disposals/adjustments	-	-
At 31 March 2016	0.02	0.02
Charge for the year	0.21	0.21
Disposals/adjustments	-	-
At 31 March 2017	0.23	0.23
Net block		
At 01 April 2015	0.01	0.01
At 31 March 2016	0.27	0.27
At 31 March 2017	0.41	0.41

Deemed carrying cost

For intangible assets existing as on the date of transition to Ind AS, i.e., 01 April 2015, the Company has used previous GAAP carrying value as deemed costs.



Bengal Shriram Hitech City Private Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions, unless otherwise stated)

	<u>31 March 2017</u>	<u>31 March 2016</u>	<u>01 April 2015</u>
4 Loans			
A Non-current			
Unsecured, considered good			
Security deposits	19.08	20.56	11.23
	<u>19.08</u>	<u>20.56</u>	<u>11.23</u>
B Current			
Unsecured, considered good			
Security deposits	1.51	-	-
Other advances	0.60	4.03	1.25
	<u>2.11</u>	<u>4.03</u>	<u>1.25</u>
5 Non-current tax Assets(net)	<u>31 March 2017</u>	<u>31 March 2016</u>	<u>01 April 2015</u>
Advance income tax, including tax deducted at source	4.26	3.84	3.23
	<u>4.26</u>	<u>3.84</u>	<u>3.23</u>
6 Other financial assets	<u>31 March 2017</u>	<u>31 March 2016</u>	<u>01 April 2015</u>
Current			
Other advances	0.37	-	-
	<u>0.37</u>	<u>-</u>	<u>-</u>
7 Other current assets	<u>31 March 2017</u>	<u>31 March 2016</u>	<u>01 April 2015</u>
Advance for project	17.78	34.20	0.54
Prepaid expenses	7.13	1.04	0.08
Balances with statutory authorities	25.14	37.42	37.51
Other deposits	60.00	-	-
	<u>110.05</u>	<u>72.66</u>	<u>38.13</u>
8 Inventories	<u>31 March 2017</u>	<u>31 March 2016</u>	<u>01 April 2015</u>
Properties held for development *			
At the beginning of the period	3,623.60	3,340.29	3,340.29
Add: Additions/(deletions) during the period	329.43	283.31	-
	<u>3,953.03</u>	<u>3,623.60</u>	<u>3,340.29</u>
Properties under development*			
Land cost	149.60	149.60	149.60
Material and construction cost	44.45	31.26	23.93
	<u>194.05</u>	<u>180.86</u>	<u>173.53</u>
	<u>4,147.08</u>	<u>3,804.46</u>	<u>3,513.82</u>
* Details of assets pledged are as per note 26			
9 Cash and cash equivalents	<u>31 March 2017</u>	<u>31 March 2016</u>	<u>01 April 2015</u>
Cash on hand	0.06	0.17	0.07
Cheque-in-hand	0.43	-	-
Balances with banks			
In current accounts	29.52	2.83	2.20
Bank deposits with original maturity upto three months	60.00	-	-
	<u>90.01</u>	<u>3.00</u>	<u>2.27</u>

As at 31 March 2017, the Company had available ₹ 620 millions (31 March 2016 - Nil, 01 April 2015 - Nil) of undrawn committed borrowing facilities.

	<u>31 March 2017</u>	<u>31 March 2016</u>	<u>01 April 2015</u>
19 Other bank balances			
Bank deposits			
With maturity of more than three months and upto twelve months	4.00	-	-
With maturity of more than twelve months	-	-	-
	<u>4.00</u>	<u>-</u>	<u>-</u>



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ii) Equity share capital:

Authorised	31 March 2017		31 March 2018		31 April 2018	
	Number	Amount	Number	Amount	Number	Amount
Class A 'Equity share capital of face value of ₹10 each	2,15,00,000	215.00	2,15,00,000	215.00	2,15,00,000	215.00
Class B 'Equity share capital of face value of ₹10 each	1,25,00,000	125.00	1,25,00,000	125.00	1,25,00,000	125.00
Class C 'Equity share capital of face value of ₹10 each	15,00,000	15.00	15,00,000	15.00	15,00,000	15.00
Class D 'Equity share capital of face value of ₹10 each	7,50,000	7.50	7,50,000	7.50	7,50,000	7.50
Class 'A' compulsorily convertible cumulative preference shares of ₹10 each	1,35,00,000	135.00	1,35,00,000	135.00	1,35,00,000	135.00
	4,97,50,000	497.50	4,97,50,000	497.50	4,97,50,000	497.50

iii) Issued, subscribed and fully paid up

Class A 'Equity share capital of face value of ₹10 each	2,15,00,000	215.00	2,15,00,000	215.00
Class B 'Equity share capital of face value of ₹10 each	1,25,00,000	125.00	1,25,00,000	125.00
Class C 'Equity share capital of face value of ₹10 each	11,35,398	11.35	11,35,398	11.35
Class D 'Equity share capital of face value of ₹10 each	7,50,000	7.50	7,50,000	7.50
Class 'A' compulsorily convertible cumulative preference shares of ₹10 each	1,34,80,000	134.80	1,34,80,000	134.80
	4,93,65,398	493.65	4,93,65,398	493.65

iv) Details of shareholder holding more than 5% share capital

Name of the equity shareholder	31 March 2017	% holding in the class	31 March 2018	% holding in the class
Shriram Properties Private Limited	3,58,83,398	100%	3,58,83,398	100%
WSI/MSQILV (XXIF) Mauritius Investors Limited *				
* Represents 29.46% of shareholding in Class C 'Equity share capital				

Name of the preference shareholder

Shriram Properties Private Limited	31 March 2017	% holding in the class	31 March 2018	% holding in the class
	1,34,80,000	100%	1,34,80,000	100%

Rights, preferences and restrictions attached to each class of equity shares:

Class A equity shares
Class A equity shares shall be entitled to one vote per equity share outstanding. Each Class A equity share shall be entitled to receive equal dividends. These shares are subject to the limitations on transfer specified in the Articles of Association. No dividends may be paid in respect of the Class A equity shares and no buy backs or redemptions of the Class A equity shares shall be allowed while any of the Class B equity shares, Class C equity shares and Class D equity shares remain outstanding.

Class B, Class C and Class D equity shares
Class B, Class C and Class D equity shares shall not be entitled to vote on matters brought for a vote of the shareholders of the Company, except that no modification to the rights and obligations of Class B, Class C or Class D equity shares shall be made by the Company without the approval of the holders of the respective class of equity shares. These shares are subject to the limitations on transfer specified in the Articles of Association. In the event of a merger or amalgamation of the Company with another company, the holders of the Class B, Class C and Class D equity shares shall be entitled to receive an instrument providing substantially similar economic rights as they currently enjoy.

Class B equity shares
Class B equity shares shall be subject to re-purchase by the Company at a per share price of not less than the par value thereof.

Class C equity shares
Class C equity shares shall be subject to re-purchase by the Company at a price equal to the par value thereof or such other price as may be determined by the Company.

In the event of a public offering or sale of all the shares of the Company to third party, the Class C shares will convert, prior to such event, into such number of Class A equity shares which shall equal the aggregate par value of the Class C shares. The holder of Class C equity shares [other than Shriram Properties Private Limited ("SPPL")] shall not be entitled to sell/transfer such shares without prior written consent of SPPL, SPFL or any person(s) nominated by it shall at all times be entitled to purchase from the holders of Class C equity shares (other than SPPL), such shares at a price mutually agreed but not exceeding the aggregate par value of such shares. The Company may at any time at its option, convert all or any of the Class C equity shares into Class A equity shares, the value of which shall be equal to par value of such shares so converted. In case of liquidation/winding up of the Company, the Class C equity share holders shall be entitled to receive the par value of such shares held.

Further, Class D equity shares shall be entitled to a dividend distribution of ₹ 1,512.50 millions before any dividend is paid on Class A voting shares, which shall be paid pursuant to the distribution priority as specified in the shareholder's agreement dated 27 September 2003 (as amended). Class B and C equity shares do not have any dividend rights.

	31 March 2018	31 April 2018
Number	2,15,00,000	2,15,00,000
Amount	1,25,00,000	1,25,00,000
	15,00,000	15,00,000
	7,50,000	7,50,000
	1,35,00,000	1,35,00,000
	4,97,50,000	4,97,50,000

	31 March 2018	31 April 2018
Number of shares	2,15,00,000	2,15,00,000
% holding in the class	100%	99%
	100%	1%

	31 March 2018	31 April 2018
Number of shares	3,58,83,398	3,55,48,942
% holding in the class	100%	99%
	100%	1%

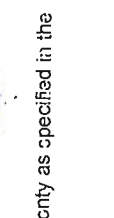
	31 March 2018	31 April 2018
Number of shares	1,34,80,000	1,34,80,000
% holding in the class	100%	100%

Shriram Properties Private Limited

Shriram Properties Private Limited

Shriram Properties Private Limited

Shriram Properties Private Limited



1. Equity share capital (continued)
Rights attached to the preference shares:
Class A preference shares
 The Class A preference shares shall be convertible at the election of the Company into Class A equity shares at the conversion rate of 0.060178 per share at any time after the tenth anniversary of the date of issuance of the Class A preference shares. Prior to any liquidation or winding up of the Company, the Class A preference shares shall be automatically converted into Class A equity shares at the aforesaid conversion rate. On the tenth anniversary of the date of issuance of the Class A preference shares, the Class A preference shares that remain outstanding on that date shall be automatically converted into Class A equity shares at the aforesaid conversion rate.

Particulars	31 March 2017		31 March 2016		01 April 2015	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)	No. of shares	Amount (₹)
Holding company						
Shriram Properties Private Limited						
Class 'A' equity shares	2,14,98,000	214.98	2,14,98,000	214.98	2,14,98,000	214.98
Class 'B' equity shares	1,25,00,000	125.00	1,25,00,000	125.00	1,25,00,000	125.00
Class 'C' equity shares	11,35,398	11.35	11,35,398	11.35	11,35,393	11.35
Class 'D' equity shares	7,50,000	7.50	7,50,000	7.50	7,50,000	7.50
Class 'A' preference shares	1,34,80,000	134.80	1,34,80,000	134.80	1,34,80,000	134.80
2. Other equity						
Securities premium						
Retained earnings						
Other comprehensive income						
Nature and purpose of other reserves						
Securities premium reserve						
Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act 2013.						
3. Borrowings						
Current						
Secured Loans						
Term loans						
From others (refer note on security)		367.94				
Unsecured loans						
Loans and advances from related parties (refer note 34)						
		1,307.01		1,160.47		956.47
		1,674.95		1,160.47		986.47



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5 Borrowings (Continued)

Sl.No	Particulars	Nature of security	31 March 2017	31 March 2018	01 April 2018
	Current borrowings				
	Term loans from others (secured)				
1	LIC Housing Finance Corporation	Registered mortgage of L.R. Khatian nos. 1677 & 11721, J.L. no. 6 & 7 in Mouza Khorda and Konnagar under Police Station Uttarpara in the district of Hoogly within the limits of the Kanaipur Gram Panchayet and bounded as under: On the north: by plot Nos. 4474(P) of Mouza Konnagar and plot Nos. 1904 of Mouza Kordhabehera. On the east: By plot Nos. 4474(P) of Mouza Konnagar. On the south: By plot Nos. 4474(P) of Mouza Konnagar. On the west: By plot Nos. 4475(P) of Mouza Konnagar containing an area of 15.03 acres freehold land and structures thereon of the Project. Security cover at any point of time shall not be less than 1.50 times of the loan amount. Corporate Guarantee given by M/s Shiram Properties Private Limited.	370.30	-	-
	Unamortized upfront fees on borrowing		(2.06)	-	-
			<u>367.94</u>	<u>0.00%</u>	<u>0.00%</u>
			<u>13.00%</u>	<u>0.00%</u>	<u>0.00%</u>

The interest on above term loan from financial institution is linked to the respective benchmark. The effective interest rate per annum is



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	<u>31 March 2017</u>	<u>31 March 2016</u>	<u>01 April 2015</u>
14 Trade payables - current			
Due to micro and small enterprises (refer note 39)	-	-	-
Dues to creditors other than micro enterprises and small enterprises	17.34	60.33	25.36
	<u>17.34</u>	<u>60.33</u>	<u>25.36</u>
15 Provisions	<u>31 March 2017</u>	<u>31 March 2016</u>	<u>01 April 2015</u>
A Non-current			
Provision for employee benefits:			
Gratuity	1.24	1.03	0.51
Compensated absences	0.42	0.17	-
	<u>1.66</u>	<u>1.20</u>	<u>0.51</u>
B Current			
Provision for employee benefits:			
Gratuity	0.71	0.22	0.11
Compensated absences	0.31	0.39	0.07
	<u>1.02</u>	<u>0.61</u>	<u>0.18</u>
16 Financial Liabilities	<u>31 March 2017</u>	<u>31 March 2016</u>	<u>01 April 2015</u>
Current			
Other payables	8.89	29.78	3.73
	<u>8.89</u>	<u>29.78</u>	<u>3.73</u>
17 Other current liabilities	<u>31 March 2017</u>	<u>31 March 2016</u>	<u>01 April 2015</u>
Advance from customers	162.73	9.23	-
Security deposit	110.00	140.00	27.43
Advances towards joint development agreement	126.90	101.00	40.34
Payable to statutory authorities	3.29	5.30	12.87
	<u>402.92</u>	<u>255.53</u>	<u>80.64</u>



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Bengal Shriram Hitech City Private Limited
 Summary of significant accounting policies and other explanatory information
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	Year ended 31 March 2017	Year ended 31 March 2016
18 Other income		
Profit on sale of fixed assets	-	0.01
Provision no longer required written back	12.92	3.12
Miscellaneous income	0.71	0.08
	<u>13.63</u>	<u>3.21</u>
19 Changes in inventories		
Inventory at the beginning of the year		
Properties held for development	3,623.60	3,340.29
Properties under development	180.86	173.53
	<u>3,804.46</u>	<u>3,513.82</u>
Inventory at the end of the year		
Properties held for development	3,953.03	3,623.60
Properties under development	194.05	180.86
	<u>4,147.08</u>	<u>3,804.46</u>
	<u>(342.62)</u>	<u>(290.64)</u>
20 Employee benefits expense		
Salaries and wages	29.47	15.65
Contribution to provident fund and other funds	1.09	0.47
Staff welfare expenses	1.59	0.75
Gratuity	0.32	0.28
	<u>32.47</u>	<u>17.15</u>
21 Finance expense, net*		
Finance expense:		
Interest		
- Term loans	33.71	-
- on loan from related party	150.84	150.46
Loan and other processing charges	0.44	-
	<u>184.99</u>	<u>150.46</u>
Finance income:		
Interest income		
- Fixed deposit	1.53	-
- others	0.02	-
	<u>1.55</u>	<u>-</u>
Finance expense, net	<u>183.44</u>	<u>150.46</u>

*Includes finance expense capitalized amounting to ₹ 183.46 millions for the year ended 31 March 2017 (31 Mar 2016 - ₹ 150.46 millions)

	Year ended 31 March 2017	Year ended 31 March 2016
22 Other expenses		
Bank charges	0.12	0.10
Communication expenses	0.69	0.45
Insurance expenses	0.06	0.05
Legal and professional charges*	9.83	6.69
Power and fuel expenses	2.60	0.66
Printing and stationery	0.41	0.20
Rates and taxes	0.57	1.08
Rent expenses	2.11	1.89
Repairs and maintenance		
Buildings	1.69	1.65
Others	1.29	0.94
Brokerage and marketing expenses	78.54	30.89
Security expenses	6.05	4.78
Traveling and conveyance expenses	3.27	4.47
Miscellaneous expenses	2.14	0.45
Site expenses	2.38	0.95
	<u>111.75</u>	<u>55.25</u>

* Payment to auditor (on accrual basis, excluding service tax) [included in legal and professional charges]

As auditor:		
Audit fee	1.38	0.80
Other services	-	-
In other capacity:		
Reimbursement of expenses	0.03	0.08
	<u>1.41</u>	<u>0.88</u>



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Summary of significant accounting policies and other explanatory information
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23 Tax expense

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 29.87% and the reported tax expense in profit or loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Accounting profit before tax from continuing operations	(129.71)	(68.93)
Accounting profit before income tax	(129.71)	(68.93)
At India's statutory income tax rate of 29.87% (31 March 2016 – 30.9%)	(38.74)	(21.30)
Less:		
Unrecorded deferred tax asset on carry forward losses and other temporary differences	38.74	21.30
Income tax expense	-	-

Deferred tax assets is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and carried forward tax losses can be utilized. Considering that the Company has unabsorbed losses amounts to ₹ 972.65 million (31 March 2016 ₹ 862.36 million and 01 April 2015 ₹ 794.17 million) as at 31 March 2017, the Company did not recognize the deferred tax asset (net) on the temporary difference.

24 Other Comprehensive Income

Items that will not be reclassified to profit or loss

	Year ended 31 March 2017	Year ended 31 March 2016
Re-measurement gains (losses) on defined benefit plans	(0.45)	(0.35)
	(0.45)	(0.35)

25 Earnings per share (EPS)

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

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2017	31 March 2016
Profit attributable to equity holders of the Company:		
Continuing operations	(129.71)	(68.93)
Discontinued operation	-	-
Profit attributable to equity holders of the Company for basic earnings	(129.71)	(68.93)
Interest on convertible preference shares	-	-
Profit attributable to equity holders of the Company adjusted for the effect of dilution	(129.71)	(68.93)

Weighted average number of Equity shares for basic EPS

	31 March 2017	31 March 2016
Class A equity shares	2,15,00,000	2,15,00,000
Class B, C and D equity shares (refer note a below)	1,43,85,398	1,43,85,398
Effect of dilution:		
Convertible preference shares	2,399	2,399
Share options	-	-
Weighted average number of Equity shares adjusted for the effect of dilution	3,58,87,797	3,58,87,797

Earnings per equity share (for continuing operation):

	31 March 2017	31 March 2016
Basic and Diluted (₹) (refer note below)	(6.03)	(3.21)

***Note:**

(a) Class B and C equity shares do not have any dividend rights. Further Class D equity shares shall be entitled to a fixed sum of dividend before any dividend is paid on Class A shares, which shall be paid pursuant to the distribution priority as specified in the share holder's agreement. These shares have therefore not been considered for computation of earnings/(loss) per share.

(b) Effect of conversion of convertible preference shares into equity shares has not been considered as they are anti-dilutive in nature.

26 Assets pledged as security

The carrying amounts of assets pledged as security for current borrowings are:

	31 March 2017	31 March 2016	01 April 2015
Current			
Non-financial assets			
First charge:			
Inventories	194.05	-	-
Total current assets pledged as securities	194.05	-	-



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27 Financial instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2017 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Loans	4A, 4B	-	-	21.19	21.19	21.19
Cash and cash equivalents including other bank balances	9	-	-	94.01	94.01	94.01
Other financial assets	6	-	-	0.37	0.37	0.37
Total financial assets		-	-	115.57	115.57	115.57
Financial liabilities :						
Borrowings	13	-	-	1,674.95	1,674.95	1,674.95
Trade payables	14	-	-	17.34	17.34	17.34
Other financial liabilities	16	-	-	8.89	8.89	8.89
Total financial liabilities		-	-	1,701.18	1,701.18	1,701.18

The carrying value and fair value of financial instruments by categories as at 31 March 2016 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Loans	4A, 4B	-	-	24.59	24.59	24.59
Cash and cash equivalents including other bank balances	9	-	-	3.00	3.00	3.00
Other financial assets	6	-	-	-	-	-
Total financial assets		-	-	27.59	27.59	27.59
Financial liabilities :						
Borrowings	13	-	-	1,160.47	1,160.47	1,160.47
Trade payables	14	-	-	60.33	60.33	60.33
Other financial liabilities	16	-	-	29.78	29.78	29.78
Total financial liabilities		-	-	1,250.58	1,250.58	1,250.58

The carrying value and fair value of financial instruments by categories as at 01 April 2015 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Loans	4A, 4B	-	-	12.48	12.48	12.48
Cash and cash equivalents including other bank balances	9	-	-	2.27	2.27	2.27
Other financial assets	6	-	-	-	-	-
Total financial assets		-	-	14.75	14.75	14.75
Financial liabilities :						
Borrowings	13	-	-	986.47	986.47	986.47
Trade payables	14	-	-	25.36	25.36	25.36
Other financial liabilities	16	-	-	3.73	3.73	3.73
Total financial liabilities		-	-	1,015.56	1,015.56	1,015.56

i. Notes to financial instruments

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables, borrowings and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

ii. Fair value hierarchy

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

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

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

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

iii. Financial assets and liabilities measured at fair value - recurring fair value measurements

The Company does not have any financial instruments which are measured at fair value either through statement of profit and loss or through other comprehensive income.



28 Financial risk management

Financial risk factors

The Company's activities expose it to market risk, liquidity risk and credit risk. 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.

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalent, trade receivables, financial assets measured at amortized cost	Ageing analysis
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts
Market risk – Interest rate	Long-term borrowings at variable rates	Sensitivity analysis

The Company's risk management is carried out by a central treasury department (of the group) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such interest rate risk, credit risk and investment of excess liquidity.

a. Credit risk

Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortized cost and deposits with banks and financial institutions.

Credit risk management

The finance function of the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the paymer.ts are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Expected credit loss for trade receivables under simplified approach

Trade receivables are secured in a form that registry of sold residential/commercial units is not processed till the time the Company does not receive the entire payment. Hence, as the Company does not have significant credit risk, it does not present the information related to ageing pattern. The company has widespread customer base and no single customer accounted for 10% or more of revenue in any of the years indicated.

During the periods presented, the Company made no write-offs of trade receivables and it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

b. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.



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28 Financial risk management (continued)

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

31 Mar 2017	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	1,355.11	473.82	-	1,828.93
Trade payables	17.34	-	-	17.34
Other financial liabilities	8.89	-	-	8.89
Total	1,381.34	473.82	-	1,855.16

31 Mar 2016	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	1,160.47	-	-	1,160.47
Trade payables	60.33	-	-	60.33
Other financial liabilities	29.78	-	-	29.78
Total	1,250.58	-	-	1,250.58

01 Apr 2015	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	986.47	-	-	986.47
Trade payables	25.36	-	-	25.36
Other financial liabilities	3.73	-	-	3.73
Total	1,015.56	-	-	1,015.56

c. Interest rate risk

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

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

	31 March 2017	31 March 2016	01 April 2015
Variable rate borrowing*	367.94	-	-
Fixed rate borrowing	1,307.01	1,160.47	986.47
Total borrowings	1,674.95	1,160.47	986.47

* includes adjustment of unamortised processing fees

Interest rate risk

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	31 March 2017	31 March 2016
Interest rates – increase by 50 basis points (50 bps)	1.30	-
Interest rates – decrease by 50 basis points (50 bps)	(1.30)	-

29 Capital management

The Company's objectives when managing capital are to:

Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors its capital using gearing ratio, which is net debt divided by total equity. Net debt includes long term borrowings, short term borrowings, current maturities of long term borrowings less cash and cash equivalents and other bank balances.

Particulars	31 March 2017	31 March 2016	01 April 2015
Short term borrowing	1,674.95	1,160.47	986.47
Less: Cash and cash equivalents	(90.01)	(3.00)	(2.27)
Less: Bank balances other than cash and cash equivalents	(4.00)	-	-
Net debt	1,580.94	1,157.47	984.21
Total equity	2,274.74	2,404.91	2,474.19
Gearing ratio	0.69	0.48	0.40

(i) Equity includes all capital and reserves of the Company that are managed as capital

(ii) Debt is defined long term and short term borrowings



Dengal Shriram Hitech City Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions, unless otherwise stated)

30 A. Defined benefit plan

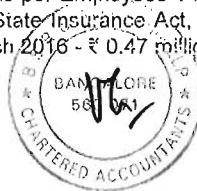
The Company has gratuity and vacation pay as defined benefit retirement plans for its employees. The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity at the rate of 15 days basic salary for each year of service until the retirement age. As at 31 March 2017 and 31 March 2016 the plan assets were invested in insurer managed funds.

The following tables set out the funded status of gratuity plans and the amount recognized in Company's financial statements :

	31 March 2017	31 March 2016
	Gratuity	Gratuity
1 The amounts recognized in the Balance Sheet are as follows:		
Present value of the obligation as at the end of the year	1.95	1.25
Fair value of plan assets as at the end of the year	-	-
Net liability recognized in the Balance Sheet	<u>1.95</u>	<u>1.25</u>
2 Changes in the present value of defined benefit obligation		
Defined benefit obligation as at beginning of the year	1.25	0.63
Service cost	0.24	0.23
Interest cost	0.08	0.05
Actuarial losses/(gains) arising from		
- change in demographic assumptions	-	-
- change in financial assumptions	0.46	0.34
- experience variance (i.e. Actual experiences assumptions)	-	-
Benefits paid	(0.08)	-
Defined benefit obligation as at the end of the year	<u>1.95</u>	<u>1.25</u>
3 Changes in the fair value of plan assets		
Non-current	1.24	1.03
Current	0.71	0.22
Assumptions used in the above valuations are as under:		
Interest rate	6.83%	7.52%
Discount rate	6.83%	7.52%
Salary increase	5.00%	5.00%
Attrition rate	17.11%	17.11%
Retirement age	<u>58 years</u>	<u>58 years</u>
4 Net gratuity cost for the year ended 31 March 2017 and 31 March 2016 comprises of following components.		
	31 March 2017	31 March 2016
	Gratuity	Gratuity
Service cost	0.24	0.23
Net interest cost on the net defined benefit liability	0.08	0.05
Components of defined benefit costs recognized in Statement of Profit and Loss	<u>0.32</u>	<u>0.28</u>
5 Other Comprehensive Income		
	31 March 2017	31 March 2016
Change in financial assumptions		
Opening cumulative other comprehensive income	(0.35)	-
Actuarial loss/(gain) on DBO	(0.45)	(0.35)
Components of defined benefit costs recognized in other comprehensive income	<u>(0.80)</u>	<u>(0.35)</u>
6 Maturity Profile of Defined Benefit Obligation		
Year	31 March 2017	31 March 2016
a) April 2016 - March 2017	-	0.22
b) April 2017 - March 2018	0.71	0.18
c) April 2018 - March 2019	0.20	0.14
d) April 2019 - March 2020	0.16	0.12
e) April 2020 - March 2021	0.13	0.09
f) April 2021 onwards	0.75	0.50
	<u>1.95</u>	<u>1.25</u>

B. Defined contribution plan

The Company makes contribution of statutory provident fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees State Insurance Scheme as per the Employees' State Insurance Act, 1948. This is a defined contribution and contribution made was ₹ 1.09 millions for the year ended 31 March 2017 (31 March 2016 - ₹ 0.47 millions).



3. Sensitivity analysis

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

Interest Rate Risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of liability (as shown in financial statements).

Liquidity Risk: This is the risk that the Company is not able to meet the short term benefit payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (for example, increase in the maximum liability on gratuity of ₹ 1.00 million).

Asset Liability Mismatching or Market Risk: the duration of the liability is longer compared to duration of assets exposing the company to market risks for volatilities/fall in interest rate.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Gratuity	31-Mar-17		31-Mar-16	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1.0%)	3.86%	-3.57%	4.70%	-4.34%
Salary Growth Rate (- / + 1.0%)	-3.23%	3.11%	-3.87%	4.13%
Attrition Rate (- / + 1.0%)	0.16%	-0.16%	0.11%	0.09%

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There are no changes from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

There is no change in the method of valuation for the prior period.

31 During the year, the Company had specified bank notes and other denomination notes as defined in the MCA notification G.S.R. 308(E) dated 30 March 2017. The details of Specific Bank Notes ('SBN') held and transacted during the period from 8 November 2016 to 30 December 2016 and the denomination wise SBNs and other notes as per the notification is given below:

The term 'Specified Bank Notes'(SBN) shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs, number S.O. 3407(E), dated the 08 November 2016.

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	0.82	0.05	0.87
(+) Permitted receipts	-	0.36	0.36
(-) Permitted payments	-	0.37	0.37
Closing cash in hand as on December 30, 2016	0.82	0.04	0.86

32 Leases

Operating lease

The lease expense for cancellable and non-cancellable operating leases was ₹ 2.11 millions for the year ended 31 March 2017 (31 Mar 2016 - ₹ 1.89 millions). Lease commitments under the non-cancellable operating leases as at the balance sheet date is Nil.

33 Other commitments and contingencies :

	31 March 2017	31 March 2016	01 April 2015
(i) Estimated amount of contracts remaining to be executed and not provided for, net of advances	58.17	58.17	39.58
(ii) Arrears of dividend on 0.01% compulsorily convertible cumulative preference shares	0.11	0.10	0.09
(iii) Contingent liabilities			



34 Related party transactions

(i) Party exercising control

Shriram Properties Private Limited - Holding Company

(ii) Key management personnel (KMP)

M Murali - Director of the Company and the Holding Company
Gautham Radhakrishnan - Director
Sundaram Balasubramanian - Director
K Veeraraghavan - Director

(iii) Balances with related parties as on date are as follows

Nature of transaction	Holding company		
	31 March 2017	31 March 2016	01 April 2015
Loans taken from Shriram Properties Private Limited	1,307.01	1,160.47	986.47

(iv) Transactions with related parties are as follows

Nature of transaction	Holding company		Key management personnel (KMP)	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Loans repaid to Shriram Properties Private Limited	45.24	-	-	-
Loans taken from Shriram Properties Private Limited	2.93	3.50	-	-
Interest expense on loans Shriram Properties Private Limited	150.84	150.46	-	-
Expenses incurred on behalf of the Company Shriram Properties Private Limited	36.01	20.03	-	-
Remuneration Sundaram Balasubramanian	-	-	5.09	-

35 Segment reporting

The Company is engaged in the development and construction of residential and commercial properties which is considered to be the only reportable business segment as per Ind AS 108, 'Segment Reporting'. The Company operates primarily in India and there is no other significant geographical segment. The company has widespread customer base and no single customer accounted for 10% or more of revenue in any of the years indicated and hence the Company does not have any concentration risk.

36 Particulars of un-hedged foreign currency exposure as at balance sheet

Underlying assets/ liability	Currency	As at 31 March 2017		As at 31 March 2016		As at 01 April 2015	
		Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹
Trade payables	USD	-	-	-	-	47,006	29,42,143

37 Corporate social responsibility expenses

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended 31 March 2017 and 31 March 2016.

38 Project details

	31 March 2017	31 March 2016	01 April 2015
Project revenue recognized as revenue (including revenue from finished inventories)	-	-	-
Aggregate amount of contract costs incurred and recognized profits (less recognized losses) up to date for all the contracts in progress	-	-	-
Amount of work in progress and the value of inventories	4,147.08	3,804.46	3,513.82
Amount of customer advances outstanding for contracts in progress as at date for which revenue has been recognized	162.73	9.23	-
Excess of revenue recognized over actual bills raised (unbilled revenue)	-	-	-

39 Dues to Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' (the MSME Act). Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2017 has been made in the financial statements based on the information received and available with the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date. The Company does not have any dues to micro and small enterprises as at 31 March 2017 and 31 March 2016.



10 First time adoption of Ind AS

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

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 01 April 2015 (the Company's date of transition).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A Ind AS optional exemptions

Ind-AS 101, 'First-time Adoption of Indian Accounting Standards', allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind-AS. The Company has accordingly applied the following exemptions.

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

Ind AS 101 'First-time Adoption of Indian Accounting Standards' permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38, 'Intangible Assets'. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets at their previous GAAP carrying value.

2 Leases

Appendix C to Ind AS 17, 'Leases' requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, 'Leases' this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 'First-time Adoption of Indian Accounting Standards' provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The Company has elected to apply this exemption for such contracts/arrangements.

B Ind AS mandatory exceptions

1 Estimates

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

Ind AS estimates as at 01 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

2 Classification and measurement of financial assets and liabilities

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

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

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- a) The effects of the retrospective application or retrospective restatement are not determinable;
- b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;

The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

3 De-recognition of financial assets and liabilities

Ind AS 101, 'First-time Adoption of Indian Accounting Standards' requires a first-time adopter to apply the de-recognition provisions of Ind AS 109, 'Financial Instruments' prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101, 'First-time Adoption of Indian Accounting Standards' allows a first-time adopter to apply the de-recognition requirements in Ind AS 109, 'Financial Instruments' retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109, 'Financial Instruments' to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109, 'Financial Instruments' prospectively from the date of transition to Ind AS.

C Reconciliations between previous GAAP and Ind AS

Ind AS 101, 'First-time Adoption of Indian Accounting Standards' requires an entity to reconcile equity, total comprehensive income and cash flows for prior years/periods. The following tables represent the reconciliations from previous GAAP to Ind AS.



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(b) First time adoption of Ind AS (continued)

(i) Reconciliation of Balance Sheet as at 31 March 2016 and 1 April 2015

Particulars	As at 31 March 2015		As at 1 April 2015		
	IGAAP (reported) *	Ind AS adjustments	Ind AS	Ind AS adjustments	Ind AS
Assets					
Non-current assets					
(a) Property, plant and equipment	4.01	-	4.01	1.14	1.14
(b) Other intangible assets	0.27	-	0.27	0.01	0.01
(c) Financial assets					
(i) Loans	20.56	-	20.56	11.23	11.23
(ii) Non-current tax assets (net)	3.84	-	3.84	3.23	3.23
Total non-current assets	28.68	-	28.68	15.61	15.61
Current assets					
(a) Inventories	3,804.46	-	3,804.46	3,513.82	3,513.82
(b) Financial assets					
(i) Cash and cash equivalents	3.00	-	3.00	2.27	2.27
(ii) Other bank balances	-	-	-	-	-
(iii) Loans	4.03	-	4.03	1.25	1.25
(iv) Other financial assets	-	-	-	-	-
(c) Other current assets	72.66	-	72.66	38.13	38.15
Total current assets	3,884.15	-	3,884.15	3,555.47	3,555.47
TOTAL ASSETS	3,912.83	-	3,912.83	3,571.08	3,571.08
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	493.65	-	493.65	493.65	493.65
(b) Other equity	1,911.26	-	1,911.26	1,980.54	1,980.54
Total equity	2,404.91	-	2,404.91	2,474.19	2,474.19
Liabilities					
Non-current liabilities					
(a) Provisions	1.20	-	1.20	0.51	0.51
Total non-current liabilities	1.20	-	1.20	0.51	0.51
Current liabilities					
(a) Financial liabilities					
(i) Borrowings	1,160.47	-	1,160.47	986.47	986.47
(ii) Trade payables	60.33	-	60.33	25.36	25.35
(iii) Other financial liabilities	29.78	-	29.78	3.73	3.73
(b) Other current liabilities	255.53	-	255.53	80.64	80.64
(c) Provisions	0.61	-	0.61	0.18	0.13
Total current liabilities	1,506.72	-	1,506.72	1,096.38	1,096.38
TOTAL EQUITY AND LIABILITIES	3,912.83	-	3,912.83	3,571.08	3,571.08

To previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.



Bengal Shriram Hitech City Private Limited
 Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ millions, unless otherwise stated)

40 First time adoption of Ind AS (continued)

(b) Reconciliation of Statement of Profit and Loss for the year ended 31 March 2016 as previously reported under IGAAP and Ind AS :

Particulars	Notes to first time adoption	IGAAP (reported) *	Ind AS adjustments	Ind AS
Revenue				
Revenue		-	-	-
Other income		3.21	-	3.21
		<u>3.21</u>	-	<u>3.21</u>
Expenses				
Material and contract costs		139.23	-	139.23
Changes in inventories		(290.64)	-	(290.64)
Employee benefits expense	1	17.50	(0.35)	17.15
Finance expense, net		150.46	-	150.46
Depreciation and amortisation expense		0.69	-	0.69
Other expenses		55.25	-	55.25
		<u>72.49</u>	<u>(0.35)</u>	<u>72.14</u>
Loss before tax		(69.28)	0.35	(68.93)
Tax expense		-	-	-
Loss after tax		(69.28)	0.35	(68.93)
Other comprehensive income/(loss)				
A (i) Items that will not be reclassified to profit or loss	1, 2	-	(0.35)	(0.35)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-
Total comprehensive loss for the year		(69.28)	-	(69.28)

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

(c) Reconciliation of total equity as at 31 March 2016 and 01 April 2015

Particulars	Notes to first time adoption	31 March 2016	01 April 2015
Total equity (shareholder's funds) as per previous GAAP		2,404.91	2,474.19
Total adjustments		-	-
Total equity as per Ind AS		2,404.91	2,474.19

(d) Reconciliation of statement of cash flows for the year ended 31 March 2016

Particulars	Previous GAAP*	Adjustments	Ind AS
Net cash flow from operating activities	(18.99)	-	(18.99)
Net cash flow from investing activities	(3.81)	-	(3.81)
Net cash used in financing activities	23.53	-	23.53
Net increase in cash and cash equivalents	0.73	-	0.73
Cash and cash equivalents at the 1 April 2015	2.27	-	2.27
Cash and cash equivalents at the 31 March 2016	3.00	-	3.00

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

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Bengal Shriram Hitech City Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ million, unless otherwise stated)

40 First time adoption of Ind AS (continued)
(e) Notes

1 Defined benefit liabilities

Both under Previous GAAP and Ind AS, the Company recognized costs related to its post-employment defined benefit plan on an actuarial basis. Under Previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, re-measurements comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus the employee benefit cost is reduced by such amount with a corresponding adjustment on defined benefit plans has been recognized in the OCI net of tax.

2 Other comprehensive income

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the Statement of Profit and Loss as 'Other Comprehensive Income' includes re-measurements of defined benefit plans, foreign exchange differences arising on translation of foreign operations, effective portion of gains and losses on cash flow hedging instruments and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

3 Changes in equity

The transition from the previous GAAP to Ind AS has not had a material impact on the equity.

Walker Chandick & Co. LLP

For Walker Chandick & Co LLP
Chartered Accountants
Firm's Registration No.:
001076N/N500013

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No :
116231W/W-100024

For and behalf of the board of directors of
Bengal Shriram Hitech City Private Limited

Sanjay Banthia

per Sanjay Banthia
Partner
Membership No : 061068

Bengaluru
23 September 2017

Vipin Lodha

per Vipin Lodha
Partner
Membership No. : 076806

Bengaluru
28 September 2017

M Murali

M Murali
Director
DIN: 00030096

Bengaluru
28 September 2017

Krishna Veeraraghavan

Krishna Veeraraghavan
Director
DIN: 06620405

Bengaluru
28 September 2017

