

R. Kothari & Company

CHARTERED ACCOUNTANTS

KOLKATA, NEW DELHI

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
MAGNACON ELECTRICALS INDIA LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of MAGNACON ELECTRICALS INDIA LIMITED ("the Company"), which comprises the Balance Sheet, as at 31st March 2017 and the Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information. The Statement of Profit & Loss has not been prepared as referred to in Point No. (v) of Note No. 2.17 of the Financial Statements.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of 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 and cash flow of the Company in accordance with the accounting principles, generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 control, that were operating effectively for ensuring that accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provision of the Act, the accounting and auditing standards, and matters which are required to be included in the audit report under the provision of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) In the case of Balance Sheet of the state of affairs of the Company as at 31st March 2017; and
- (b) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on 31st March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017, from being appointed as a director in terms of Section 164 (2) of the Act.



- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on adequacy and operating effectiveness of the Company's Internal Financial Controls over Financial Reporting ;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 which would impact its financial statements ;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund.
 - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the same are in accordance with the books of accounts maintained by the company (Refer Note No. 2.16 of the financial statements).

For R. Kothari & Company
Chartered Accountants
Firm Regn. No. 307069E



Manoj Kumar Sethia

Manoj Kumar Sethia

Partner

Membership Number: 064308

Place: Kolkata

Date: the 07th day of July, 2017

"ANNEXURE A" TO INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017, we report that:

- i. In respect of its Property, Plant and Equipment:
 - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of the property, plant and equipment.
 - (b) The property, plant and equipment have been physically verified by the management and no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. According to the information and explanations given to us, the company does not have any inventory and therefore paragraph 3 (ii) of the Order is not applicable.
- iii. According to the information and explanations given to us, the Company has not granted loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 and therefore paragraph 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanation given to us, the company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans and investments made.
- v. The company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India and provisions of Section 73 to Section 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- vii. In respect of statutory dues:
 - (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Tax deducted at sources, Professional Tax, Service tax and other material statutory dues applicable to it, with the appropriate authorities.

According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Service tax and other material statutory dues in arrears /were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no dues of Income tax, Service tax etc. which have not been deposited with the appropriate authorities on account of any dispute.



- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any Bank, Financial Institution or Government during the year.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of Paragraph 3 (ix) of the order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. The company is not paying any managerial remuneration and therefore provisions of section 197 read with Schedule V to the Companies Act is not applicable to the company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of Paragraph 3 (xii) of the Order are not applicable to the Company.
- xiii. In my opinion and according to the information and explanations given to me, there were no transactions with the related parties as regards to Section 177 and 188 of Companies Act, 2013. Accordingly, the provision of clause (xiii) is not applicable.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Paragraph 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of Paragraph 3 (xv) of the Order are not applicable.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of Paragraph 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For R. Kothari & Company
Chartered Accountants
Firm Regn. No. 307069E



Manoj Kumar Sethia

Manoj Kumar Sethia
Partner
Membership Number: 064308

Place: Kolkata
Date: the 07th day of July, 2017

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

We have audited the internal financial controls over financial reporting of MAGNACON ELECTRICALS INDIA LIMITED ("the Company") as of 31st March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial



reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the 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 authorization of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For R. Kothari & Company
Chartered Accountants
Firm Regn. No. 307069E



A handwritten signature in black ink, appearing to read "Manoj Kumar Sethia".

Manoj Kumar Sethia
Partner

Membership Number: 064308

Place: Kolkata

Date: the 07th day of July, 2017

MAGNACON ELECTRICALS INDIA LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2017

	Note No.	As at 31.03.2017 Rs.		As at 31.03.2016 Rs.	
EQUITY & LIABILITIES					
SHAREHOLDERS' FUNDS					
Share Capital	2.01	79,166,000		79,166,000	
Reserves & Surplus	2.02	934,888		934,888	
			80,100,888		80,100,888
NON CURRENT LIABILITIES					
Long Term Borrowings	2.03	158,302,593		278,302,593	
Long Term Provisions	2.04	361,926		263,056	
			158,664,519		278,565,649
CURRENT LIABILITIES					
Short Term Borrowings	2.05	63,000,000		-	
Trade Payables		10,714,186		14,341,696	
Other Current Liabilities	2.06	1,137,608,994		1,100,461,488	
Short Term Provisions	2.07	70,275		57,247	
			1,211,393,455		1,114,860,431
			1,450,158,862		1,473,526,968
ASSETS					
NON CURRENT ASSETS					
Property, Plant & Equipment					
Tangible Assets	2.08	61,095,034		61,188,960	
Capital Work in Progress	2.09	1,348,022,282		1,235,890,848	
Non Current Investments	2.10	10,100		10,100	
			1,409,127,416		1,297,089,908
CURRENT ASSETS					
Cash & Cash Equivalents	2.11	21,513,646		21,400,503	
Short Term Loans & Advances	2.12	18,592,191		154,112,600	
Other Current Assets	2.13	925,609		923,957	
			41,031,446		176,437,060
			1,450,158,862		1,473,526,968

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

For R KOTHARI & COMPANY
Chartered Accountants
Firm Regn. No. 307069E




MANOJ KUMAR SETHIA
Partner
Membership No. 064308


M KEDIA
Co. Secretary


R K AGARWALLA
Managing Director &
CFO


D KHEMKA
Director


P KEDIA
Director

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Kolkata
Dated : the 07th day of July, 2017

MAGNACON ELECTRICALS INDIA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	Year ended 31.03.2017 Rs.	Year ended 31.03.2016 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Operating Profit before Working Capital Changes	-	-
Adjustment for :		
Loans and Advances/Prepaid Expenses	198,518,757	78,221,473
Trade/Other Payable/Provisions	33,631,894	130,752,678
Net Cash from / (used in) Operating Activities	232,150,651	208,974,151
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital Work - In - Progress	(112,037,508)	(89,866,836)
Net Cash from / (used in) Investing Activities	(112,037,508)	(89,866,836)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Borrowings	(120,000,000)	(119,800,000)
Net Cash from / (used in) Financing Activities	(120,000,000)	(119,800,000)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	113,143	(692,685)
Cash and Cash Equivalents at the Beginning of the period	21,400,503	22,093,188
Cash and Cash Equivalents at the end of the period	21,513,646	21,400,503

This is the cash flow statement referred to in our report on even date

As per our report of this date attached

For R KOTHARI & COMPANY
Chartered Accountants
Firm Regn. No. 307069E

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



MANOJ KUMAR SETHIA
Partner
Membership No. 064308



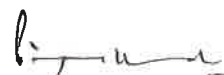

M KEDIA
Co. Secretary



R K AGARWALLA
Managing Director &
CFO



D KHEMKA
Director



P KEDIA
Director

Place : Kolkata

Dated : the 07th day of July, 2017

MAGNACON ELECTRICALS INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Note 1: Significant Accounting Policies

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- a) The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards notified by Companies (Accounts) Rules, 2014, (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historic cost convention on accrual basis in accordance with the accounting principles generally accepted in India. The accounting policies have been consistently applied by the Company.
- b) All assets and liabilities have been classified as current or non-current wherever applicable as per the Company's normal operating cycle and other criteria set out in the Companies Act, 2013.

B. REVENUE RECOGNITION

Dividend Income is recognized when right to receive is established.

Any Income from sale of Real-Estate project, to be recognized upon completion of the project.

C. PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment have been stated at cost or substituted cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable / allocable cost of bringing the asset to its working condition for its intended use. The cost also includes direct cost and other related incidental expenses.

Borrowing cost for acquisition and / or construction of property, plant and equipment incurred at Project sites are capitalized as part of asset cost in so far as such interest and expenses relates to the period prior to the completion of the project.

Capital Work in Progress is stated at cost. Cost comprises of expenditures incurred in respect of capital projects under development and includes any attributable / allocable cost and other incidental expenses.

D. DEPRECIATION

- a) Depreciation is provided pro-rated to the period of use on straight-line method (S.L.M.) based on estimated useful lives of the assets, which have been determined as per Part C of Schedule-II of the Companies Act, 2013.

Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.

- b) Pro-rata amortization has not been made for Leasehold Land.



MAGNACON ELECTRICALS INDIA LIMITED

E. INVESTMENTS

Long Term Investments are stated at cost. Provision for diminution is made when such diminution is considered other than temporary in nature.

F. BORROWING COST

Borrowing Cost attributable to the acquisition of qualifying asset, as defined in Accounting Standard- 16 on Borrowing Cost, are capitalized as part of Cost of construction. Other Borrowing Costs are expensed as incurred.

G. EMPLOYEE BENEFITS

Provision for Leave Entitlement is accrued and provided on the basis of balance leave at the close of the year.

H. FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of the transactions.

Monetary and Non Monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the balance sheet date and resultant gain/loss are capitalized as part of the cost of construction till the completion of the project

I. PRE-OPERATIVE EXPENSES

Pre-operative expenses will be appropriately accounted for after the commencement of commercial activities.

J. PROVISION AND CONTINGENT LIABILITIES

A provision is recognized when there is a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

K. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.



MAGNACON ELECTRICALS INDIA LIMITED

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
Note 2.01: SHARE CAPITAL		
Authorised 16,500,000 (Previous Year 8,750,000) Equity Shares of Rs.10/- each	165,000,000	87,500,000
Issued, Subscribed & Paid Up 7,916,600 (Previous Year 7,916,600) Equity Shares of Rs.10/- each fully paid up. [Out of above 7,716,600 (Previous Year 7,716,600) Equity shares of Rs.10/- each is held by Holding Company Geeta Intelligent Properties India Pvt. Ltd. and its nominees 1.	79,166,000	79,166,000
	79,166,000	79,166,000
Reconciliation of Share Capital (In Numbers) Shares Outstanding at the Beginning of the Year	7,916,600	7,916,600
Shares Outstanding at the Closing of the Year	7,916,600	7,916,600
Reconciliation of Share Capital Shares Outstanding at the Beginning of the Year	79,166,000	79,166,000
Shares Outstanding at the Closing of the Year	79,166,000	79,166,000
Terms/Rights Attached to Shares The Company has only one class of Equity Shares having a Par Value of Rs.10/- per Share. Each Shareholder is eligible for one vote per Share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
Equity Shares in Company held by Holding Company Geeta Intelligent Properties India Pvt. Ltd. and its nominees	7,716,600	7,716,600
List of Shareholders Holding more than 5% Shares (In Numbers) Geeta Intelligent Properties India Pvt. Ltd. and its nominees - 97.27% (Previous Year - 97.27%)	7,716,600	7,716,600
Note 2.02: RESERVES & SURPLUS		
Capital Reserve Opening Balance	934,888	934,888
Closing Balance	934,888	934,888
Note 2.03: LONG TERM BORROWINGS		
Secured Term Loan From Allahabad Bank	158,302,593	278,302,593
[Secured by exclusive charge on all movable assets both present & future of the project and mortgage of all immovable properties of the said project being leasehold land (admeasuring 2 acres) belonging to the Company situated at Plot No.5, Block-BN, Sector-V, Saltlake Electronics Complex, Kolkata-700 091 and structure thereon]. [Personal guarantee of Mr. Ramesh Kumar Agarwalla (Managing Director & CFO), Mr. Ravindra Chamaria, CMD of Infinity Infotech Parks Ltd. & Corporate guarantee of Geeta Intelligent Properties India Pvt. Ltd.]. [The Interest Rate is Base Rate + 4% and Repayable In 26 quarterly Installments.] [Amount Due within 12 months Rs.150,000,000/- (Previous Year Rs.150,000,000/-) is shown under Current Maturities of Long Term Debt (Refer Note No. 2.05)].		
	158,302,593	278,302,593



MAGNACON ELECTRICALS INDIA LIMITED

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
Note 2.04: LONG TERM PROVISIONS		
Provision for Employee Benefits	361,926	263,056
	361,926	263,056
Note 2.05: SHORT TERM BORROWINGS		
Unsecured		
Loans from Bodies Corporate	63,000,000	-
	63,000,000	-
Note 2.06: OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debt [Refer Note No. 2.03]	150,000,000	150,000,000
Advances from Related Parties [Refer Note No. 2.16]	36,768,800	36,670,000
Advance from Customers	709,325,281	707,662,649
Expenses Payable	365,451	870,834
Interest Accrued and Due	11,921,633	16,075,940
Interest Accrued But Not Due	1,423,829	-
Other Payables	227,515,000	189,000,000
Statutory Liabilities	289,000	182,065
	1,137,608,994	1,100,461,488
Note 2.07: SHORT TERM PROVISIONS		
Provision for Employee Benefits	70,275	57,247
	70,275	57,247



MAGNACON ELECTRICALS INDIA LIMITED

Note 2.08: PROPERTY, PLANT & EQUIPMENT

DESCRIPTION OF ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 01/04/2016	Additions	Deductions / Adjustments	As at 31/03/2017	Upto 31/03/2016	Additions	Adjustments	Upto 31/03/2017	As at 31/03/2017	As at 31/03/2017
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible										
Land - Leasehold	60,561,952 (60,561,952)	- (-)	- (-)	60,561,952 (60,561,952)	- (-)	- (-)	- (-)	- (-)	60,561,952 (60,561,952)	60,561,952 (60,561,952)
Plant & Machinery	169,640 (169,640)	- (-)	- (-)	169,640 (169,640)	46,653 (29,089)	17,573 (17,564)	- (-)	64,226 (46,653)	105,414 (122,987)	105,414 (122,987)
Furniture, Fixtures & Equipments	881,856 (881,856)	- (-)	- (-)	881,856 (881,856)	377,835 (297,818)	76,353 (80,017)	- (-)	454,188 (377,835)	427,668 (504,021)	427,668 (504,021)
Total	61,613,448 (61,613,448)	- -	- -	61,613,448 (61,613,448)	424,488 (326,907)	93,926 (97,581)	- -	518,414 (424,488)	61,095,034 (61,188,960)	61,095,034 (61,188,960)

Note: Figures in bracket represent previous year's amounts.



MAGNACON ELECTRICALS INDIA LIMITED

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
Note 2.09: CAPITAL WORK IN PROGRESS		
Work - In - Progress		
Building Work In Progress	1,031,687,159	983,560,598
Pre - Operative Expenses		
Balance Brought Forward	252,330,250	180,538,872
Audit Fees	34,420	25,000
Depreciation	93,926	97,581
Electricity Expenses	1,595,966	1,633,682
Employment Benefit Expenses	1,093,922	1,005,657
Finance Charges	57,109,914	65,268,028
Insurance	1,020,747	1,176,820
Miscellaneous Expenses	2,712,798	2,269,794
Rates & Taxes	343,180	314,816
	1,348,022,282	1,235,890,848
Note 2.10: NON CURRENT INVESTMENTS		
Investment in Equity Instruments - At Cost (Trade, Quoted, Fully Paid Up)		
ATV Projects India Ltd. [233 (Previous Year 233) Equity Shares of Rs.10/- each].	7,100	7,100
JCT Electronics Ltd. [300 (Previous Year 300) Equity Shares of Rs.10/- each].	3,000	3,000
	10,100	10,100
Market Value of Quoted Investments	1,398	1,965
Note 2.11: CASH AND CASH EQUIVALENTS		
Cash on Hand	6,965	16,699
Balance with Banks	971,681	823,804
Other Bank Balances :		
Fixed Deposits (Pledged with Bank) As Margin Money	20,535,000	20,560,000
	21,513,646	21,400,503
*Fixed Deposits with Bank includes Rs. NIL/- (Previous Year Rs.5,000/-) with original maturity of more than 12 months.		
Note 2.12: SHORT TERM LOANS & ADVANCES		
Unsecured, Considered Good		
Advances (Recoverable In Cash or in kind or for Value to be received)	6,029,492	142,141,710
Advance Tax including Tax Deducted At Source	1,745,204	1,984,876
Service tax Receivables	10,558,745	9,727,264
Security Deposits	258,750	258,750
	18,592,191	154,112,600
Note 2.13: OTHER CURRENT ASSETS		
Prepaid Expenses	925,609	923,957
	925,609	923,957



MAGNACON ELECTRICALS INDIA LIMITED

Note 2.14: Contingent Liabilities And Commitments (To The Extent Not Provided For)

Contingent Liabilities not provided for in respect of:

- a) Bank Guarantee given by the Company's Banker for Rs.18,118,000/- (Previous Year Rs. 18,143,000/-) and keeping fixed deposit of Rs.18,118,000/- (Previous Year Rs. 18,143,000/-) as margin money.
- b) Letter of Credit opened by the Company's Banker in favor of West Bengal State Electricity Distribution Co. Ltd. for Rs.2,417,000/- (Previous Year Rs.2,417,000/-) and keeping Fixed Deposit of Rs.2,417,000/- (Previous Year Rs.2,417,000/-)
- c) The estimated amount of contracts, net of advances remaining to be executed on capital account as on 31/03/2017 Rs.363,617,472/- (Previous year Rs. 363,125,251/-).

Note 2.15: Related Parties Disclosures

A. Nature of Relationship

- (i) Holding Company : Geeta Intelligent Properties India Pvt. Ltd.
- (ii) Key Management Personnel : Mr. P Kedia
- (iii) Enterprises over which Key Management Personnel have significant influence : Consync Realty Pvt. Ltd.

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

B. Transactions carried out with related parties referred in A above, in ordinary course of business:

Related Party	Nature Of Transaction	Transaction During The Year (Rs.)	Balance As on 31-03-2017 (Rs.)
Geeta Intelligent Properties India Pvt. Ltd.	Advance - Given	1,200	-
		(-)	(-)
	- Received	100,000	36,768,800
		(-)	(36,670,000)

Note: Figures in bracket represent previous year's amounts.



MAGNACON ELECTRICALS INDIA LIMITED

Note 2.16: Disclosures in respect of Specified Bank Notes Held and transacted

The details of SBNs held and transacted during the period from 8th November'2016 to 30th December'2016, the denomination – wise SBNs and other notes as per the notification are as follows:

Particulars	Amount (Rs.)		
	SBNs ⁽¹⁾ (Rs.)	Other denomination notes (Rs.)	Total
Closing cash in hand as on 08.11.2016	-	4,155	4,155
(+) Permitted receipts	-	10,000	10,000
(-) Permitted payments	-	(2,629)	(2,629)
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	11,526	11,526

⁽¹⁾For the purpose of this clause, the term "Specified Bank Notes' 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 8th November'2016.

Note 2.17: Other Disclosures

- i. The disclosure requirements of Accounting Standard- 17 on Segment Reporting; Accounting Standard- 20 on Earnings per Share and Accounting Standard- 22 on Accounting for Taxes on Income are not applicable to the Company as it is yet to start its commercial activities.
- ii. In the opinion of the Management, there is no impairment of the assets to which Accounting Standard- 28 apply, requiring any recognition.
- iii. The provisions of Employee's Provident Fund and Miscellaneous Provisions Act, 1952 and The Payment of Gratuity Act, 1972 are not applicable to the Company.
- iv. Investments made by the Company are of long term nature. Hence diminution in value of quoted investments comparing its cost in the opinion of management is of temporary nature. Hence no provision is made.
- v. The Company has decided to develop an ultra modern state of art IT infrastructure for IT and ITes Companies. Commercial activities in respect of the said project are yet to be started and accordingly no Statement of Profit & Loss has been prepared. Capital Work In Progress pending allocation for ongoing projects of the Company and amounting to Rs.1,348,022,282/- (Previous Year Rs. 1,235,890,848/-) includes Pre-Operative expenses amounting to Rs. 316,335,123/- (Previous Year Rs. 252,330,250/-).



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vi. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.

vii. Figure for the previous year have been regrouped and/or rearranged, wherever necessary.

As per our report of this date attached

For R KOTHARI & COMPANY
Chartered Accountants
Firm Regn. No. 307069E

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



MANOJ KUMAR SETHIA
Partner
Membership No. 064308



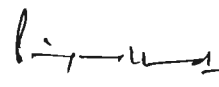
M KEDIA
Co. Secretary



R K AGARWALLA
Managing Director & CFO



D KHEMKA
Director



P KEDIA
Director

Place : Kolkata

Dated: the 07th day of July, 2017