



S. K. AGRAWAL & CO.

Chartered Accountants

Firm Registration No. 306033E

SUITE NOS : 606-608

THE CHAMBERS, OPP. GITANJALI STADIUM

1865, RAJDANGA MAIN ROAD, KASBA

KOLKATA - 700 107

PHONE : 033-4008 9902/9903/9904

FAX : 033-40089905, Website : www.skagrawal.co.in

TO THE MEMBERS OF **BENGAL SHRACHI HOUSING DEVELOPMENT LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of Bengal Shracchi Housing Development Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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





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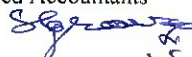
Report on Other Legal and Regulatory Requirements

- I. 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 give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with amended 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 has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note 3.28 to the 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.
- III. 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".

Place: Kolkata
Dated: 18th September, 2018



For, S. K. AGRAWAL & CO.
Chartered Accountants


Sandeep Agrawal
Partner

Membership No.: 058553



S. K. AGRAWAL & CO.

Chartered Accountants

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Annexure –A to the Independent Auditor's Report

The Annexure referred to in our report to the members of **Bengal Shracchi Housing Development Limited** ('the Company') for the year ended on 31st March 2018. 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 programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c) According to information and explanations given to us and on the basis of our examination of the records produced before us, the title deeds of all immovable properties are held in the name of the Company.
- ii. According to the information and explanations given to us the inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed on physical verification.
- iii. The Company has granted loans to three companies listed in the register maintained under section 189 of the Companies Act, 2013.
 - a) In our opinion, the terms and conditions on which the loans had been granted to bodies corporate listed in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the company
 - b) In the case of loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of principal and interest as stipulated
 - c) There are no overdue amounts for more than 90 days from the due date in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 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 during the year. Accordingly, paragraph 3 (v) of the order is not applicable.
- vi. The cost records prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 is not applicable to the company as per Companies (Cost Records and Audit) Rules, 2014.
- vii. According to the information and explanations given to us in respect of statutory and other dues: -
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Goods and Service Tax, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2018 for a period of more than six months from the date of becoming payable.





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(b) According to the information and explanations given to us, details of dues of Income Tax, and Service Tax which have not been deposited as on 31st March, 2018 on account of dispute are given below:

Particulars	Financial year to which the matter pertains	Forum where matter is pending	Amount (Rs. In Lakhs)
Service Tax	2009-2010	CESTAT	96
Income Tax	2010-2013	CIT(A)	101

- viii. On the basis of the records examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to Banks and financial institutions.
- ix. The Company did not raise any money by way of initial public offer and further public offer (including debt instrument). To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the company were applied for the purpose for which the loans were obtained.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid or provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013
- xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable
- xvi. According to information given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Kolkata
Dated: 18th September, 2018



For, S. K. AGRAWAL & CO.
Chartered Accountants

Sandeep Agrawal
Partner

Membership No.: 058553



S. K. AGRAWAL & CO.

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Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Bengal Shrachi Housing Development Limited to the extent records available with us in conjunction with our audit of the financial statements of the company as of and for the year ended 31st March, 2018.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. 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 deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 authorizations 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.





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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 2018, based on the internal control over financial reporting criteria established by the Company.

For, S.K.AGRawal & CO.
Chartered Accountants

Sandeep Agrawal
Partner
Membership No: 058553

Place: Kolkata

Dated:



Bengal Shrachi Housing Development Limited

CIN :U70109WB1997PLC084598

Balance sheet as at 31st March 2018

	Notes No.	As at 31 March 2018	Amount in (Rs.) As at 31 March 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1	1,60,03,000	1,60,03,000
Reserves and surplus	3.2	(16,53,77,689)	(3,75,91,754)
		<u>(14,93,74,689)</u>	<u>(2,15,88,754)</u>
Non-current liabilities			
Long-term borrowings	3.3	92,97,37,587	80,15,54,483
Other long-term liabilities	3.4	7,99,10,439	7,98,65,439
Long-term provisions	3.5	11,66,297	11,27,677
		<u>1,01,08,14,323</u>	<u>88,25,47,599</u>
Current liabilities			
Short-term borrowings	3.6	1,10,60,52,644	1,12,56,96,000
Trade payables	3.7	4,85,63,909	6,24,75,295
Other current liabilities	3.8	1,50,52,73,098	1,46,87,74,056
Short-term provisions	3.9	2,73,745	1,02,264
		<u>2,66,01,63,396</u>	<u>2,65,70,47,615</u>
	Total	<u>3,52,16,03,030</u>	<u>3,51,80,06,460</u>
ASSETS			
Non-current assets			
Property plant and equipment	3.10	1,76,13,258	1,84,11,231
Non-current investments	3.11	16,91,48,180	18,29,32,960
Other non-current assets	3.12	3,60,22,124	3,04,23,815
		<u>22,27,83,562</u>	<u>23,17,68,006</u>
Current assets			
Inventories	3.13	2,68,79,95,350	2,73,21,36,959
Trade receivables	3.14	4,34,33,694	3,29,52,619
Cash and bank balances	3.15	6,21,10,503	96,26,827
Short-term loans and advances	3.16	38,10,66,532	37,34,76,551
Other current assets	3.17	12,42,13,389	13,80,45,498
		<u>3,29,88,19,468</u>	<u>3,28,62,38,454</u>
	Total	<u>3,52,16,03,030</u>	<u>3,51,80,06,460</u>
Significant accounting policies	2		
Notes to the financial statements	3		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached.

For, S.K. Agrawal & Co.
Chartered Accountants
Firm's Registration No. :306033E

Sandeep Agrawal
Partner
Membership No : 058553

Kolkata
Date: 18 SEP 2018



For and on behalf of the Board of Directors of
Bengal Shrachi Housing Development Limited

Sudhis Kumar Nandy
Chairman
DIN No.-07910950

Ravi Todi
Director
DIN No.-00080388

Bengal Shrachi Housing Development Limited

CIN : U70109WB1997PLC084598

Statement of profit and loss for the year ended 31st March 2018

		Amount in (Rs.)	
		Year ended	Year ended
	Note No.	31 March 2018	31 March 2017
Revenue from operations			
- Revenue from operations	3.18	17,90,28,722	17,55,86,290
- Other operating revenue	3.18	4,24,55,399	1,34,60,768
Other income	3.19	7,70,07,976	3,29,68,404
Total revenue		29,84,92,097	22,20,15,462
Expenses			
Construction costs	3.20	26,18,99,549	28,53,49,809
(Increase)/decrease in stock	3.21	4,41,41,609	(5,98,16,718)
Employee benefits expenses	3.22	32,36,425	36,01,426
Finance costs	3.23	6,89,56,187	5,08,25,420
Depreciation and amortisation expenses	3.24	12,92,947	14,29,027
Operation and maintenance expenses	3.25	1,79,29,752	1,59,39,544
Other expenses	3.26	2,88,21,563	3,53,02,905
Total expenses		42,62,78,032	33,26,31,413
Profit/(loss) before tax		(12,77,85,935)	(11,06,15,951)
Income tax expense			
- Current tax		-	-
- Excess provision for income tax of earlier year		-	72,34,025
Profit/(loss) for the year		(12,77,85,935)	(10,33,81,926)
Earnings per equity share			
Basic and diluted	3.27	(79.85)	(64.60)
Significant accounting policies	2		
Notes to the financial statements	3		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached.

For, S.K. Agrawal & Co.
Chartered Accountants
Firm's Registration No. :306033E

Sandeep Agrawal
Partner
Membership No : 058553

For and on behalf of the Board of Directors of
Bengal Shrachi Housing Development Limited

Sudhis Kumar Nandy
Chairman
DIN No.-07910950

Ravi Toddi
Director
DIN No.-00080388

Kolkata

Date: 1 8 SEP 2018



Bengal Shrachi Housing Development Limited

CIN : U70109WB1997PLC084598

Cash flow statement for the year ended 31st March 2018

	Amount in (Rs.)	
	31 March 2018	31 March 2017
A Cash flow from operating activities		
Net profit/(Loss) before tax	(12,77,85,935)	(11,06,15,951)
Adjustments for:		
Depreciation/amortisation	12,92,947	14,29,027
Interest expenses	6,89,56,187	5,08,25,420
Interest income	(2,36,59,570)	(2,40,57,651)
Provision for employee benefits	2,10,101	8,92,081
Provision written back	(80,54,760)	(16,69,219)
Sundry Balance written off.	41,32,804	96,77,360
Loss on sale of tangible assets	3,59,797	-
Profit on sale of investments	(4,02,15,220)	-
Operating profit before working capital changes	<u>(12,47,63,649)</u>	<u>(7,35,18,933)</u>
Changes in working capital		
Increase/(decrease) in trade payables	(1,39,11,386)	(83,66,996)
Increase/(decrease) in other current liabilities	4,45,53,802	22,34,10,875
Increase/(decrease) in other long-term liabilities	45,000	(4,05,90,118)
Decrease/(increase) in trade receivables	(1,04,81,075)	5,25,02,659
Decrease/(increase) in Inventories	4,41,41,609	95,28,11,754
Decrease/(increase) in other non-current assets	(55,98,309)	(4,38,242)
Decrease/(increase) in short-term loans and advances	(71,70,648)	(14,02,40,918)
Decrease/(increase) in other current assets	1,36,94,164	14,10,626
Cash used in operations	<u>(5,94,90,492)</u>	<u>96,69,80,707</u>
Direct taxes (paid) / refunds received	(45,52,138)	2,64,55,072
Net cash used in operating activities (a)	<u>(6,40,42,630)</u>	<u>99,34,35,779</u>
B Cash flow from investing activities		
Sale of tangible assets	49,017	8,29,623
Interest received	2,37,97,515	2,40,50,796
(Increase) / decrease in deposits	-	33,82,269
(Increase) / decrease in investments	5,40,00,000	(49,20,000)
Net cash generated from investing activities (b)	<u>7,69,42,744</u>	<u>2,33,42,688</u>



Bengal Shracchi Housing Development Limited

CIN :U70109WB1997PLC084598

Cash flow statement for the year ended 31st March 2018

	Amount in (Rs.)	
	31 March 2018	31 March 2017
C Cash flow from financing activities		
Repayment of short-term borrowings	(1,96,43,356)	25,05,54,241
Interest paid	(6,89,56,186)	(5,27,20,042)
Proceeds from long-term borrowings	12,81,83,104	(1,22,17,16,235)
Dividend paid (including tax thereon)	-	(28,89,134)
Net cash generated from financing activities (c)	3,95,83,562	(1,02,67,71,171)
Net increase in cash and cash equivalents (a+b+c)	5,24,83,676	(99,92,705)
Cash and cash equivalents, beginning of year *	96,26,827	1,96,19,532
Cash and cash equivalents at the end of year *	6,21,10,503	96,26,827

* Refer Note No. - 3.15

As per our report of even date attached.

For, S.K. Agrawal & Co.
Chartered Accountants
Firm's Registration No. :306033E



Sandeep Agrawal
Partner
Membership No: 058553

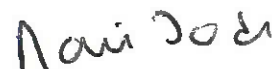
Kolkata

Date: 18 SEP 2018



For and on behalf of the Board of Directors of
Bengal Shracchi Housing Development Limited


Sudhis Kumar Nandy
Chairman
DIN No.-07910950


Ravi Todri
Director
DIN No.-00080388

Bengal Shrachi Housing Development Limited

Significant accounting policies

for the year ended 31st March 2018

1 Company Overview

Bengal Shrachi Housing Development Limited (the 'Company') was incorporated on 18th September, 1997. The Company is engaged in the business of construction, development, sale, lease, management and operation of all or any part of Real Estate Projects.

2 Summary of Significant Accounting Policies

2.1 Basis of preparation:

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply with the Accounting Standards notified by the Central Government and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under historical cost convention.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

2.2 Use of estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialize.

2.3 Property, Plant and Equipment:

a) Property, plant & equipment are carried at cost, less accumulated depreciation and accumulated impairment losses. Direct costs are capitalized until such assets are ready for use. Capital work-in-progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date

b) Property, plant and equipment includes spare parts, stand-by equipment and servicing equipment which are expected to be used for a period more than twelve months and meets the recognition criteria of plant, property and equipment.

c) Depreciation - Depreciation on property, plant and equipment is provided to the extent of depreciable amount on pro-rata basis over the useful life of respective assets as prescribed under schedule-II to the Companies Act, 2013.

Addition to an asset, is depreciated over the remaining useful life of that asset, except when such addition retains a separate identity and is capable of being used after the asset is disposed of, such additions are depreciated independently over its own useful life.

Depreciable value of fixed asset is its cost of acquisition as reduced by residual value of five percent of the cost of acquisition of the asset.

2.4 Foreign currency transaction:

- The foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions.
- Monetary rates determined in foreign currency at the yearend are restated at the yearend prices. In the case of monetary items which are covered by forward exchange contract, the difference between yearend rates and rate on the date of contract is recognized as exchange difference and the premium paid on the forward contract is recognized over the life of contract.
- Non-Monetary foreign currency items are carried at cost.
- Any income or expenses on account of exchange difference either on settlement or on translation is recognized as revenue



Bengal Shrachi Housing Development Limited

Significant accounting policies

for the year ended 31st March 2018

2.5 Investments:

Long-term investments are stated at cost. Provision for diminution in value of long-term investments are made only if decline is other than temporary. Investments, whose realisable value is assessed to have permanently declined, are written off in the year of such assessment. Investments acquired with an intention to hold the same on long-term basis and likely to be sold within next twelve months from the Balance Sheet date are classified as current investments in accordance with Schedule III to the Companies Act, 2013. Such investments are valued at cost. Other current investments are valued at cost or fair value, whichever is lower.

2.6 Inventories:

(i) Construction work-in-progress: At cost and includes construction costs, allocated interest and expenses incidental to the implementation and promotion of the project undertaken by the Company. The work-in-progress includes materials in hand, meant for consumption in construction activities.

(ii) Land and completed property: At cost or net realisable value whichever is lower.

2.7 Retirement benefits:

(a) Provision for Leave encashment and Gratuity is made at the year end on the basis of actuarial valuation using the Projected Unit Credit actuarial method as per the requirements of Accounting Standard - 15 on "Employee benefits" for eligible employees. The Contribution towards Gratuity is funded with LIC.

(b) Contribution to Provident Fund and Employees State Insurance is made at a pre-determined rate and charged to revenue on accrual basis.

2.8 Recognition of income and expenditure:

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

Revenue from real estate sales is recognised on the transfer of all significant risks and rewards of ownership to the buyers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration.

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

Interest income is recognised on a time proportion basis taking into the amount outstanding and the interest rate applicable.

Profit or loss on sale of investments is recorded on transfer from the Company and is determined as the difference between the sale price and carrying value of investment and other incidental expenses.

2.9 Contingent liabilities and provisions:

Provisions are recognised when the Company has legal/ constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are not recognised but disclosed in the notes when the Company has a possible future obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

2.10 Government subsidy/ grants:

Capital subsidy granted by the government is treated as capital reserve and revenue subsidy/ incentives are treated as revenue receipt except to the extent it is capitalised as preoperative cost which is adjusted from specified assets.



Bengal Shracchi Housing Development Limited

Significant accounting policies

for the year ended 31st March'2018

2.11 Borrowing costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

2.12 Taxation:

Income tax expense comprises of Current and Deferred Taxes. Deferred income tax reflects the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company will recognize MAT credit available as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward.

2.13 Earning per share:

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

2.14 Impairment of assets:

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard 28, notified by the Government of India, for the purpose of arriving at impairment loss thereon being the difference between the book value and recoverable value of relevant assets. Impairment loss, when crystallised, are charged against revenues for the year.

2.15 Leases:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.

2.16 Cash and cash equivalents:

In the Cash Flow Statement, cash and cash equivalents include cash in hand, cash at bank, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2.17 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.18 Segment reporting:

Segments have been identified and reported taking into account nature of products, the differing risks and returns associated with operations.



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

as at 31st March 2018

	As at 31 March 2018	Amount in (Rs.) As at 31 March 2017
3.1 Share capital		
Authorised capital		
2,000,000 (2,000,000) equity shares of Rs 10 each.	2,00,00,000	2,00,00,000
Total	<u>2,00,00,000</u>	<u>2,00,00,000</u>
Issued, subscribed and paid-up		
1,600,300 (1,600,300) equity shares of Rs 10 each, fully paid-up	1,60,03,000	1,60,03,000
Total	<u>1,60,03,000</u>	<u>1,60,03,000</u>

(A) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

	31 March 2018		31 March 2017	
	Numbers	Value (Rs.)	Numbers	Value (Rs.)
Equity shares				
At the commencement and end of the year	16,00,300	1,60,03,000	16,00,300	1,60,03,000

(B) Terms / rights attached to shares

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll are in proportion to its share of the paid-up equity capital of the Company.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(C) Particulars of shareholders holding more than 5% equity shares

Name of shareholder	31 March 2018		31 March 2017	
	Number	Percentage	Number	Percentage
West Bengal Housing Board	7,99,600	49.97%	7,99,600	49.97%
Shrachi Developers Private Limited	7,93,800	49.60%	7,93,800	49.60%

3.2 Reserves and surplus

General reserve

Balance as at the beginning of the year	3,47,44,477	3,47,44,477
Balance at the end of the year	<u>3,47,44,477</u>	<u>3,47,44,477</u>

Surplus in statement of profit and loss

Balance as at the beginning of the year	(7,23,36,231)	3,10,45,695
Profit/(loss) for the year	(12,77,85,935)	(10,33,81,926)
Balance as at the end of the year	<u>(20,01,22,166)</u>	<u>(7,23,36,231)</u>
Total	<u>(16,53,77,689)</u>	<u>(3,75,91,754)</u>

3.3 Long-term borrowings

Secured:

Term Loans:

From bank	17,64,44,485	17,14,26,931
From financial institution	46,33,39,111	15,82,64,431
Less:- Current maturity of long term debts	(91,94,104)	(1,04,92,215)

Vehicle loan [Hypothecation of Vehicle]:

ICICI bank limited	6,83,321	-
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Unsecured:

Loan from related parties	29,84,64,774	48,23,55,336
Total	<u>92,97,37,587</u>	<u>80,15,54,483</u>



Bengal Shracchi Housing Development Limited

Notes to the financial statements (Continued)

as at 31st March 2018

3.3 Long-term borrowings (Continued)

(a) Nature of Security and terms of repayments for secured and unsecured borrowing:

Nature of security:	Terms of repayment				Amount of instalments
	Rate of Interest	Amount outstanding as on 31 March 2018		No of instalments	
	%	Current	Non-current		
(i) Mortgage loan taken from Indiabulls Commercial Credit Finance Limited amounting to Rs.2,30,000,00/- (PY:Rs.NIL) on dated 27th Feb,2018 against security of Equitable Mortgage of Home Town Mall Ground Floor (North Facing)&(North West Facing / Back Side) at premises no Block G,Plot No BG5 in Action Area 1B ,P.S.New Town and the same is repayable in 180 monthly instalments	10	6,97,305	2,23,02,695	180	Monthly EMI Rs.2,47,160/- start from 5th April'2018
(ii) Mortgage loan taken from IVL Finance Limited amounting to Rs.14,50,00,000/- (PY:Rs.NIL) on dated 27th Feb'2018 against security of SBP corporate Tower wing A 6th floor office space No.6A,6B and 6C, Plot No AAII/CBD/1,Action Area II Jyoti Basu Nagar.Along with CAR Parking and the same is repayable in 180 monthly instalments	10	43,95,997	14,06,04,003	180	Monthly EMI Rs.15,58,178/- start from 5th April'2018
(iii) Mortgage loan taken from Sundaram BNP Paribas Home Finance Limited amounting to Rs.2,50,000,00/- (PY:Rs.20,789,515) on dated 2nd June,2014 against security of Greenwood Elements New Town Aira III- 1B2,1B1,1B4 Aria -IV- 1B1 2nd floor and the same is repayable in 114 monthly instalments	13.75	24,32,171	1,61,66,944	68	Monthly EMI Rs.4,03,338/- start from 1st July'15
(iv) Mortgage loan taken from Sundaram BNP Paribas Home Finance Limited amounting to Rs.1,50,000,00/- (PY:Rs.1,24,73,696) on dated 2nd June,2014 against security of Greenwood Elements New Town Flat No.3M1B,3M1G,4M1B,5M1B,3M2B,7M2C and the same is repayable in 114 monthly instalments	13.75	14,59,308	97,00,147	68	Monthly EMI Rs.2,42,003/- start from 1st July'15
(v) Car loan taken from ICICI Bank Limited amounting to Rs.7,00,000/- (PY: NIL /-) on dated 1st March'2018 against hypothecation of vehicle purchased there against and the same is repayable in 37 equal monthly instalments	8.25	2,09,323	4,73,998	36	Monthly EMI Rs.21,492/- starting from 1st March'2018.
(vi) Term Loan taken from Allahabad Bank amounting to Rs.17,64,44,485/-(PY:Rs.17,14,26,931) on dated 1st Dec,2015,Registered mortgagage of Dakshinatya Projects'inclusing land of 4.02 acre at Baruipur,and building constructed thereon expect 28 flats which has already been mortgaged to other bank/FI for housing loan and the same is repayable in 4 equal installment of Rs.5 crore commencing at the end of moratorium period. Moratorium period shall be 3 years from the date of first disbursement	12.25	-	17,64,44,485	4	Repayable in 4 equal installment of Rs.5 crore
(vii) Loan taken from JM Financial Credit Solutions Limited amounting to Rs.26,55,80,541/- (PY Rs.Nil) against security of the land and structures thereof in mouza Ghuni located in Kolkata along with personal gurantee of Mr.Ravi Todi and Mr. Rahul Todi.	15	-	26,55,80,541	24	Repayable in 24 equal monthly installment starting from Jan'2020



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

as at 31st March 2018

	As at 31 March 2018	Amount in (Rs.) As at 31 March 2017
3.4 Other long-term liabilities		
Advance received against project	7,88,00,059	7,88,00,059
Security deposit	11,10,380	10,65,380
Total	7,99,10,439	7,98,65,439
3.5 Long-Term provisions		
Provision for employee benefits	11,66,297	11,27,677
Total	11,66,297	11,27,677
3.6 Short-term borrowings		
Secured		
From bank	-	16,70,00,000
From financial institution	-	7,10,00,000
Unsecured		
Loan from bodies corporate	78,76,37,644	76,61,31,000
Interest free loan received from Directors	31,84,15,000	12,15,65,000
Total	1,10,60,52,644	1,12,56,96,000
3.7 Trade payables		
Trade payables towards goods purchased and services received		
-Dues to micro and small enterprises	-	-
-Others	4,85,63,909	6,24,75,295
Total	4,85,63,909	6,24,75,295
3.8 Other current liabilities		
Current maturities of long term debts	91,94,104	1,04,92,215
Retention money payable to contractors	78,05,537	2,65,89,016
Interest accrued and due on borrowings	7,25,48,968	3,11,68,867
Advance received from customers	78,88,71,943	76,30,23,901
Liabilities for expenses	61,42,45,555	61,06,02,796
Cheques overdrawn	-	1,78,26,307
Statutory dues payables	1,26,06,991	90,70,954
Total	1,50,52,73,098	1,46,87,74,056
3.9 Short-term provisions		
Provision for employee benefits	2,73,745	1,02,264
Total	2,73,745	1,02,264



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)
as at 31st March 2018

Property Plant and Equipment	Tangible asstes							Intangible assets Computer Software	Total assets
	Investment Property	Plant & Equipment	Vehicles	Furniture & Fixtures	Office Equipment	Computer	Total		
Gross block									
Balance as at 1 April 2016	2,36,96,684	65,66,203	45,88,707	24,15,416	11,51,238	73,87,020	4,58,05,268	67,808	4,58,73,076
Additions	-	-	-	-	-	-	-	-	-
Disposals/transfer to investment	-	9,67,000	8,00,220	10,01,545	7,21,132	4,57,326	39,47,223	67,808	40,15,031
Balance as at 31 March 2017	2,36,96,684	55,99,203	37,88,487	14,13,871	4,30,106	69,29,694	4,18,58,045	-	4,18,58,045
Balance as at 1 April 2017	2,36,96,684	55,99,203	37,88,487	14,13,871	4,30,106	69,29,694	4,18,58,045	-	4,18,58,045
Additions	-	-	8,15,040	-	-	88,748	9,03,788	-	9,03,788
Disposals/Transfer	-	23,00,000	-	-	-	-	23,00,000	-	23,00,000
Balance as at 31 March 2018	2,36,96,684	32,99,203	46,03,527	14,13,871	4,30,106	70,18,442	4,04,61,833	-	4,04,61,833
Depreciation									
Balance as at 1 April 2016	62,01,782	47,09,298	42,57,749	18,10,798	10,59,985	70,95,775	2,51,35,387	67,808	2,52,03,195
Depreciation for the year	8,63,579	3,06,858	72,314	1,02,276	19,396	64,604	14,29,027	-	14,29,027
Accumulated depreciation on disposals transferred	-	5,72,037	6,79,278	7,43,941	6,68,477	4,53,867	31,17,600	67,808	31,85,408
Balance as at 31 March 2017	70,65,361	44,44,119	36,50,785	11,69,133	4,10,904	67,06,512	2,34,46,814	-	2,34,46,814
Balance as at 1 April 2017	70,65,361	44,44,119	36,50,785	11,69,133	4,10,904	67,06,512	2,34,46,814	-	2,34,46,814
Depreciation for the year	8,20,951	2,17,530	89,134	71,823	9,292	84,217	12,92,947	-	12,92,947
Accumulated depreciation on disposals transferred	-	18,91,186	-	-	-	-	18,91,186	-	18,91,186
Balance as at 31 March 2018	78,86,312	27,70,463	37,39,919	12,40,956	4,20,196	67,90,729	2,28,48,575	-	2,28,48,575
Net block									
As at 31 March 2017	1,66,31,323	11,55,084	1,37,702	2,44,738	19,202	2,23,182	1,84,11,231	-	1,84,11,231
As at 31 March 2018	1,58,10,372	5,28,740	8,63,608	1,72,915	9,910	2,27,713	1,76,13,258	-	1,76,13,258



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

as at 31st March 2018

	Face value per share	As at 31 March 2018	Amount in (Rs.) As at 31 March 2017
3.11 Non-current investments <i>(valued at cost unless stated otherwise)</i>			
Trade investments			
<i>Unquoted</i>			
Equity instruments			
<i>Investment in Associates:</i>			
100,429 (100,429) Shrachi Virtuous Retail Projects Private Limited	10	1,89,44,942	1,89,44,942
5,000 (5,000) Durgapur Mall Maintenance Services Private Limited	10	50,000	50,000
1,758,884 (1,758,884) Shrachi Burdwan Developers Private Limited	10	8,47,25,122	8,47,25,122
<i>Investment in Others companies :</i>			
17,500 (17,500) Newtown Dwellers Private Limited	10	1,75,000	1,75,000
87,500 (87,500) Rosedale Developers Private Limited.	10	8,75,000	8,75,000
14% Non-cumulative preference shares			
2,791,683 (7,291,683) Shrachi Burdwan Developers Private Limited	10	85,51,720	2,23,36,500
Fully convertible debentures			
<i>Investment in Associates:</i>			
516,071 (516,071) Shrachi Virtuous Retail Projects Private Limited	10	51,60,710	51,60,710
<i>Investment in Others companies :</i>			
3,689,290 (3,689,290) Newtown Dwellers Private Limited	10	3,68,92,900	3,68,92,900
Investment in Limited Liability Partnership:-			
Shrimarc Mall LLP (Refer note "A" below)	10	50,00,000	50,00,000
Share Warrants (fully paid up)			
<i>Investment in Associates:</i>			
44,307 (44,307) Shrachi Virtuous Retail Projects Private Limited	198	87,72,786	87,72,786
Aggregate amount of Unquoted investments	Total	16,91,48,180	18,29,32,960
A Investment in Shrimarc Mall LLP			
Total capital of the LLP		1,00,00,000	1,00,00,000
Company's share in the capital		50,00,000	50,00,000
Share of each partner in the profits / (loss) of the LLP			
Bengal Shrachi Housing Development Limited		50%	50%
SKY Vinmay Private Limited		50%	50%



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

as at 31st March 2018

	As at 31 March 2018	Amount in (Rs.) As at 31 March 2017
3.12 Other non-current assets		
Security deposit	70,22,519	17,27,277
Mat credit entitlement	2,55,71,704	2,55,71,704
Fixed deposits with banks	34,27,901	31,24,834
Total	3,60,22,124	3,04,23,815
3.13 Inventories (Valued at the lower of cost and net realisable value)		
Stock of flats and commercial units	95,13,03,649	81,31,98,496
Work - in -Progress	1,73,66,91,701	1,91,89,38,463
Total	2,68,79,95,350	2,73,21,36,959
3.14 Trade receivables (Unsecured, considered good)		
Outstandings for more than six months from the due date for payment	3,03,86,649	2,30,43,612
Others	1,30,47,045	99,09,007
Total	4,34,33,694	3,29,52,619
3.15 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	4,67,798	69,868
Balances with banks		
- in current accounts	5,51,76,681	95,46,409
- in escrow accounts	64,66,024	10,550
	6,16,42,705	95,56,959
Total	6,21,10,503	96,26,827
3.16 Short-term loans and advances (Unsecured, considered good)		
Loan to related parties	20,72,93,920	19,12,90,445
Loan to body corporates	3,64,72,673	3,05,43,306
Advance to suppliers and contractors	1,98,01,741	1,84,36,619
Advance to staffs	4,17,472	2,54,966
Other advances	3,49,12,543	4,61,31,904
Prepaid expenses	32,529	6,33,914
Advance income tax (net)	2,93,53,457	2,48,01,319
Advance against purchase of land	5,27,82,197	6,13,84,078
Total	38,10,66,532	37,34,76,551
3.17 Other current assets		
Fixed deposits (with maturity more than 3 months but less than 12 months from deposit date)	15,22,557	31,428
Interest receivable on fixed deposits with banks	1,03,247	2,41,192
Receivable against sale of long term Investments	7,05,82,500	9,05,82,500
Balance with limited liability partnership		
Shrimarc Mall LLP	2,95,82,959	2,51,07,453
Interest receivable from bodies corporates	2,24,22,126	2,20,82,925
Total	12,42,13,389	13,80,45,498



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2018

	Amount in (Rs.)	
	Year ended 31 March 2018	Year ended 31 March 2017
3.18 Revenue from operation		
Sale of flats & commercial space	15,38,94,695	15,21,62,325
Rental income	2,51,34,027	2,34,23,965
Total (a)	17,90,28,722	17,55,86,290
Other operating revenue:-		
Maintenance income from properties	2,60,86,001	49,12,676
Miscellaneous income	1,52,71,495	59,11,315
Realisation from cancellation/transfer of flats	10,97,903	26,36,777
Total (b)	4,24,55,399	1,34,60,768
Total (a+b)	22,14,84,121	18,90,47,058
3.19 Other income		
Interest income	2,36,59,570	2,40,57,651
Net gain on sale of investments	4,02,15,220	-
Liabilities written back to the extent no longer required	80,54,760	89,03,244
Miscellaneous income	50,78,426	7,509
Total	7,70,07,976	3,29,68,404
3.20 Construction costs		
Land / development right	39,44,541	-
Construction expenses	8,35,75,196	6,05,07,676
Electrical expenses	1,03,71,383	36,80,312
Project overheads	2,27,23,890	7,80,39,282
Interest & financial charges	13,69,52,019	14,12,09,783
Consultancy & professional fees	43,32,520	19,12,756
Total	26,18,99,549	28,53,49,809
3.21 (Increase) /decrease in stock		
Opening stock of flats	81,31,98,496	1,75,13,19,958
Add: Increase in stock of flats	44,41,46,311	30,00,40,101
	1,25,73,44,807	2,05,13,60,059
Less: decrease in stock for business transfer	-	1,01,26,28,472
Less: decrease in stock of flats	30,60,41,158	22,55,33,091
Total closing stock of flats	95,13,03,649	81,31,98,496
Net (Increase)/decrease in stock of finished area of flats (A)	(13,81,05,153)	(7,45,07,010)
Opening Work In Progress	1,91,89,38,463	1,93,36,28,755
Add: Construction cost	26,18,99,549	28,53,49,809
	2,18,08,38,012	2,21,89,78,564
Less: Decrease in work in progress	44,41,46,311	30,00,40,101
Closing work in progress	1,73,66,91,701	1,91,89,38,463
Net (Increase) / decrease in work in progress (B)	18,22,46,762	1,46,90,292
Net (Increase) / decrease in stock (A+B)	4,41,41,609	(5,98,16,718)



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2018

	Amount in (Rs.)	
	Year ended 31 March 2018	Year ended 31 March 2017
3.22 Employee benefits		
Salaries, bonus and allowances	32,36,425	36,01,426
Total	32,36,425	36,01,426
3.23 Finance costs		
Interest on loan	6,23,18,720	4,51,95,574
Other borrowing cost	66,37,467	56,29,846
Total	6,89,56,187	5,08,25,420
3.24 Depreciation and amortisation expenses		
Depreciation on tangible assets (refer note 3.10)	12,92,947	14,29,027
Total	12,92,947	14,29,027
3.25 Operation and Maintenance expenses		
Electricity expenses	28,63,051	22,41,530
Security and housekeeping expenses	28,83,526	28,44,147
Property maintenance expenses	62,82,240	71,66,198
Property management and other expenses	59,00,935	36,87,669
Total	1,79,29,752	1,59,39,544
3.26 Other expenses		
Expenses against completed projects	54,75,541	1,11,38,428
Interest on delay payment of statutory dues	4,59,712	16,81,979
Interest on refund of booking money of flats	5,82,949	37,72,277
Rent	53,907	42,528
Rates and taxes	36,147	9,198
Repairs to others	6,96,926	16,24,150
Insurance	44,331	27,247
Advertisement expenses	10,62,750	90,569
Travelling and conveyance	3,14,641	2,00,368
Communication expenses	1,03,462	1,16,077
Administrative and other expenses	6,60,742	6,78,910
Professional fees	11,89,068	9,57,923
Directors sitting fees	6,06,000	4,66,000
Auditors remuneration		
- Statutory audit fees	2,25,000	2,25,000
- Tax audit fees	25,000	25,000
- Other matters	-	1,25,350
Share in loss of limited liability partnership	1,27,92,786	44,44,541
Loss on sale/disposal of fixed assets	3,59,797	-
Sundry balances written off	41,32,804	96,77,360
Total	2,88,21,563	3,53,02,905



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2018

(Amount in Rupees)

3.27 Earnings per share

Basic / Diluted earnings per share

The calculation of basic earnings/(loss) per share for the year ended 31 March, 2018 was based on the profit/(loss) attributable to equity shareholders of Rs.(127,785,935) - (P.Y Rs. 103,381,926), and weighted average number of equity shares outstanding of 1,600,300 (1,600,300). There are no dilutive potential equity shares.

	31st March, 2018	31st March, 2017
Net profit/(loss) attributable to equity shareholders for calculation of basic / diluted EPS (A)	(127,785,935)	(103,381,926)
Number of equity shares at the beginning of the year	1,600,300	1,600,300
Number of equity shares outstanding at the end of the year	1,600,300	1,600,300
Weighted average number of equity shares outstanding during the year (based on date of issue of shares) (B)	1,600,300	1,600,300
Basic and diluted earnings/(loss) per equity share (Face value of Rs 10 per share) (A / B)	(79.85)	(64.60)

3.28 Contingent liabilities not provided for in respect of:

- Outstanding guarantees furnished by the bankers on behalf of the Company amounting to Rs.23,721,117/- (Rs.20,745,832/-) are secured by fixed deposit with banker.
- Income tax, sales Tax and Service tax under appeal review for Rs.19,676,065 /- (Rs. 16,225,252 /-)

3.29 Auditors' remuneration (excluding GST)

	31st March 2018	31st March 2017
Statutory audit Fees	225,000	225,000
Tax audit Fees	25,000	25,000
Other professional works	-	125,350
	<u>250,000</u>	<u>412,850</u>

3.30 Segment information

The Company is operating in the real estate industry and operates only in India. The Company has only one reportable business segment, which is development of real estate /infrastructure facilities and maintenance of the same and accordingly has only one reportable geographical segment. Accordingly, these financial statements are reflective of the information required by the Accounting Standard 17 "Segment Reporting", for the real estate development segment.



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2018

(Amount in Rupees)

3.31 Expenditure in foreign currency (on accrual basis)

Expenditure incurred in foreign currency during the year or in the previous year is Nil.

3.32 Break up of Deferred Tax Assets and Liabilities is as under:

Deferred Tax Assets has not been recognized as there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred Tax can be realised.

3.33 Related Parties Disclosures: as per AS-18 and The Companies Act, 2013

a) Names of related parties

<u>Particulars</u>	<u>Name of Related Parties</u>	<u>Nature of Relationship</u>
Associates	Shrachi Burdwan Developers Private Limited Shrachi Virtuous Retail Projects Private Limited Durgapur Mall Maintenance Services Private Limited	
Partnership firm	Shrimarc Mall LLP	
Key Management Personnel	Mr. Rahul Todi Mr. Ravi Todi	Managing Director Director
Relatives of Key Management Personnel	Mr. Shrawan Kumar Todi	F/o Mr. Rahul Todi & Ravi Todi
Enterprises owned or significantly influenced by Key Management Personnel or their relatives.	Shrachi Developers Private Limited Renaissance Maintenance Private Limited Newtown Dwellers Private Limited Rosedale Developers Private Limited Anchor Apartments Private Limited Neobeam Properties Private Limited Shrachi Realty Private Limited BTL EPC Limited Karunamoyee Tradelink Private Limited Bengal NRI Complex Limited Gagan Tradelink Private Limited	



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2018

(Amount in Rupees)

3.33 (b) Related Party Transactions:

Nature of Transactions	Associate Companies	Key Management Personnel	Partnership firm / LLP	Relatives of Key Management Personnel	Enterprises over which KMP/ KMP's relatives have significant influence	Total
Expenses						
Interest						
Shrachi Realty Private Limited					1,01,83,222	1,01,83,222
					(-)	(-)
Newtown Dwellers Private Limited					89,15,627	89,15,627
					(62,02,800)	(62,02,800)
Rosedale Developers Private Limited					52,97,481	52,97,481
					(22,99,004)	(22,99,004)
Karunamoyee Tradelink Private Limited					36,82,725	36,82,725
					(38,98,942)	(38,98,942)
Bengal NRI Complex Limited					1,68,63,014	1,68,63,014
					(3,29,02,739)	(3,29,02,739)
Gagan Tradelink Private Limited					3,00,758	3,00,758
					(-)	(-)
Remuneration						
Rahul Todi		21,00,000				21,00,000
		(21,00,000)				(21,00,000)
Sitting fees						
Ravi Todi				60,000		60,000
				(40,000)		(40,000)
Reimbursement						
BTL EPC Ltd					72,000	72,000
					(6,41,920)	(6,41,920)
Durgapur Mall Maintenance Services Private Limited	58,204					58,204
	(2,96,000)					(2,96,000)
Travelling and Conveyance						
Ravi Todi				15,000		15,000
				(10,000)		(10,000)
Balance in current account with LLP						
Shrimarc Mall LLP			2,95,82,959			2,95,82,959
			(2,51,07,453)			(2,51,07,453)
Share of loss from LLP						
Shrimarc Mall LLP			1,27,92,786			1,27,92,786
			(44,44,541)			(44,44,541)
Project Management Fee Received						
Shrachi Burdwan Developers Private Limited	50,00,000					50,00,000
	(-)					(-)
Interest Income						
Shrimarc Mall LLP			1,67,27,584			1,67,27,584
			(1,40,26,940)			(1,40,26,940)
Neobeam Properties Private Limited					16,47,361	16,47,361
					(12,08,599)	(12,08,599)
Anchor Apartments Private Limited					4,20,993	4,20,993
					(-)	(-)



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2018

(Amount in Rupees)

3.33 (b) Related Party Transactions:

Nature of Transactions	Associate Companies	Key Management Personnel	Partnership firm / LLP	Relatives of Key Management Personnel	Enterprises over which KMP/ KMP's relatives have significant influence	Total
Loans taken refund back						
Shrachi Developers Private Limited					21,67,10,000 (33,83,43,914)	21,67,10,000 (33,83,43,914)
Renaissance Maintenance Private Limited					11,06,32,000 (10,00,00,000)	11,06,32,000 (10,00,00,000)
Anchor Apartment Private Limited					1,28,13,161 (4,05,77,394)	1,28,13,161 (4,05,77,394)
Karunamoyee Tradelink Private Limited					25,00,000 (29,97,446)	25,00,000 (29,97,446)
Rosedale Developers Private Limited					5,98,06,011 (1,66,28,802)	5,98,06,011 (1,66,28,802)
Shrachi Realty Private Limited					5,18,97,561 (-)	5,18,97,561 (-)
Bengal NRI Complex Limited					17,00,00,000 (10,00,00,000)	17,00,00,000 (10,00,00,000)
Rahul Todi		4,46,95,040 (1,23,00,000)				4,46,95,040 (1,23,00,000)
Ravi Todi				13,85,50,000 (4,84,00,000)		13,85,50,000 (4,84,00,000)
Loans Given						
Shrimarc Mall LLP			2,57,75,661 (19,90,49,045)			2,57,75,661 (19,90,49,045)
Neobeam Properties Private Limited					87,47,603 (22,14,658)	87,47,603 (22,14,658)
Gagan Tradelink Private Limited					7,68,56,459 (3,58,65,675)	7,68,56,459 (3,58,65,675)
Loans Given received back						
Gagan Tradelink Private Limited					8,72,00,000 (18,50,000)	8,72,00,000 (18,50,000)
Shrimarc Mall LLP			1,22,79,190 (5,41,95,101)			1,22,79,190 (5,41,95,101)
Loans taken						
Shrachi Developers Private Limited					6,91,10,000 (10,84,43,914)	6,91,10,000 (10,84,43,914)
Renaissance Maintenance Private Limited					4,31,06,257 (4,74,50,000)	4,31,06,257 (4,74,50,000)
Rosedale Developers Private Limited					5,16,89,221 (4,46,00,000)	5,16,89,221 (4,46,00,000)
Shrachi Realty Private Limited					14,27,21,304 (4,71,54,915)	14,27,21,304 (4,71,54,915)
Anchor Apartment Private Limited					1,36,02,154 (-)	1,36,02,154 (-)
Rahul Todi		14,37,95,040 (9,23,65,000)				14,37,95,040 (9,23,65,000)
Ravi Todi				23,63,00,000 (8,99,00,000)		23,63,00,000 (8,99,00,000)



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2018

(Amount in Rupees)

3.33 (b) Related Party Transactions:

Nature of Transactions	Associate Companies	Key Management Personnel	Partnership firm / LLP	Relatives of Key Management Personnel	Enterprises over which KMP/ KMP's relatives have significant influence	Total
Balance outstanding at year end – Receivable						
Shrimarc Mall LLP			17,63,12,155 (15,88,80,887)			17,63,12,155 (15,88,80,887)
Gagan Tradelink Private Limited					2,53,88,667 (3,60,02,890)	2,53,88,667 (3,60,02,890)
Neobeam Properties Private Limited					2,35,32,606 (1,33,02,397)	2,35,32,606 (1,33,02,397)
Shrachi Realty Private Limited					- (10,62,456)	- (10,62,456)
BTL EPC Limited					- (12,131)	- (12,131)
Balance outstanding at year end – Payable						
Durgapur Mall Maintenance Services Private Limited	10,38,103 (10,38,103)					10,38,103 (10,38,103)
Shrachi Developers Private Limited					- (14,76,00,000)	- (14,76,00,000)
Newtown Dwellers Private Limited					10,70,86,584 (9,90,62,520)	10,70,86,584 (9,90,62,520)
Renaissance Maintenance Private Limited					4,91,24,257 (11,66,50,000)	4,91,24,257 (11,66,50,000)
Shrachi Realty Private Limited					17,77,26,245 (-)	17,77,26,245 (-)
Anchor Apartment Private Limited					4,45,494 (13,52,233)	4,45,494 (13,52,233)
Rosedale Developers Private Limited					2,82,20,045 (3,15,69,103)	2,82,20,045 (3,15,69,103)
Karunamoyee Tradelink Private Limited					5,67,66,524 (5,59,52,072)	5,67,66,524 (5,59,52,072)
Bengal NRI Complex Limited					13,28,84,932 (30,66,77,260)	13,28,84,932 (30,66,77,260)
Rahul Todi		17,91,65,000 (8,00,65,000)				17,91,65,000 (8,00,65,000)
Ravi Todi				13,92,50,000 (4,15,00,000)		13,92,50,000 (4,15,00,000)

* Figures in brackets are showing previous year figure.



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2018

(Amount in Rupees)

3.34 Micro, Small and Medium Enterprises

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

3.35 Pursuant to Debt Recovery Tribunal order dated 20.09.2016, in case of Dhanlaxmi Bank Limited vs. M/s. Emerald Exim Limited and Others, a sum of Rs.1.50 crores had been deposited as security deposit in separate interest bearing account under lien of Dhanlaxmi Bank Limited and the bank had been directed to withdraw its application to Indian Banks' Association. Interest has not been accounted for on the said security deposit in absence of any specific direction of the tribunal w.r.t rate of interest.

3.36 The company is subject to legal proceeding and claims, which have arisen in ordinary course of business, The company's management does not reasonable expect that there legal actions, when ultimately concluded and determined, will have a material and adverse effect on the company's result of operation or financial conditions.

3.37 Disclosure pursuant to Accounting standard – 15 'Employee Benefits'

Gratuity (Defined benefit plan):

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement calculated as per the Payment of Gratuity Act with no ceiling.

The following table summarizes the components of net benefit expense recognized in the Statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for gratuity benefit.

Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Assumptions regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2018

(Amount in Rupees)

	31 st March 2018	31 st March 2017			
Gratuity					
I Net employee expense					
Current service cost	141,728	174,742			
Interest cost on benefit obligation	66,449	74,091			
Expected return on plan assets	161,000	149,980			
Net actuarial loss recognized in the year	(40,438)	(58,582)			
Net benefit expenses	328,725	40,271			
II Amount recognized in the balance sheet					
Defined benefit obligation	1,006,484	1,169,562			
Plan asset	1,459,713	1,951,516			
Amount recognized in the balance sheet	453,229	781,954			
III Movement in benefit liability					
Opening defined benefit obligation	1,169,562	995,716			
Interest cost	66,449	74,091			
Past Service cost	321,986	-			
Current service cost	141,728	174,742			
Benefits paid	617,642	15,672			
Actuarial losses on obligation	(75,599)	(59,315)			
Closing benefit obligation	453,229	781,954			
IV Changes in the fair value of plan assets					
Opening fair value of plan assets	1,951,516	1,817,941			
Expected return	161,000	149,980			
Contributions by employer	-	-			
Benefits paid	617,642	15,672			
Actuarial gains / (losses)	(35,161)	(733)			
Closing fair value of plan assets	1,459,713	1,951,516			
V Actual Return on plan assets					
Expected return on plan assets	161,000	149,980			
Actuarial/(gain) loss on plan assets	(35,161)	(733)			
VI Investment detail of plan assets					
Plan assets, for gratuity payable to employees, available with the Company is an Insurer managed fund by Life Insurance Corporation of India (100%).					
Mortality Table	IALM (2006-2008) ULTIMATE	IALM (2006-2008) ULTIMATE			
Superannuation Age	58 & 60	58 & 60			
Early Retirement & Disablement	10per Thousand p.a	10per Thousand p.a			
	6 above age 45	6 above age 45			
	3 between 29 and 45	3 between 29 and 45			
	1 below age29	1below age29			
Discount rate	7.72 % p.a.	7.50 % p.a.			
Inflation rate	7.00% p.a.	7.00% p.a.			
Return on Asset	8.25%p.a	8.25%p.a			
Remaining Working Life	16 Years	14 Years			
Formula Used	Projected Unit Credit Method	Projected Unit Credit Method			
VII Experience adjustments for current and previous years are as follows:					
	2018	2017	2016	2015	2014
Defined benefit obligation	1,006,484	1,169,562	995,716	2,972,268	2,388,888
Fair value of plan assets	1,459,713	1,951,516	1,817,941	3,975,810	3,643,248
Surplus/(deficit)	453,229	781,954	822,225	1,003,542	1,254,360
Experience adjustment on plan liabilities [(gain)/loss]	(48,060)	(116,615)	174,068	16,516	66,773
Experience adjustment on plan assets [gain/(loss)]	(5,161)	1,085	(39,089)	(27,957)	(29,636)



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2018

(Amount in Rupees)

3.38 Previous year comparatives

Previous years' figures have been re-grouped/ re-classified wherever necessary to make them comparable with the current year's figure.

As per our report of even date attached.

For S.K.Agrawal & Co.
Chartered Accountants
Firm's Registration No. :306033E




Sandeep Agrawal
Partner
Membership No: 058553

For and on behalf of the Board of Directors of
Bengal Shrachi Housing Development Limited



Sudhis Kumar Nandy
Chairman
DIN No.-07910950



Ravi Todi
Director
DIN No.-00080388

Kolkata

Date: 18 SEP 2018

