

S. K. AGRAWAL & CO.

Chartered Accountants
Firm Registration No. 300003E

SUITE / NO. : 606-003
THE CHAMBERS, OPP. GITANJALI STAIRWAY
1003, RAJDAHIA BAZAR ROAD, KASBA
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TO THE MEMBERS OF BENGAL BRANCH HOUSING DEVELOPMENT LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Bengal Branch Housing Development Limited (the Company), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 practices which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

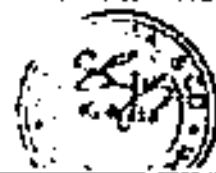
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. These Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material 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 these risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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 2017, its loss and its cash flows for the year ended on that date.



S. K. AGRAWAL & CO.

Chartered Accountants

Firm Registration No. 306033E

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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 2017 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 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.
- iv. The Company has provided requisite disclosure in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 08th November 2016 to 30th December 2016. Based on audit procedures and on the basis of management representation we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management. (Refer Note No. 3.39 to the financial statements).

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: 31st August 2017



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

Sandeep Agrawal
Partner

Membership No.: 058553

S. K. AGRAWAL & CO.

Chartered Accountants
Firm Registration No. 300033E

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Annexure -A to the Independent Auditor's Report

The Annexure referred to in our report to the members of Bengal Shradha Housing Development Limited ('the Company') for the year ended on 31st March 2017. We report that:

- I. a) The Company has maintained proper records showing all 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 undeposited statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Duty of Customs, Duty of Excise, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undeposited amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2017 for a period of more than six months from the date of becoming payable.



S. K. AGRAWAL & CO.

Chartered Accountants

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- (b) According to the information and explanations given to us, details of dues of Income Tax, Sales Tax and Service Tax which have not been deposited as on 31st March, 2017 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	2007-2011	CESTAT	113.23
Sales Tax	2009-2010	Commissioner	0.36
Income Tax Act, 1961	2010-2011 & 2011-2012	CIT (A)	48.66

- 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 45-1A of the Reserve Bank of India Act, 1934.

Place: Kolkata

Dated: 31st August 2017



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

Sandeep Agrawal
Partner

Membership No.: 058553

S. K. AGRAWAL & CO.

Chartered Accountants

Firm Registration No. 306033E

SLATE NO: 005-008

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Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (D) 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 Shreeji Housing Development Limited to the extent shown available with us in conjunction with our audit of the financial statements of the company as of and for the year ended 31st March, 2017.

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 fraud 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 us with respect to internal financial controls, both applicable to us with respect to internal financial controls and, both issued by the Institute of Chartered Accountants of India. These 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.

The 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 controls 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.

Nature 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 2017, based on the internal control over financial reporting criteria established by the Company.

Place: Kolkata
Dated: 31st August, 2017



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

A handwritten signature in black ink, appearing to read 'Sandeep Agrawal', written over a light blue grid background.

Sandeep Agrawal
Partner
Membership No: 058553

Bengal Shreeji Housing Development Limited

CIN: U70109WB1997PLC084598

Balance sheet as of 31st March 2017

	Notes No.	As at 31 March 2017	Amount in (Rs.) As at 31 March 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	16,000,000	16,000,000
Reserves and surplus	2.2	(37,591,754)	63,792,172
		<u>(21,591,754)</u>	<u>81,792,172</u>
Non-current liabilities			
Long-term borrowings	2.3	1,116,554,483	2,311,279,718
Long-term provisions	2.4	1,127,877	-
Other long-term liabilities	2.5	79,843,439	120,453,157
		<u>1,197,517,599</u>	<u>2,431,726,275</u>
Current liabilities			
Short-term borrowings	2.6	310,436,000	502,141,229
Trade payables	2.7	87,244,311	97,411,107
Other current liabilities	2.8	1,442,184,840	1,229,572,033
Short-term provisions	2.9	182,264	3,226,914
		<u>2,942,047,815</u>	<u>1,892,372,093</u>
Total		<u>3,528,006,468</u>	<u>4,433,891,340</u>
ASSETS			
Non-current assets			
Property plant and equipment	3.10	18,111,231	20,640,221
Non-current investments	3.11	182,532,960	178,012,060
Other non-current assets	3.12	30,413,315	29,915,573
		<u>231,057,506</u>	<u>228,567,854</u>
Current assets			
Inventories	3.13	2,732,134,939	3,641,912,713
Trade receivables	3.14	32,932,619	83,433,278
Cash and bank balances	3.15	9,658,233	23,033,229
Short-term loans and advances	3.16	373,476,331	269,362,065
Other current assets	3.17	138,016,078	119,617,841
		<u>3,384,318,454</u>	<u>4,202,222,126</u>
Total		<u>3,812,364,960</u>	<u>4,640,897,540</u>

Significant accounting policies

Notes to the financial statements

2
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. 130013312

Kaandeep Agrawal
Partner
Membership No: 054511



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

Sudhakar Kumar
Chairman
[INN No.-07910250]

Nari Jain
Ravi Todi
Director
[KY No.-00022332]

Kolkata
Date: 31.03.2017

Bengal Shrachi Housing Development Limited

CIN : U70109WB1997PLC094598

Statement of profit and loss for the year ended 31st March*2017

	Note No.	Year ended 31 March 2017	Amount in (Rs.) Year ended 31 March 2016
Revenue from operations			
- Revenue from operations	3.18	175,586,290	179,807,018
- Other operating revenue	3.18	13,460,768	25,349,466
Other income	3.19	32,968,404	152,348,229
Total revenue		222,015,462	357,504,713
Expenses			
Construction costs	3.20	285,349,809	98,391,616
(Increase)/decrease in stock	3.21	(59,816,718)	(46,081,376)
Employee benefits expenses	3.22	3,601,426	2,878,051
Finance costs	3.23	50,825,420	239,749,867
Depreciation and amortisation expenses	3.24	1,429,027	2,052,359
Operation and maintenance expenses	3.25	15,939,544	19,366,755
Other expenses	3.26	35,302,905	26,797,991
Total expenses		332,631,413	343,155,263
Profit/(loss) before tax		(110,615,951)	14,349,450
Income tax expense			
- Current tax			66,500
- Excess provision for income tax of earlier year		7,234,025	
Profit/(loss) for the year		(103,381,926)	14,282,950
Earnings per equity share			
Basic and diluted	3.27	(64.60)	8.93
Significant accounting policies	3		
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. 1306033E

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

Sandeep Agrawal
Partner
Membership No.: 058553



Sudhis Kumar Nandy
Chairman
DIN No.-07910950

Ravi Todi
Director
DIN No.-00080388

Kolkata
Date: 31.08.2017

Bengal Shradhi Housing Development Limited

CIN: U70109WB1997PLC084598

Cash flow statement for the year ended 31st March 2017

	Amount in (Rs.)	
	31 March 2017	31 March 2016
A Cash flow from operating activities		
Net profit/(Loss) before tax	(110,615,951)	12,139,472
Adjustments for:		
Depreciation/amortisation	3,429,037	2,052,359
Interest expenses	50,875,400	232,558,583
Interest income	(74,037,651)	(1,273,341)
Provision for employee benefits	892,001	2,972,268
Provision written back	(1,469,117)	(3,538,007)
Security Balance written off	3,677,340	182,455
Operating profit before working capital changes	<u>(72,518,933)</u>	<u>243,472,145</u>
Changes in working capital		
Increase/(decrease) in trade payables	(8,366,994)	(13,203,411)
Increase/(decrease) in other current liabilities	223,418,275	(61,448,484)
Increase/(decrease) in other long-term liabilities	(40,590,118)	1,075,453
Decrease/(increase) in trade receivables	32,502,659	(4,967,047)
Decrease/(increase) in inventories	952,811,754	(46,081,276)
Decrease/(increase) in other non-current assets	(138,242)	1,667,283
Decrease/(increase) in short-term loans and advances	(140,240,918)	(1,310,365)
Decrease/(increase) in other current assets	1,410,626	(128,179,104)
Cash used in operations	<u>966,980,787</u>	<u>(31,580,107)</u>
Dividends (paid) / refunds received	26,454,871	(12,773,320)
Net cash used in operating activities (a)	<u><u>(66,064,112)</u></u>	<u><u>(44,353,427)</u></u>
B Cash flow from investing activities		
Sale of tangible assets	(29,623)	72,900
Interest received	24,050,796	1,371,385
(Increase) / decrease in deposits	3,382,269	(380,011)
(Increase) / decrease in investments	(4,920,000)	1,291,600
Net cash generated from investing activities (b)	<u><u>23,383,442</u></u>	<u><u>1,995,867</u></u>



Bengal Shrachi Housing Development Limited
CIN :U70109WB1997PLC084598
Cash flow statement for the year ended 31st March'2017

	Amount in (Rs.)	
	31 March 2017	31 March 2016
C Cash flow from financing activities		
Repayment of short-term borrowings	250,554,241	(75,958,241)
Interest paid	(52,720,042)	(256,092,342)
Proceeds from long-term borrowings(net)	(1,221,716,235)	366,400,274
Dividend paid (including tax thereon)	(2,889,134)	-
Net cash generated from financing activities (c)	(1,026,771,171)	34,349,691
Net increase in cash and cash equivalents (a+b+c)	(9,992,705)	11,990,132
Cash and cash equivalents, beginning of year *	19,619,532	7,629,401
Cash and cash equivalents at the end of year *	9,626,827	19,619,533

* Refer Note No. - 3.15

As per our report of even date attached,

For, S.K. Agrawal & Co.
 Chartered Accountants
 Firm's Registration No. 1306033E

Sandeep Agrawal
 Sandeep Agrawal
 Partner
 Membership No: 058553



Kolkata
 Date: 31.08.2017

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

Sudhis Kumar Nandy
 Sudhis Kumar Nandy
 Chairman
 DIN No.-07910950

Ravi Tofi
 Ravi Tofi
 Director
 DIN No.-00080388

Bengal Shramchi Housing Development Limited

Significant accounting policies

for the year ended 31st March 2017

1 Company Overview

Bengal Shramchi 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 in 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 recognized in the periods in which the results are later ascertained.

2.3 Property, Plant and Equipment

a) Property, plant & equipment are carried at cost, less accumulated depreciation and accumulated impairment losses. Cost may be capitalized until such time as a study 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 is 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 in the amount of depreciable amount on a 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 by cost of acquisition as reduced by residual value of five percent of the cost of acquisition of the asset.

2.4 Foreign currency transactions

• The foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions.

• Monetary items denominated in foreign currency at the year-end are valued at the year-end prices. In the case of monetary items which are covered by forward exchange contract, the difference between year-end 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 losses or expenses on account of exchange differences either on settlement or on translation is recognized as revenue.

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 realizable value is ascertained to have permanently declined, are written off in the year of such ascertained. Investments acquired with an intention to hold the same on long-term basis and likely to be held 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 material and expenses incidental to the implementation and execution of the project undertaken by the Company. The work-in-progress includes materials in hand, material for construction in construction activities.

(ii) Land and completed property: At cost or net realizable 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 L.T.C.

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



Bengal Shrachi Housing Development Limited

Significant accounting policies

For the year ended 31st March/2017

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. However if, at the time of transfer substantial acts are yet to be performed under the contract, revenue is recognised on proportionate basis as the acts are performed, i.e., on the percentage of completion basis.

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.

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 differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are 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 impairment 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:

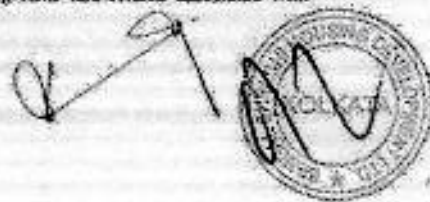
In the Cash Flow Statement, cash and cash equivalents include cash in hand, cash at bank, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

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
as at 31st March 2017

	Amount 31 March 2017	Amount in (Rs.) As at 31 March 2016
3.1 Share capital		
Authorised capital 2,000,000 (2,000,000) equity shares of Rs 10 each.	20,000,000	20,000,000
Total	<u>20,000,000</u>	<u>20,000,000</u>
Issued, subscribed and paid-up 1,600,000 (1,600,000) equity shares of Rs 10 each, fully paid-up	16,000,000	16,000,000
Total	<u>16,000,000</u>	<u>16,000,000</u>

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

Equity shares	31 March 2017		31 March 2016	
	Number	Value (Rs.)	Number	Value (Rs.)
At the commencement and end of the year	1,600,000	16,000,000	1,600,000	16,000,000

(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 his 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 2017		31 March 2016	
	Number	Percentage	Number	Percentage
West Bengal Housing Board	779,000	49.97%	779,000	49.97%
Shrachi Developers Private Limited	773,000	49.64%	773,000	49.64%

3.2 Reserves and surplus

General reserve

Balance as at the beginning of the year	34,744,477	32,376,182
Add: Transferred from surplus in statement of profit and loss during the year	-	1,428,295
Balance at the end of the year	<u>34,744,477</u>	<u>34,744,477</u>

Surplus in statement of profit and loss

Balance as at the beginning of the year	22,845,695	22,082,172
Profit/(loss) for the year	(72,338,211)	10,282,950
Less: Appropriations		
Proposed dividend on equity shares (Rs.762 (Rs 1.50 per share))	-	2,600,150
Dividend distribution tax	-	458,684
Transfer to general reserve	-	1,478,295
Balance as at the end of the year	<u>(72,338,211)</u>	<u>21,045,073</u>
Total	<u>(37,593,734)</u>	<u>55,790,172</u>



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Bengal Shrachi Housing Development Limited

Notes to the financial statements

as at 31st March 2017

	As at 31 March 2017	Amount in (Rs.) As at 31 March 2016
3.3 Long-term borrowings		
Secured:		
Term Loans:		
From bank	171,426,931	898,215,479
From financial institution	158,264,431	322,306,471
Less:- Current maturity of long term debts	(10,492,215)	(154,428,870)
Unsecured:		
Loan from related parties	482,355,336	715,103,250
Loan from other bodies/corporates	315,000,000	557,074,388
Total	1,116,554,483	2,338,270,718

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

Nature of security:	Terms of repayment				
	Rate of interest %	Amount outstanding as on 31 March 2017		No of instalments	Amount of instalments
		Current	Non-current		
(i) Mortgage loan taken from India Bulls Housing Finance Limited amounting to Rs.2,90,85,671/- (PY:Rs.26,573,103) on dated 26th June,2014 against security of Equitable Mortgage of Home Town Mall Ground Floor (North Facing & North West Facing / Back Side) of premises no Block G, Plot No BG5 in Action Area 1B, P.S. New Town and the same is repayable in 128 monthly instalments	14	2,083,025	22,677,718	88	Monthly EMI Rs.4,51,603/- start from 5th Aug'14
(ii) Mortgage loan taken from India Bulls Housing Finance Limited amounting to Rs.1,07,647,000/- (PY:Rs.104,738,196) on dated 30th July 2015 against security of SBP corporate Tower wing A 6th floor office space No.6A,6B and 6C, Plot No AAIL/CBD/1, Action Area II Jyoti Basu Nagar, Along with CAR Parking and the same is repayable in 144 monthly instalments	12.5	5,115,938	95,124,539	124	Monthly EMI Rs.14,46,623/- start from 5th Aug'15
(iii) Mortgage loan taken from Sundaram BNP Paribas Home Finance Limited amounting to Rs.2,50,000,000/- (PY:Rs.22,580,347) on dated 2nd June,2014 against security of Greenwood Elements New Town Area III-IB2,IB1,IB4 Area -IV- 1B1 2nd floor and the same is repayable in 114 monthly instalments	13.75	2,058,280	48,731,235	80	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.1,50,000,000/- (PY:Rs.13,548,200) 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	1,234,922	11,238,724	80	Monthly EMI Rs.2,42,003/- start from 1st July'15
(v) Term Loan taken from Allahabad Bank amounting to Rs.17,14,26,931/- (PY:Rs.150,500,000) on dated 1st Dec,2015, Registered mortgage of Dakshinaty Project/including land of 4.02 acre at Boruipur, and building constructed thereon expect 28 flats which has already been mortgaged to other bank/IF 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	-	171,426,931	4	Repayable in 4 equal installment of Rs.5 crore
(vi) Loan from bodies corporate					Repayable on demand



Bengal Shilpi Housing Development Limited

Notes to the financial statements
as of 31st March 2017

	As at 31 March 2017	Amount in (Rs.) As at 31 March 2016
3.4 Long-Term provisions		
Provision for employee benefits		
Gratuity	1,871,368	-
Leave	56,417	-
	<u>1,927,785</u>	<u>-</u>
3.5 Other long-term liabilities		
Advance received against project	78,334,659	78,500,059
Security deposit	1,865,350	41,613,498
Total	<u>80,200,009</u>	<u>120,113,557</u>
3.6 Short-term borrowings		
Secured		
From bank	167,004,000	240,941,759
From financial institution	31,830,000	35,000,000
Unsecured		
Loan from bank overdraft	451,131,800	256,200,000
Loan from related parties	171,565,000	-
Total	<u>810,530,800</u>	<u>562,141,759</u>

Details of security and repayment terms

	Nature of security	Terms of repayment
(a)	Loan from Development Credit Bank Limited taken against FNI over the land measuring 0.33 acre situated at New Town Rajshahi Project - Kolkata, and personal guarantee of directors i.e. Mr. Karol Toal & Mr. Rajul Toal.	Repaid on 2nd May 2016
(b)	Loan from Barclays Bank PLC & Barclays Investments & Loans (India) Limited taken against collateral security of mutual fund investments of Royal Toal Limited and/or Mr. Shyamsunder Kumar Toal and/or Mr. Rajul Toal and personal guarantee of Mr. Rajul Toal.	Repayable on demand
(c)	Loan from bank overdraft	Repayable on demand

3.7 Trade payables		
Trade payables towards goods purchased and services received		
- Due to others and small enterprises	-	-
- Others	62,475,299	65,442,338
Retention money payable to contractors	26,589,816	31,988,928
Total	<u>89,065,115</u>	<u>97,431,266</u>

3.8 Other current liabilities		
Current maturities of long term debts	10,492,215	156,028,870
Interest accrued but not due on borrowings	-	1,794,824
Interest accrued and due on borrowings	31,168,567	34,303,006
Advance received from customer	763,923,993	396,512,192
Liabilities for expenses	618,882,796	627,053,926
Cheques received	17,824,347	663,363
Statutory dues payable	9,870,954	13,224,053
Security deposits	-	5,872,823
Balance with limited liability partnership	-	30,545
Total	<u>1,412,121,830</u>	<u>1,329,172,513</u>

3.9 Short-term provisions		
Provision for employee benefits		
Leave	3,543	337,360
Gratuity	98,582	-
Proposed dividend on equity shares	-	2,402,459
Dividend distribution tax on proposed dividend on equity shares	-	482,444
Total	<u>102,125</u>	<u>3,222,263</u>



Bengal Shradhi Housing Development Limited

Notes to the financial statements (Continued)
as at 31st March 2017

Property, Plant and Equipment	Tangible assets					Intangible assets		Total assets
	Investment Property	Plant & Equipment	Vehicles	Furniture & Fixtures	Office Equipment	Computer	Software	
Gross block								
Balance as at 1 April 2015	23,696,684	6,566,203	5,625,119	2,415,416	1,151,238	7,387,020	67,808	46,909,488
Additions	-	-	1,036,412	-	-	-	-	1,036,412
Disposals/transfer to investment	-	-	-	-	-	-	-	-
Balance as at 31 March 2016	23,696,684	6,566,203	4,588,787	2,415,416	1,151,238	7,387,020	67,808	45,873,076
Balance as at 1 April 2016								
Additions	-	6,566,203	4,588,787	2,415,416	1,151,238	7,387,020	67,808	45,873,076
Disposals/Transfer	-	967,000	800,220	1,901,545	721,132	457,326	67,808	4,015,031
Balance as at 31 March 2017	23,696,684	5,599,203	3,788,487	1,413,873	430,106	7,387,020	-	41,558,045
Depreciation								
Balance as at 1 April 2015	5,293,261	4,231,208	5,031,272	1,362,158	926,230	7,003,701	64,418	24,114,348
Depreciation for the year	908,421	478,090	189,989	248,640	133,755	90,074	3,390	2,052,359
Adjustment in statement of profit & loss	-	-	-	-	-	-	-	-
Accumulated depreciation on disposals/asset transferred to investment	-	-	963,512	-	-	-	-	963,512
Balance as at 31 March 2016	6,201,782	4,709,298	4,237,749	1,810,798	1,059,985	7,093,775	67,808	25,203,195
Balance as at 1 April 2016								
Depreciation for the year	6,201,782	4,709,298	4,237,749	1,810,798	1,059,985	7,093,775	67,808	25,203,195
Adjustment in statement of profit & loss	863,579	306,858	72,314	102,276	19,396	64,604	-	1,429,027
Accumulated depreciation on disposals transferred	-	572,037	679,278	743,941	668,477	453,867	67,808	3,185,408
Balance as at 31 March 2017	7,065,361	4,444,119	3,650,585	1,169,133	410,904	6,706,512	-	23,446,814
Net block								
As at 31 March 2016	17,494,902	1,856,905	330,958	604,618	91,253	291,245	-	20,669,881
As at 31 March 2017	16,631,323	1,155,084	137,702	244,738	19,202	680,588	-	18,411,231

3.10

Amount in (Rs.)

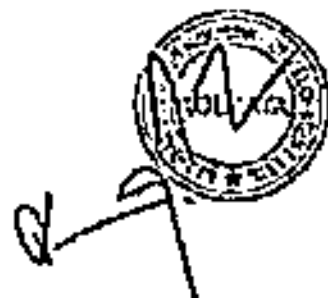


Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

as at 31st March 2017

	Face value per share	As at 31 March 2017	Amount in (₹L) As at 31 March 2016
3.11 Non-current investments <i>(valued at cost unless stated otherwise)</i>			
Trade investments			
<i>Unquoted</i>			
Equity investments			
<i>Investment in Associates</i>			
100,429 (100,427) Shrachi Virtuous Retail Projects Private Limited	10	18,944,942	18,944,942
5,000 (5,000) Durgapur Mall Maintenance Services Private Limited	10	50,000	50,000
1,752,244 (1,752,231) Shrachi Handvan Developers Private Limited	10	84,723,122	84,723,122
<i>Investment in Others companies</i>			
17,500 (17,500) Newtown Dwellers Private Limited	10	175,000	175,000
87,500 (87,500) Ronakale Developers Private Limited	10	875,000	875,000
14% Non-voting preference shares			
7,291,482 (7,291,483) Shrachi Handvan Developers Private Limited	10	22,336,508	22,336,500
Participating debt claims			
<i>Investment in Associates</i>			
316,071 (316,071) Shrachi Virtuous Retail Projects Private Limited	10	3,160,710	3,160,710
<i>Investment in Others companies</i>			
3,687,290 (3,687,290) Newtown Dwellers Private Limited	10	36,872,900	36,872,900
Investment in Limited Liability Partnerships			
Shrinore Mall LLP (Refer note 'A' below)	10	80,00,000	80,000
Share Warrants (₹100,000)			
<i>Investment in Associates</i>			
44,307 (44,307) Shrachi Virtuous Retail Projects Private Limited	175	8,772,786	8,772,786
Aggregate amount of Unquoted investments	Total	182,832,968	178,012,960
A Investment in Shrinore Mall LLP			
Total capital of the LLP		18,000,000	160,000
Company's share in the capital		3,000,000	80,000
Share of each partner in the profit of the LLP			
Bengal Shrachi Housing Development Limited		50%	50%
SKY Vintage Private Limited		50%	50%



Bengal Shrachi Housing Development Limited

Notes to the financial statements

as at 31st March 2017

	As at 31 March 2017	Amount in (Rs.) As at 31 March 2016
3.12 Other non-current assets		
Security deposit	1,727,277	1,512,104
Mat credit entitlement	25,571,704	25,571,704
Fixed deposits with banks	3,124,834	2,901,765
Total	30,423,815	29,985,573
3.13 Inventories (Valued at the lower of cost and net realisable value)		
Stock of flats and commercial units	813,198,496	1,751,319,958
Work-in-Progress	1,918,938,463	1,933,628,755
Total	2,732,136,959	3,684,948,713
3.14 Trade receivables (Unsecured, considered good)		
Outstandings for more than six months from the due date for payment	9,909,007	63,588,186
Others	23,043,612	21,867,092
Total	32,952,619	85,455,278
3.15 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	69,868	142,828
Balances with banks		
- in current accounts	9,546,409	15,993,402
- in escrow accounts	10,550	3,483,302
	9,556,959	19,476,704
Other bank balances		
Fixed deposits (with maturity more than 3 months but less than 12 months from deposit date)	31,428	3,413,697
Total	9,658,255	23,033,229
3.16 Short-term loans and advances (Unsecured, considered good)		
Loan to related parties	179,075,787	10,000,000
Loan to body corporate	-	10,000,000
Advance to suppliers and contractors	18,436,619	26,385,422
Advance to staff	254,966	197,806
Other advances	88,889,868	106,036,319
Prepaid expenses	633,914	989,605
Advance income tax (net)	24,801,319	51,256,391
Advance against purchase of land	61,384,078	64,502,522
Total	373,476,551	269,368,065
3.17 Other current assets		
Interest receivable on fixed deposits with banks	241,192	234,337
Receivable against sale of long term investments	90,582,500	128,732,500
Security deposit	-	10,004,200
Balance with limited liability partnership Shrimare Mall LLP	25,107,453	-
Interest receivable from bodies corporates	22,082,925	445,804
Total	138,014,070	139,417,841



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Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2017

	Year ended 31 March 2017	Amount in (Rs.) Year ended 31 March 2016
3.18 Revenue from operation		
Sale of flats & commercial space	152,142,325	98,041,199
Rental income	23,473,969	121,760,819
Total (a)	175,616,294	179,802,018
Other operating revenue:-		
Maintenance income from properties	4,912,676	23,269,434
Miscellaneous income	5,911,318	789,268
Revaluation from cancellations/transfer of flats	2,636,777	1,303,788
Total (b)	13,460,771	25,362,490
Total (a+b)	189,077,065	205,164,508
3.19 Other income		
Interest income	24,037,651	1,279,331
Dividend income	-	4,379,000
Net gain on sale of investments	-	137,410,900
Liabilities written back to the extent no longer required	8,903,244	3,388,009
Provision for employee benefits written back	-	4,209,578
Miscellaneous income	7,509	1,469,361
Total	32,948,404	137,166,279
3.20 Construction costs		
Construction expenses	60,547,478	29,306,365
Electrical expenses	3,693,311	1,066,840
Project overheads	78,839,281	19,379,633
Interest & financial charges	141,209,783	47,072,541
Contingency & professional fees	1,912,756	308,237
Total	285,344,809	98,391,616
3.21 Increase / (decrease) in stock		
Opening stock of flats	1,751,319,958	1,809,630,198
Add: Increase in stock of flats	300,615,181	-
	2,051,935,139	1,809,630,198
Less: decrease in stock for business transfer (refer note no 3.15)	1,812,628,472	-
Less: decrease in stock of flats	225,533,881	52,310,243
Total closing stock of flats	813,772,786	1,751,319,958
Net (increase)/decrease in stock of finished area of flats (A)	(79,507,010)	52,310,240
Opening Work In Progress	1,933,618,755	1,815,237,139
Add: Construction cost	285,344,809	98,391,616
	2,218,963,564	1,913,628,755
Less: Decrease in work in progress	300,916,101	-
Closing work in progress	1,918,047,463	1,913,628,755
Net (increase) / decrease in work in progress (B)	14,698,292	(98,391,616)
Net (increase) / decrease in stock (A+B)	(59,816,718)	(46,081,376)

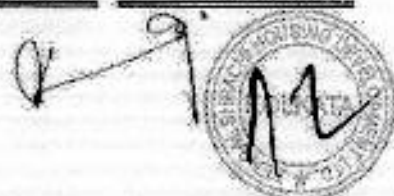


Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2017

	Year ended 31 March 2017	Amount in (Rs.) Year ended 31 March 2016
3.22 Employee benefits		
Salaries, bonus and allowances	3,601,426	2,878,051
Total	<u>3,601,426</u>	<u>2,878,051</u>
3.23 Finance costs		
Interest on loan	45,195,574	234,684,544
Other borrowing cost	5,629,846	5,065,323
Total	<u>50,825,420</u>	<u>239,749,867</u>
3.24 Depreciation and amortisation expenses		
Amortisation on software	-	3,390
Depreciation on tangible assets	1,429,027	2,048,969
Total	<u>1,429,027</u>	<u>2,052,359</u>
3.25 Operation and Maintenance expenses		
Electricity expenses	2,241,530	1,878,798
Security and housekeeping expenses	2,844,147	2,487,889
Property maintenance expenses	7,166,198	5,760,452
Property management and other expenses	3,687,669	9,239,616
Total	<u>15,939,544</u>	<u>19,366,755</u>
3.26 Other expenses		
Expenses against completed projects	11,138,428	11,258,351
Interest on delay payment of statutory dues	1,681,979	1,212,431
Interest on refund of booking money of flats	3,772,277	11,626,285
Rent	42,528	42,528
Rates and taxes	9,198	25,160
Repairs to others	1,624,150	312,200
Insurance	27,247	545,245
Advertisement expenses	90,569	95,402
Travelling and conveyance	200,368	174,647
Communication expenses	116,077	178,717
Administrative and other expenses	678,910	299,662
Professional fees	957,923	363,748
Directors sitting fees	466,000	315,320
Auditors remuneration		
- Statutory audit fees	225,000	100,000
- Tax audit fees	25,000	25,000
- Service tax	-	18,125
- Other matters	125,350	-
Share in loss of limited liability partnership	4,444,541	24,715
Sundry balances written off	9,677,360	182,455
Total	<u>35,302,905</u>	<u>26,797,991</u>



Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)
for the year ended 31 March 2017

(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, 2017 was based on the profit/(loss) attributable to equity shareholders of Rs.(103,381,926) (P.Y Rs.14,282,950), and weighted average number of equity shares outstanding of 1,600,300 (1,600,300). There are no dilutive potential equity shares.

	31st March, 2017	31st March, 2016
Net profit/(loss) attributable to equity shareholders for calculation of basic / diluted EPS (A)	(103,381,926)	14,282,950
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)	(64.60)	8.93

3.28 Contingent liabilities not provided for in respect of

- Outstanding guarantees furnished by the bankers on behalf of the Company amounting to Rs.20,745,832/- (Rs.20,745,832/-) are secured by fixed deposit with banker.
- Income tax, sales Tax and Service tax under appeal review for Rs.16,225,252 /- (Rs.27,003,847/-)

3.29 Auditors' remuneration (including service tax)

	31st March 2017	31st March 2016
Statutory Audit Fees	225,000	100,000
Tax Audit Fees	25,000	25,000
Other professional works	125,350	27,000
Service Tax	-	18,325
	412,650	170,325

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 31 March 2017

(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.

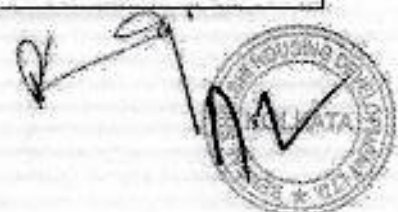
3.32 Break up of Deferred Tax Assets and Liabilities is as under:

Particulars	31 March 2017 (Rs.)	31 March 2016 (Rs.)
Deferred Tax Asset/(Liability)-Opening	-	-
Assets/(Liability) for the Year	-	-
Excess liability written back	-	-
Deferred Tax Asset/(Liability)-Closing	-	-

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

a) Names of related parties

Particulars	Name of Related Parties	Nature of Relationship
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	D/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 Bhagwan Ram Sita Seva Nidhi Brijlal Shrawan Kumar (HUF) Brijlal Todi (HUF) Chitra Family Trust Lakshmi Saraswati Kosh Rahul Todi (HUF) Ravi Todi (HUF) Ravi Todi Family Trust Sri Balaji Nidhi Shrawan Kumar Ravi Todi (HUF) Shrachi Realty Private Limited BTL EPC Limited Karunamoyee Tradeliuk Private Limited Ideal Heights Private Limited	



Bengal Shrachi Housing Development Limited

Notes to the Financial statements (Continued)

for the year ended 31 March 2017

(Amount in Rupees)

3.31 (a) Related Party Transactions

Name of Transaction	Associated Company	Key Management Personnel	Particularly Key LLP	Relative of Key Management Personnel	Transaction with such LLP/ KMP's relative have significant influence	Total
Expenses						
Interest						
Shrahi Realty Private Limited					(899,711)	(899,711)
Keyframe Developments Private Limited					6,362,888	6,362,888
Anchor Apartments Private Limited					(1,209,897)	(1,209,897)
Anchor Apartments Private Limited					373,373	373,373
Keyframe Developments Private Limited					(3,691,372)	(3,691,372)
Keyframe Developments Private Limited					2,299,064	2,299,064
Keyframe Developments Private Limited					(1,691,649)	(1,691,649)
Keyframe Developments Private Limited					3,696,947	3,696,947
Keyframe Developments Private Limited					(1,987,323)	(1,987,323)
Keyframe Developments Private Limited					6,111,607	6,111,607
Keyframe Developments Private Limited					(1,177,667)	(1,177,667)
Keyframe Developments Private Limited						
Keyframe Developments Private Limited			2,100,000			2,100,000
Keyframe Developments Private Limited			(2,100,000)			(2,100,000)
Keyframe Developments Private Limited						
Keyframe Developments Private Limited				40,000		40,000
Keyframe Developments Private Limited				(14,000)		(14,000)
Keyframe Developments Private Limited						
Keyframe Developments Private Limited				10,000		10,000
Keyframe Developments Private Limited				(20,000)		(20,000)
Keyframe Developments Private Limited						
Keyframe Developments Private Limited			25,187,453			25,187,453
Keyframe Developments Private Limited			(-)			(-)
Keyframe Developments Private Limited			14,444,310			14,444,310
Keyframe Developments Private Limited			(24,313)			(24,313)
Keyframe Developments Private Limited						
Keyframe Developments Private Limited			(1,928,000)			(1,928,000)
Keyframe Developments Private Limited			(97,000)			(97,000)
Keyframe Developments Private Limited						
Keyframe Developments Private Limited			1,616,346			1,616,346
Keyframe Developments Private Limited			(-)			(-)
Keyframe Developments Private Limited					1,978,141	1,978,141
Keyframe Developments Private Limited					(-)	(-)
Keyframe Developments Private Limited					1,109,387	1,109,387
Keyframe Developments Private Limited					(-)	(-)
Keyframe Developments Private Limited					1,208,399	1,208,399
Keyframe Developments Private Limited					(-)	(-)
Keyframe Developments Private Limited					33,479	33,479
Keyframe Developments Private Limited					(11,476)	(11,476)
Keyframe Developments Private Limited					(-)	(-)
Keyframe Developments Private Limited					(32,137,967)	(32,137,967)
Keyframe Developments Private Limited					(-)	(-)
Keyframe Developments Private Limited					(77,541,950)	(77,541,950)



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Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2017

(Amount in Rupees)

133 (b) Related Party Transactions:

Nature of Transactions	Associate Companies	Key Management Personnel	Partnership firm / LLP	Relatives of Key Management Personnel	Enterprises over which KMP's relatives have significant influence	Total
Loans taken refund back						
Shrachi Developers Private Limited					338,343,914 (206,885,376)	338,343,914 (206,885,376)
Renaissance Maintenance Private Limited					100,000,000 (2,750,000)	100,000,000 (2,750,000)
Anchor Apartment Private Limited					40,577,394 (4,310,000)	40,577,394 (4,310,000)
Karunmoyee Tradelink Private Limited					2,997,446 (-)	2,997,446 (-)
Newtown Dwellers Private Limited					5,400,000 (-)	5,400,000 (-)
Rosedale Developers Private Limited					16,628,802 (67,353,556)	16,628,802 (67,353,556)
Loans Given						
Shrachi Realty Private Limited					47,963,792 (251,000,771)	47,963,792 (251,000,771)
Shrimarc Mall LLP			199,049,045 (-)			199,049,045 (-)
BTL EPC Limited					2,100,000 (-)	2,100,000 (-)
Neohem Properties Private Limited					2,214,658 (-)	2,214,658 (-)
Gagan Tradelink Pvt.Ltd					35,865,675 (-)	35,865,675 (-)
Loans Given received back						
Gagan Tradelink Pvt.Ltd					1,850,000 (-)	1,850,000 (-)
Shrimarc Mall LLP			54,195,101 (-)			54,195,101 (-)
BTL EPC Limited					12,100,000 (59,000,000)	12,100,000 (59,000,000)
Loans taken						
Shrachi Developers Private Limited					108,443,914 (251,685,376)	108,443,914 (251,685,376)
Newtown Dwellers Private Limited					57,800,000 (40,000,000)	57,800,000 (40,000,000)
Renaissance Maintenance Private Limited					47,450,000 (171,950,000)	47,450,000 (171,950,000)
Rosedale Developers Private Limited					44,600,000 (15,300,000)	44,600,000 (15,300,000)
Karunmoyee Tradelink Private Limited					- (13,000,000)	- (13,000,000)
Shrachi Realty Private Limited					47,154,915 (214,760,771)	47,154,915 (214,760,771)
Balance outstanding at year end – Receivable						
Shrimarc Mall LLP			158,880,887 (-)			158,880,887 (-)
Gagan Tradelink Pvt.Ltd					36,002,890 (-)	36,002,890 (-)
Neohem Properties Private Limited					13,302,397 (-)	13,302,397 (-)
Shrachi Realty Private Limited					1,062,456 (-)	1,062,456 (-)
BTL EPC Limited					12,131 (-)	12,131 (-)
Anchor Apartment Private Limited					- (32,157,996)	- (32,157,996)

Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2017

(Amount in Rupees)

231 (b) Related Party Transactions

Name of Transacted	Associate Company	Key Management Personnel	Partnership firm (P.F.)	Relative of Key Management Personnel	Enterprises controlled by BSHD's relatives having significant influence	Total
Balance outstanding at year end - Payable						
Corporate Bank Maintenance Services Private Limited	1,056,161 (1,056,161)					6,336,161 (6,336,161)
Shachi Developers Private Limited					1,17,000,000 (1,17,000,000)	1,17,000,000 (1,17,000,000)
Narayan, Debraj's Private Limited					99,063,528 (11,000,000)	99,063,528 (11,000,000)
Kanungo Management Private Limited					114,538,000 (100,000,000)	114,538,000 (100,000,000)
Shachi Realty Private Limited					1,042,456 (79,628,936)	1,042,456 (79,628,936)
Shriyam Real Estate Pvt. Ltd.					- (149,400)	- (149,400)
Shri Ram Kama (P.F.)					- (178,000)	- (178,000)
Shri Sai (P.F.)					- (736,000)	- (736,000)
Chari Facility Trust					- (176,968)	- (176,968)
Lalaji Reserved Cash					- (170,000)	- (170,000)
Kalid Trust (P.F.)					- (611,687)	- (611,687)
SHL PFC Limited					- (1,913,640)	- (1,913,640)
Kalid Trust Family Trust					- (70,000)	- (70,000)
Kalid Trust (P.F.)					- (148,000)	- (148,000)
Bhawan Kama Kalid Trust (P.F.)					- (113,000)	- (113,000)
SHI Durga (P.F.)					- (702,000)	- (702,000)
Anchor Apartment Private Limited					23,214 (60,776,371)	23,214 (60,776,371)
Kanungo Developers Private Limited					31,566,100 (1,178,000)	31,566,100 (1,178,000)
Kanungo Trust and Trust Private Limited					89,072,072 (11,440,471)	89,072,072 (11,440,471)
Mera Rights Private Limited					42,646,317 (14,078,436)	42,646,317 (14,078,436)

* Figures in brackets are showing previous year amount.



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Bengal Shrichi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2017

(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 business transfer agreement dated 1st April 2016, the entire Junction Mall business has been transferred as a going concern with all assets and liabilities on as is where is basis to Shrimarc Mall LLP. The LRD loan taken from Bank of Baroda also transferred under the said agreement. Accordingly previous year figures are not comparable.

3.36 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.

3.37 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.

3.38 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.



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Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)
for the year ended 31 March 2017

(Amount in Rupees)

	31 st March 2017	31 st March 2016			
Gratuity					
I Net employee expenses					
Current service cost	174,742	162,879			
Interest cost on benefit obligation	74,091	104,317			
Expected return on plan assets	149,980	321,980			
Net actuarial loss recognized in the year	(58,381)	747,433			
Net benefit expense	40,271	272,390			
II Amount recognized in the balance sheet					
Defined benefit obligation	2,149,562	993,216			
Plan assets	1,931,516	1,817,941			
Amount recognized in the balance sheet	218,046	822,225			
III Movement in benefit liability					
Opening defined benefit obligation	993,216	2,972,248			
Interest cost	74,091	104,317			
Past service cost	-	-			
Current service cost	174,742	162,879			
Benefits paid	15,672	2,516,480			
Actuarial losses on obligations	(58,315)	682,583			
Closing benefit obligation	2,149,562	822,225			
IV Changes in the fair value of plan assets					
Opening fair value of plan assets	1,817,941	2,972,810			
Expected return	149,980	321,980			
Contributions by employer	-	91,563			
Benefits paid	15,672	2,516,480			
Actuarial gains / (losses)	(733)	(64,932)			
Closing fair value of plan assets	1,931,516	1,817,941			
V Actual Return on plan assets					
Expected return on plan assets	149,980	321,980			
Actuarial(gain) loss on plan assets	(733)	(64,932)			
VI Investment details of plan assets					
Plan Assets for gratuity payable to employees, available with the Company is an interest managed fund by LIC Insurance Corporation of India (100%).					
Mortality Table	IAIA (2004-2008) ULTIMATE	GAIA (2004-2008) ULTIMATE			
Superannuation Age	58 & 60	58 & 60			
Early Retirement & Disability	10 per Thousand p.a	10 per Thousand p.a			
	6 above age 45	6 above age 45			
	3 between 39 and 45	3 between 39 and 45			
	1 below age 29	1 below age 29			
Discount rate	7.50 % p.a.	8.00 % 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	14 Years	16 Years			
Formula Used	Projected Unit Credit Method	Projected Unit Credit Method			
VII Experience adjustments for current and previous years are as follows:					
	2017	2016	2015	2014	2013
Defined benefit obligation	1,149,562	993,216	2,972,248	2,182,888	2,159,513
Fair value of plan assets	1,931,516	1,817,941	2,972,810	1,643,218	2,104,772
Surplus/(deficit)	781,954	822,225	1,000,562	1,234,360	945,219
Experience adjustment on plan liability (gain)/loss	(316,415)	174,868	(6,316)	66,323	2,107,238
Experience adjustment on plan assets (gain)/loss	565	(79,587)	(37,537)	(73,436)	42,273



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Bengal Shrachi Housing Development Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2017

(Amount in Rupees)

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.

3.39 Disclosure on Specified Bank Notes (SBNs)

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

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8-11-2016	75,000	8,432	83,432
(+) Permitted receipts	-	412,400	412,400
(-) Permitted payments	-	317,539	317,539
(-) Amount deposited in Banks	75,000	-	75,000
Closing cash in hand as on 30-12-2016	-	103,293	103,293

* For the purposes 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 the 8th November, 2016.

3.40 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

Kolkata
Date: 31.08.2017



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