

B S R & Co. LLP

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Shracchi Burdwan Developers Private Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Shracchi Burdwan Developers Private Limited ("the Company") which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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 standalone financial statements are free from material misstatement.



Shrachi Burdwan Developers Private Limited

Independent Auditors' Report (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' 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 paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31 March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;




Shrachi Burdwan Developers Private Limited

Independent Auditors' Report (continued)

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of the pending litigations on its financial position in its standalone financial statements – refer note 3.27 and 3.33 to the standalone financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. The Company has provided requisite disclosures in the standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures performed on test check basis and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management- refer note 3.36 to the standalone financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022


Jayanta Mukhopadhyay
Partner
Membership No. 055757



Place: Kolkata
Date: 25 September 2017

Annexure A to the Independent Auditors' Report

(Referred to in our report of even date)

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with this programme, no material discrepancies were noticed upon such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to the information and explanations given to us, the inventory have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) According to the information and explanations given to us, the Company has granted unsecured loans to four companies covered in the register maintained under Section 189 of the Act. The Company has not granted any loans, secured or unsecured, to firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
- a) According to the information and explanation given to us, terms and conditions on which the unsecured loan have been granted to one company covered in the register maintained under Section 189 of the Act are, prima facie, not prejudicial to the interests of the Company. However, the terms and conditions on which the unsecured loans have been granted to three companies covered in the register maintained under Section 189 of the Act are, prima facie, prejudicial to the interests of the Company as the loans are interest free.
- b) The unsecured loans granted to companies covered in the register maintained under Section 189 of the Act are repayable on demand. According to the information and explanations given to us, the loans demanded during the year by the Company have been repaid. However, there are no stipulations made for recovery of interest from one company and loans granted to three companies are interest free. Accordingly, we cannot comment on the regularities of the receipt of interest amounts.
- c) There are no overdue amount in respect of the unsecured loans granted to companies covered in the register maintained under Section 189 of the Act.



Annexure A to the Independent Auditors' Report (continued)

- (iv) According to the information and explanations given to us and based on our examination of the records of the Company, there are no loans, investments, guarantees and security which requires compliance with provisions of 186 of the Act. As per information and explanations given to us and based on our examination of the records of the Company, loan given to two companies are not in compliance with provisions of Section 185 of the Act, details are given below;

Name of the Company	Relationship with director concerned	Maximum amount outstanding during the year (Amount in Rs)	Balance as at Balance Sheet date (Amount in Rs)
Shrachi Realty Private Limited	Director in Private Company	12,263,507	8,706,257
Brijlaxmi Paper Products Private Limited		1,100,000	600,000

- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year as per the directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, provisions of paragraph 3(v) of the Order are not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues of employees' state insurance, provident fund, service tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there were slight delays in a few cases of income tax. As explained to us, the Company did not have any dues on account of sales tax, duty of customs, duty of excise and value added tax.



Annexure A to the Independent Auditors' Report (continued)

According to the information and explanations given to us, no undisputed amounts is payable in respect of employees' state insurance, provident fund, service tax, cess and other material dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable, except for income tax as mentioned below:

Name of the Statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Due date	Date of payment
Income Tax Act, 1961	Advance Income Tax	4,926,262	June 2016	15 June 2016	Not paid till date of report
Income Tax Act, 1961	Advance Income Tax	9,852,524	September 2016	15 September 2016	Not paid till date of report

- (b) According to the information and explanations given to us, there are no dues of income tax and service tax which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below:

Name of the statute	Nature of the dues	Total amount under dispute (Rs)	Total amount paid under protest (Rs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	13,010	Nil	FY 2012-13	Commissioner Income Tax (Appeals)



Annexure A to the Independent Auditors' Report (continued)

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions or dues to debenture holders. The Company did not have any dues from government. However, the Company has defaulted in repayment of loans or borrowings to a bank, as mentioned below:

Particulars	Amount of default as at the balance sheet date (Rs)	Due date for payment	Period of default (days)	Remarks, if any
Bank : Bank of Baroda	170,216,017	30 Sept 2016	Not fully paid	Rs.91,913,637 paid subsequent to year end on various dates

- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loan raised during the year has been applied for the purposes for which those were raised.
- (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 the year.
- (xi) According to the information and explanations given to us, the provisions of Section 197 are not applicable to the Company. Accordingly, provisions of paragraph 3(xi) of the Order are not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, provisions of paragraph 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 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. The provisions of Section 177 are not applicable to the Company.
- (xiv) According to the information and explanations given to us, and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of paragraph 3(xiv) of the Order are not applicable to the Company.



Annexure A to the Independent Auditors' Report (continued)

- (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 any non-cash transactions with directors or persons connected with them. Accordingly, provisions of paragraph 3(xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of paragraph 3(xvi) of the Order are not applicable to the Company.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022



Jayanta Mukhopadhyay

Partner

Membership No: 055757



Place: Kolkata

Date: 25 September 2017

Annexure B to the Independent Auditors' Report
(Referred to in our report of even date)

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 Shrachi Burdwan Developers Private Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate 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



Annexure B to the Independent Auditors' Report (continued)

depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion 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 authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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.



B S R & Co. LLP

Annexure B to the Independent Auditors' Report (continued)

Opinion

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

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022


Jayanta Mukhopadhyay
Partner



Place: Kolkata

Date : 25 September 2017

Membership No: 055757

Shrachi Burdwan Developers Private Limited

Balance Sheet

as at 31 March 2017

(Currency : Indian rupees)

	Note	2017	2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1	123,943,750	123,943,750
Reserves and surplus	3.2	131,516,116	105,936,584
		<u>255,459,866</u>	<u>229,880,334</u>
Non-current liabilities			
Long-term borrowings	3.3	25,549,625	26,415,068
Long-term provisions	3.4	2,195,200	2,330,144
		<u>27,744,825</u>	<u>28,745,212</u>
Current liabilities			
Short-term borrowings	3.5	392,716,017	456,392,813
Trade payables	3.6	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		146,637,040	107,909,229
Other current liabilities	3.7	533,122,316	779,119,321
Short-term provisions	3.8	37,966,753	17,822,671
		<u>1,110,442,126</u>	<u>1,361,244,034</u>
TOTAL		<u><u>1,393,646,817</u></u>	<u><u>1,619,869,580</u></u>
ASSETS			
Non-current assets			
Fixed assets			
Property, plant and equipment	3.9	4,231,809	6,051,905
Deferred tax assets	3.10	18,804,384	2,109,275
Non-current investment	3.11	100,000	100,000
Long-term loans and advances	3.12	7,709,461	7,279,410
Other non-current assets	3.13	1,181,000	-
		<u>32,026,654</u>	<u>15,540,590</u>
Current assets			
Inventories	3.14	1,127,397,641	1,348,046,579
Trade receivables	3.15	-	105,709
Cash and bank balances	3.16	73,950,615	40,459,446
Short-term loans and advances	3.17	153,311,063	209,439,173
Other current assets	3.18	6,960,844	6,278,083
		<u>1,361,620,163</u>	<u>1,604,328,990</u>
TOTAL		<u><u>1,393,646,817</u></u>	<u><u>1,619,869,580</u></u>
Significant accounting policies	2		
Notes to the standalone financial statements	3.1-3.37		

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date attached.

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No: 055757
Place: Kolkata
Date: 25 September 2017



For and on behalf of the Board of Directors of
Shrachi Burdwan Developers Private Limited
CIN: U45200WB2006PTC111545

Rahul Todi
Director
DIN: 00080441
Place: Kolkata
Date: 25 September 2017

Ravi Todi
Director
DIN: 00080388

Shweta Priy
Company Secretary

Rahul Todi *Ravi Todi* *Shweta Priy*

Shrachi Burdwan Developers Private Limited

Statement of Profit and Loss

for the year ended 31 March 2017

(Currency: Indian rupees)

	Note	2017	2016
Revenue from operations	3.19	718,932,843	297,289,254
Other income	3.20	13,668,833	5,646,054
Total revenue		732,601,676	302,935,308
Expenses			
Changes in inventories of project work in progress and finished developed units	3.21	220,648,938	(168,554,535)
Construction costs	3.22	356,712,776	387,108,054
Employee benefits expense	3.23	21,204,321	14,801,266
Finance costs	3.24	5,239,230	2,443,225
Other expenses	3.25	84,400,167	24,626,167
Total expenses		688,205,432	260,424,177
Profit before tax		44,396,244	42,511,131
Less : Income tax expense			
- Current tax		32,841,745	15,194,639
- Income tax for earlier year (net)		10,520	(555,250)
- Net current tax		32,852,265	14,639,389
- Deferred tax (credit)	3.10	(16,695,109)	(2,109,275)
Profit for the year		28,239,088	29,981,017
Earnings per equity share			
Basic and diluted	3.26	8.03	8.52
[nominal value of share Rs 10 each (2016: Rs 10)]			

Significant accounting policies

2

Notes to the standalone financial statements

3.1-3.37

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Jayanta Mukhopadhyay

Partner

Membership No: 055757

Place: Kolkata

Date: 25 September 2017



For and on behalf of the Board of Directors of

Shrachi Burdwan Developers Private Limited

CIN: U45200WB2006PTC111545



Rahul Todt

Director

DIN: 00080441

Place: Kolkata

Date: 25 September 2017

Ravi Todt

Director

DIN: 00080388

Shweta Priy

Company Secretary

Shrachi Burdwan Developers Private Limited

Cash Flow Statement

for the year ended 31 March 2017

(Currency: Indian rupees)

	2017	2016
A Cash flow from operating activities		
Net profit before tax	44,396,244	42,511,131
Adjustments for:		
Finance costs	5,239,230	2,443,225
Interest income	(13,278,774)	(4,391,264)
Profit on sale of current investment (mutual funds)	(282,157)	(1,197,769)
Provision for bad and doubtful debt	-	293,268
Provision for bad and doubtful advance	-	500,000
Advances / sundry balance written off	827,720	-
Unspent liabilities no longer required written back	(23,897)	-
Operating cash flow before working capital changes	36,878,366	40,158,591
Changes in working capital		
Increase in trade payables	38,727,811	23,574,907
(Decrease) / increase in long-term provisions	(134,944)	1,187,477
Increase in short-term provisions	580,757	197,897
(Decrease) / increase in other current liabilities	(251,614,133)	84,972,086
Decrease in trade receivables	105,709	3,849,424
Decrease / (increase) in long-term loans and advances	10,700	(58,000)
Decrease / (increase) in short-term loans and advances	55,300,390	(74,162,113)
Decrease / (increase) in inventories - project work in progress	267,674,993	(115,020,312)
Cash generated from / (used in) operations	147,529,649	(35,300,043)
Direct taxes paid (net)	(18,378,728)	(4,641,556)
Net cash generated from / (used in) operating activities (A)	129,150,921	(39,941,599)
B Cash flow from investing activities		
Purchase of property, plant and equipment	(395,167)	(3,258,875)
Proceeds from sale of investment in mutual funds	78,482,157	191,047,769
Purchase of mutual funds	(78,200,000)	(189,850,000)
Proceeds / investment in bank deposits due to mature within 12 months of the reporting date	10,000,000	(10,000,000)
Investment in bank deposits due to mature after 12 months of the reporting date	(1,181,000)	-
Interest received	12,596,013	2,462,162
Net cash provided by / (used in) investing activities (B)	21,302,003	(9,598,944)
C Cash flow from financing activities		
Proceeds from short term borrowings (term loan)	109,000,000	127,500,000
Repayment of short term borrowings (term loan)	(286,176,796)	(3,607,187)
Proceeds from short term borrowings availed from body corporates (unsecured)	113,500,000	-
Proceeds from long term borrowings (secured loan)	-	2,500,000
Repayment of long term borrowings (secured loan)	(784,824)	(300,108)
Interest paid	(42,500,135)	(52,301,439)
Net cash (used in) / provided by financing activities (C)	(106,961,755)	73,791,266
Net increase in cash and cash equivalents (A+B+C)	43,491,169	24,250,723
Cash and cash equivalents at the beginning of year	30,459,446	6,208,723
Cash and cash equivalents at the end of year	73,950,615	30,459,446
(Refer note 3.16 to the financial statements)		



Shrachi Burdwan Developers Private Limited

Cash Flow Statement (continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

2017

2016

Notes:

1. The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard -3 ('AS-3') on Cash flow statement.

2. Components of cash and cash equivalents

Cash on hand	216,518	29,480
Balance with banks - in current account	73,734,097	30,429,966
	<u>73,950,615</u>	<u>30,459,446</u>

3. Reconciliation of cash and cash equivalents

Cash and bank balances (refer note 3.16)	73,950,615	40,459,446
Less: Deposits with maturity greater than 3 months but less than 12 months	-	10,000,000
	<u>73,950,615</u>	<u>30,459,446</u>

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

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Jayanta Mukhopadhyay
Partner

Membership No: 055757

Place: Kolkata

Date: 25 September 2017



For and on behalf of the Board of Directors of

Shrachi Burdwan Developers Private Limited

CIN: U45200WB2006PTC111545

Rahul Todi

Rahul Todi

Director

DIN: 00080441

Place: Kolkata

Date: 25 September 2017

Ravi Todi

Ravi Todi

Director

DIN: 00080388

Shweta Priy

Shweta Priy

Company Secretary

Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (*continued*)
for the year ended 31 March 2017

(Currency: Indian rupees)

1 Company Overview

Shrachi Burdwan Developers Private Limited (“the Company”), was incorporated on 16 October 2006 at Kolkata, State of West Bengal as a Special Purpose Vehicle (SPV) of Bengal Shrachi Housing Development Limited (BSHDL) and Xander Investment Holding VI Limited (a Company incorporated under the law of Mauritius). BSHDL is a joint venture between West Bengal Housing Board and Shrachi Group. The Company has acquired development rights in the land at Mouza Nababhat Burdwan from BSHDL. The objective of the Company is to develop the land into a mini township.

2 Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these standalone financial statements.

2.1 Basis of preparation of financial statements

The financial statements have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (‘Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014, read with Companies (Accounting Standards) Amendment Rules, 2016 applicable with effect from 1 April 2016 and other pronouncements of the Institute of Chartered Accountants of India (to the extent applicable) and the relevant provisions of the Act. The financial statements are presented in Indian rupees.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the entity’s normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within twelve months after the balance sheet date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (*continued*)
for the year ended 31 March 2017

(Currency: Indian rupees)

2 Significant accounting policies (*continued*)

2.3 Current and non-current classification (*continued*)

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the balance sheet date; or
- (d) the Company does not have an unconditional right defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

2.4 Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 7 years for the purpose of current – non-current classification of assets and liabilities for current project under development and 12 months for the other assets and liabilities.

2.5 Property, plant and equipments and depreciation

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use, any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation is provided using the written down value method over the useful life as prescribed in Part C of Schedule II to the Act. Depreciation on addition/deletion of property, plant and equipment made during the year is provided on pro-rata basis from / upto the date of each addition / deletion.

Assets costing less than Rs 5,000 are fully depreciated in the year of acquisition.

Advance paid /expenditure incurred on acquisition /construction of property, plant and equipment which are not ready for their intended use at each balance sheet date are disclosed under loans and advances as advances on capital account and capital work-in-progress respectively.

Leasehold land is amortised over the period of the lease.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (*continued*)
for the year ended 31 March 2017

(Currency: Indian rupees)

2 Significant accounting policies (*continued*)

2.6 Impairment

The assets of the Company are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For assets other than goodwill, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such a reversal is recognised in the Statement of Profit and Loss.

2.7 Operating leases

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Initial direct costs incurred specifically for an operating lease are deferred and charged to the Statement of Profit and Loss over the lease term.

2.8 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/non-current classification scheme of Schedule III to the Act.

Long-term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment. Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

2 Significant accounting policies (continued)

2.9 Inventories

Inventories which comprises finished developed units and construction work-in-progress is carried at the lower of cost and net realisable value. In determining the cost, weighted average cost method is used. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Direct expenses like cost of acquisition of land, site labour costs, materials used for project construction, project management consultancy, costs for moving the plant, machinery to and from the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, borrowing costs and construction and development overheads are taken as the cost of construction work-in-progress.

2.10 Borrowing costs

Borrowing costs incurred in relation to the acquisition / construction of project property are included in inventory till the date the construction of the property is completed. Borrowing costs incurred during the construction period which are not related to the construction activity nor are incidental thereto, are charged to the Statement of Profit and Loss.

2.11 Foreign currency transactions

Foreign currency transactions are recorded at the spot rates on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss of the year. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognized in the Statement of Profit and Loss.

2.12 Employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of receiving the service are classified as short-term employee benefits such as salaries, wages, etc. are recognised in the period in which the employee rendered the related services. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (*continued*)
for the year ended 31 March 2017

(Currency: Indian rupees)

2 Significant accounting policies (*continued*)

2.12 Employee benefits (*continued*)

Defined benefit plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

When the calculation results in a benefit to the Company, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

Post-employment benefits

Long term employment benefit

The Company's net obligation in respect of long-term employment benefits, other than gratuity, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date. The discount rates used for determining the present value of the obligation under long term employment benefits, are based on the market yields on Government securities as at the balance sheet date.

2.13 Revenue recognition

Revenue from sale of property in the course of ordinary activities is recognised when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the property and regarding its collection.

The amount recognised as revenue is exclusive of sales tax, value added taxes (VAT) and service tax.

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

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



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (*continued*) for the year ended 31 March 2017

(Currency: Indian rupees)

2 Significant accounting policies (*continued*)

2.14 Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

2.15 Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.16 Income taxes

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternative Tax ('MAT')

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Income-tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements *(continued)* for the year ended 31 March 2017

(Currency: Indian rupees)

2 Significant accounting policies *(continued)*

2.17 Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

2017 2016

3.1 Share capital

Authorised capital

9,000,000 (2016: 9,000,000) equity shares of Rs 10 each	90,000,000	90,000,000
17,000,000 (2016: 17,000,000) 14% non-cumulative redeemable preference shares of Rs 10 each	170,000,000	170,000,000

260,000,000 **260,000,000**

Issued, subscribed and fully paid-up

1,758,884 (2016: 1,758,884) Class "A" equity shares of Rs 10 each	17,588,840	17,588,840
1,758,884 (2016: 1,758,884) Class "B" equity shares of Rs 10 each	17,588,840	17,588,840
1,584,924 (2016: 1,584,924) 14% Class "C" non-cumulative preference shares of Rs 10 each	15,849,240	15,849,240
7,291,683 (2016: 7,291,683) 14% Class "D" non-cumulative preference shares of Rs 10 each	72,916,830	72,916,830

123,943,750 **123,943,750**

A. Reconciliation of the equity and preference shares outstanding at the beginning and at the end of the reporting year

	2017		2016	
	Number	Amount	Number	Amount
Equity shares				
Class "A" equity shares of Rs 10 each, fully paid-up				
At the commencement and at the end of the year	1,758,884	17,588,840	1,758,884	17,588,840
Class "B" equity shares of Rs 10 each, fully paid-up				
At the commencement and at the end of the year	1,758,884	17,588,840	1,758,884	17,588,840

	2017		2016	
	Number	Amount	Number	Amount
Preference shares				
14% Class "C" non-cumulative preference shares of Rs 10 each, fully paid-up				
At the commencement and at the end of the year	1,584,924	15,849,240	1,584,924	15,849,240
14% Class "D" non-cumulative preference shares of Rs 10 each, fully paid-up				
At the commencement and at the end of the year	7,291,683	72,916,830	7,291,683	72,916,830



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

3.1 Share capital (continued)

B. Rights, preferences and restrictions attached to equity shares

The Company has two classes of equity shares, Class A and Class B. The different classes of equity shares have differential rights with respect to dividend distribution and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion as determined by the shareholders of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares. 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 on differential basis as determined by the shareholders agreement.

C. Rights, preferences and restrictions attached to preference shares

14% Class "C" Non cumulative preference shares of Rs 10 each, fully paid-up of the Company are held by Xander Investment Holding VI Limited and 14% Class "D" Non cumulative preference shares of Rs 10 each, fully paid-up of the Company are held by Bengal Shrachi Housing Development Limited. The preference shares of the Company will be redeemed at the end of twenty years from the respective dates of allotment at such terms and conditions as may be decided by the Board of Directors.

The holders of these preference shares are entitled to a non-cumulative dividend of 14% per annum.

Preference shares of both classes carry a preferential right as to dividend over equity shareholders. Where dividend is not declared for a financial year, the entitlement for that year lapses. The preference shares are entitled to one vote per share at meetings of the Company on any resolutions of the Company directly affecting their rights. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares.

The Company has, vide its resolution passed at the Extraordinary general meeting dated 31 December 2009, decided that the preference shares shall be redeemed at a premium of 50% and had revised the dividend rate from 8% to 14% per annum.

D. Particulars of shareholders holding more than 5% shares of a class of shares

	2017		2016	
	Number	% holding	Number	% holding
Equity shares				
Class "A" Equity shares of Rs 10 each, fully paid-up Xander Investment Holding VI Limited	1,758,884	100%	1,758,884	100%
Class "B" Equity shares of Rs 10 each, fully paid-up Bengal Shrachi Housing Development Limited	1,758,884	100%	1,758,884	100%
Preference shares				
14% Class "C" Non cumulative preference shares of Rs 10 each, fully paid-up Xander Investment Holding VI Limited	1,584,924	100%	1,584,924	100%
14% Class "D" Non cumulative preference shares of Rs 10 each, fully paid-up Bengal Shrachi Housing Development Limited	7,291,683	100%	7,291,683	100%



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements *(continued)* for the year ended 31 March 2017

(Currency: Indian rupees)

3.1 Share capital *(continued)*

E. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

- i) 176,471 (2016: 176,471) Class "A" Equity shares of Rs 10 each, fully paid-up had been bought back on 14 October 2011 in accordance with the buy-back scheme approved by the Board of Directors.
- ii) 176,471 (2016: 176,471) Class "B" Equity shares of Rs 10 each, fully paid-up had been bought back on 14 October 2011 in accordance with the buy-back scheme approved by the Board of Directors.

F. Shares reserved for issue under options and contracts/ commitments for sale of shares/ disinvestment:

For 16.75% fully convertible debentures:

The number and amount of the equity shares will be determined by the Board of Directors of the Company at the time of exit of the investors. (Also refer to note 3.3 on rights, preferences and restrictions attached to debentures).



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

	2017	2016
3.2 Reserves and surplus		
Securities premium account		
At the commencement of the year	70,074,949	72,734,505
Provision for premium payable on redemption of preference shares (Refer note 3.1.C)	<u>(2,659,556)</u>	<u>(2,659,556)</u>
At the end of the year	<u>67,415,393</u>	<u>70,074,949</u>
Surplus (Profit and loss balance)		
At the commencement of the year	35,861,635	5,880,618
Profit for the year	<u>28,239,088</u>	<u>29,981,017</u>
At the end of the year	<u>64,100,723</u>	<u>35,861,635</u>
Total reserves and surplus	<u>131,516,116</u>	<u>105,936,584</u>
3.3 Long-term borrowings		
Debentures (unsecured)		
2,500,000 (2016: 2,500,000) 16.75% Fully convertible debentures	25,000,000	25,000,000
Vehicle loans from ICICI Bank Limited (secured)	549,625	1,415,068
	<u>25,549,625</u>	<u>26,415,068</u>

A. Terms of repayment/conversion/redemption of 16.75% fully convertible debenture

16.75% Fully convertible debentures (FCD's) of Rs 10 each, fully paid-up were allotted pursuant to the Shareholder's agreement and Share subscription agreement both dated 20 October 2006 (as amended through the second addendum dated 22 September 2008). These FCD's were issued for a period of eighteen months from the date of issue, i.e. 24 September 2008 and 29 January 2009 and these are non-marketable and unsecured.

Of the total, 5,000,000, 16.75% FCD's issued, 2,500,000 FCD's held by Nalonrod Holdings Limited were convertible into 2,500,000 Class "A" Equity shares of Rs 10 each, fully paid-up and 2,500,000 FCD's held by Bengal Shrachi Housing Development Limited were convertible into 2,500,000 Class "B" equity shares of Rs 10 each, fully paid-up at such terms and conditions as may be decided by the Board of Directors of the Company at the time of conversion on 29 July 2010 and by 24 March 2010 respectively.

During the earlier years, the Company had converted the FCD's held by Bengal Shrachi Housing Development Limited into optionally convertible debentures and redeemed these debentures at par. Additionally, vide Board resolution passed on 17 September 2009, the date of conversion of the debentures held by Nalonrod Holdings Limited has been amended to 13 October 2013. Further, vide Board resolutions passed on 25 September 2013, 27 March 2014 and 29 September 2015, the date of conversion of the debentures held by Nalonrod Holdings Limited has been further amended to 13 October 2018, 13 October 2015 and 13 October 2017.

During the previous year, the Company vide the board resolution dated 24 March 2016 approved the transfer of debenture, thereby Nalonrod Holdings Limited transferred 1,250,000 numbers of debentures each to Shrawan Kumar Todi and Ravi Todi on 26 May 2016.

The Company had approached debenture holders for waiver of interest for the year ended 31 March 2017, which was accepted by debenture holders vide their letter dated 25 June 2017, and the same was taken on record by the board of directors on board meeting dated 29 June 2017.

B. Details of security and repayment terms of vehicle loans from ICICI Bank Limited

Nature of security	Amount outstanding		No of installments	Amount of each installment (including interest)
	Current	Non-current		
(i) Car loan taken from ICICI Bank Limited amounting to Rs. 1,500,000 on 13 July 2015 against hypothecation of vehicle, purchased thereagainst and the same is repayable in 36 equal monthly installments. Rate of interest is 10.01% per annum.	Terms of repayment : 2017			
	533,105	184,263	16	48,408
	Terms of repayment : 2016			
	482,524	717,368	28	48,408
(ii) Car loan taken from ICICI Bank Limited amounting to Rs. 1,000,000 on 01 March 2016 against hypothecation of vehicle, purchased thereagainst and the same is repayable in 36 equal monthly installments. Rate of interest is 9.51% per annum.	Terms of repayment : 2017			
	332,338	365,362	24	32,038
	Terms of repayment : 2016			
	302,300	697,700	36	32,038



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

	2017	2016
3.4 Long-term provisions		
Provision for employee benefits :		
Gratuity (Refer note 3.31)	877,315	1,167,129
Compensated absences (Refer note 3.31)	<u>1,317,885</u>	<u>1,163,015</u>
	<u><u>2,195,200</u></u>	<u><u>2,330,144</u></u>
3.5 Short-term borrowings		
Term loan (secured)		
-Bank	170,216,017	456,392,813
-From others	109,000,000	-
Loan from body corporates (unsecured)	113,500,000	-
	<u><u>392,716,017</u></u>	<u><u>456,392,813</u></u>

Details of security and repayment terms:

Note:

A. Term Loan from Bank - Bank of Baroda

Term loan from bank is carrying interest at Bank of Baroda's base rate plus 3.75 % per annum and is repayable in three successive quarterly installments of Rs 120,000,000, Rs 160,000,000 and Rs 180,000,000 commencing from January- March 2016 and ending with July -September 2016 with a moratorium of 10 quarters (30 months) commencing from the date of first disbursement. The term loan is secured by mortgage by way of exclusive first charge of the immovable property measuring an area of 254.74 acres situated in Mouzas Goda, Nubabhat, Kanthrapota and Isufabad J.L No. 41, J.L No. 28, J.L No17 and J.L No. 16 P.S Burdwan, District Burdwan, together with all buildings, bungalows and structures erected and to be erected thereon and personal guarantees given by Rahul Todi and Ravi Todi. The Company to obtain NOC to the extend of not exceeding 221.69 acres (i.e. 254.74 acres less 33.05 acres) for sale of bungalows / apartments with a condition that at any point of time the total land mortgaged to the Bank shall not be less than 33.05 acres of the subject project.

Default in repayment of short - term borrowings existing as at Balance Sheet date

The details of defaults made by the Company in repayment of short - term borrowings is set out below:

Name of the lender	Amount of default as at the balance sheet date	Amount repaid subsequent to balance sheet date	Amount repaid on	Number of days of delay
Bank :				
- Bank of Baroda				
Principal	170,216,017	91,913,637	Various dates	Not fully paid
Interest	2,152,056	2,152,056	Various dates	4 - 20 Days

B. Term loan from others

(i) Shriram Housing Finance Limited

Term loan, availed in nature of lease rental discounting, from Shriram Housing Finance Limited to Rs.70,000,000 (2016 : Rs.Nil) is secured by mortgage the market value of the property measuring 44897.17 Sft. on the four storied school building of Renaissance Township, Mouza:Goda, Kanthrapota, Isufabad, Nababhat (as per sanction plan), Mouza-Isufabad, comprised in J.L.nos.17, Dag nos.1831,1832,1699,1698,1697,1830 and at Mouza-Nababhat, J.L.no.16, Dag no.436, at Burdwan , Pincode - 713102, P.S. Burdwan, District- Burdwan, within the ambit of Burdwan Municipality and is carrying interest at SHPLR (Shriram Housing Finance Limited prime Lending Rate) of 15% p.a. minus 1% and is repayable in 180 months commencing from May 2017 as follows:

Duration	Equated monthly installments	No of installments
May 2017 till October 2019	757,234	30
November 2019 till October 2022	870,819	36
November 2022 till October 2025	1,001,442	36
November 2025 till October 2028	1,151,659	36
November 2028 till October 2031	1,324,407	36
November 2031 till April 2032	1,521,096	6

The term loan is secured by personal guarantees given by Rahul Todi and Ravi Todi, promoter director of the company.



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

3.5 Short-term borrowings (continued)

(ii) Sundaram BNP Paribas Home Finance Limited

Term loan from BNP Paribas Home Finance Limited to Rs 39,000,000 (2016: Rs Nil) is secured by first charge on following 4 units:

(a) All that piece and parcel of land with building Ragini bungalow SSEA1/10B & Ashiana bungalow unit no SSEA1/2C land measuring an extent of 2,162 Sq.ft with building extent 1,325 Sq.ft and Land 2,883 Sq.ft with Buildup area 1571 sq ft respectively.

(b) All that piece and parcel of land with building of RBD Anchor Store, Banquet Hall ,ground floor first floor shop, with building extent 5,865.09 sq.ft.

(c) All that piece and parcel of land with building Ishana bungalow unit no SSEA1/5C & Pavani bungalow unit no SSEA1/7C, land measuring an extent of 5,766 Sq.ft with building extent 1,915 Sq.ft and Land 2,883 Sq.ft with Buildup area 1,718 sq ft.

(d) All that piece and parcel of land with building of Arushi bungalow unit no SSEA1/9B , land measuring an extent of 2,169 Sq.ft with building extent 1,596 Sq.ft.

All the above properties situated at PLOT NO 41 Satellite Township Project, Belkash Gram Panchayat/ Goda/ Kantrapota/ Nababhat/ Isufabad Village Goda Village, Burdwan Taluk, Burdwan Town, Burdwan-713102, Burdwan District West Bengal State.

The above term loan is secured by personal guarantee of the Ravi Todi and Rahul Todi, promoter directors of the company.

This term loan is repayable in 48 equal monthly instalments starting from May '2018, amount of each monthly instalment is Rs.1,051,120. The term loan carry's interest @ 13.25% p.a ,which is variable in line with SH-PLR

C. Details of repayment of terms for unsecured loan from body corporates are :-

Name of the lender	Loan Amount		Rate of Interest p.a.	Availment date	Repayment date
	2017	2016			
A T O (I) Limited	5,000,000	-	15.00%	20-Feb-17	19-Jun-17
Chanderi Graphics Private Limited	2,000,000	-	12.00%	18-Feb-17	30-Jun-17
Deepa Bagla Financial Consultants Private Limited	7,500,000	-	15.00%	07-Mar-17	05-Jun-17
Orient Vinimay Private Limited	2,500,000	-	15.00%	21-Feb-17	20-Jun-17
Poojit Commercial Private Limited	10,000,000	-	14.50%	10-Jan-17	10-May-17
United Exhibitors Syndicate Private Limited	3,000,000	-	12.00%	27-Feb-17	30-Jun-17
Nadia Printing & Packaging Private Limited	83,500,000	-	13.00%	Repayable on demand	
Black Rose Industries Limited	-	-	15.00%	Repayable on demand	

3.6 Trade payables

2017 2016

Total outstanding dues of micro enterprises and small enterprises
[Refer note 3.30]

Total outstanding dues of creditors other than micro enterprises and small enterprises

- Other payables

- Retention money payable to contractors

128,645,543	72,904,247
17,991,497	35,004,982
146,637,040	107,909,229

3.7 Other current liabilities

Accrued premium on redemption of preference shares (Refer note 3.1.C)

Current maturities of vehicle loans (Refer note 3.3 above for security and repayment terms)

Interest accrued and due on loans

Interest accrued but not due on loans

Employee benefits payable

Advance from customers against rent

Payable on cancellation of bookings

Accrual for expenses

Interest-free deposits from customers against property bookings

Other maintenance deposits from customers

Capital equipment deposit

Corpus deposit

Statutory dues payable

- Provident fund, professional tax and employees' state insurance payable

- Service tax payable

- Tax deducted at source payable

- Labour cess payable

- Value added tax payable

- Works contract tax payable

21,276,448	18,616,892
865,443	784,824
2,953,341	-
134,321	186,812
2,866,388	2,803,183
5,740,875	-
8,728,335	8,728,335
55,127,833	10,903,702
407,156,289	718,501,045
6,941,953	1,557,614
5,143,350	3,500,296
10,912,271	8,593,218
161,064	135,999
957,671	1,186,703
2,130,270	1,789,049
656,308	604,899
-	31,058
1,370,156	1,195,692

533,122,316 **779,119,321**



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

3.8 Short-term provisions

Provision for employee benefits

Gratuity (Refer note 3.31)	529,898	122,690
Compensated absences (Refer note 3.31)	626,532	452,983
Provision for taxation [net of advance tax Rs 23,818,253 (2016: Rs 5,880,276)]	36,810,323	17,246,998
	<u>37,966,753</u>	<u>17,822,671</u>



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

3.9 Property, plant and equipment

	Leasehold land	Office building	Plant and equipments	Furniture and fittings	Motor cars	Computer and accessories	Office equipments	Total
Gross block								
Balance as at 1 April 2015	142,731	7,281,114	1,317,761	914,593	2,114,125	913,972	860,899	13,545,195
Additions	-	-	-	79,098	2,853,637	308,140	18,000	3,258,875
Balance as at 31 March 2016	142,731	7,281,114	1,317,761	993,691	4,967,762	1,222,112	878,899	16,804,070
Balance as at 1 April 2016	142,731	7,281,114	1,317,761	993,691	4,967,762	1,222,112	878,899	16,804,070
Additions	-	-	71,062	-	-	229,688	94,417	395,167
Balance as at 31 March 2017	142,731	7,281,114	1,388,823	993,691	4,967,762	1,451,800	973,316	17,199,237
Depreciation								
Balance as at 1 April 2015	142,731	3,411,295	930,128	730,196	1,938,979	853,728	807,384	8,814,441
Depreciation for the year	-	1,077,276	110,416	64,196	527,427	129,429	28,980	1,937,724
Balance as at 31 March 2016	142,731	4,488,571	1,040,544	794,392	2,466,406	983,157	836,364	10,752,165
Balance as at 1 April 2016	142,731	4,488,571	1,040,544	794,392	2,466,406	983,157	836,364	10,752,165
Depreciation for the year	-	776,811	75,556	57,248	1,005,544	250,206	49,898	2,215,263
Balance as at 31 March 2017	142,731	5,265,382	1,116,100	851,640	3,471,950	1,233,363	886,262	12,967,428
Net block								
As at 31 March 2016	-	2,792,543	277,217	199,299	2,501,356	238,955	42,535	6,051,905
As at 31 March 2017	-	2,015,732	272,723	142,051	1,495,812	218,437	87,054	4,231,809



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

	2017	2016
3.10 Deferred tax assets		
Deferred tax assets comprises of:		
Difference between book depreciation and depreciation as per the Income tax, 1961	1,495,365	1,121,588
Compensation disallowed as per the Income tax, 1961	16,200,870	-
Other disallowances	1,108,149	987,687
Deferred tax assets	18,804,384	2,109,275
3.11 Non-current investments		
<i>(Valued at cost unless otherwise stated)</i>		
Trade investment (unquoted)		
<i>Investment in equity instruments</i>		
<i>In wholly owned subsidiary</i>		
10,000 (2016: 10,000) Renaissance Maintenance Private Limited (Face value per share of Rs 10 each)	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
Aggregate book value of unquoted non current investments	100,000	100,000
3.12 Long-term loans and advances		
<i>(unsecured and considered good)</i>		
Security deposit	7,114,810	7,114,810
Advance fringe benefits tax (net)	-	10,700
Advance income tax [net of provision Rs 3,042,640 (2016: 3,042,640)]	594,651	153,900
	<u>7,709,461</u>	<u>7,279,410</u>
3.13 Other non-current assets		
Bank deposits due to mature after 12 months of the reporting date*	1,181,000	-
	<u>1,181,000</u>	<u>-</u>

*The fixed deposit is under lien with bank for guarantee given to The Regional Manager, West Bengal State Electricity Distribution Company Limited.



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

	2017	2016
3.14 Inventories		
<i>(Valued at lower of cost and net realisable value)</i>		
Construction work in progress		
Development rights	217,556,161	247,559,917
Construction costs	509,579,106	598,312,240
Borrowing costs	94,431,345	107,347,616
Depreciation	5,728,792	6,053,248
Other expenses	120,173,293	138,585,636
	<u>947,468,697</u>	<u>1,097,858,657</u>
Finished developed units	<u>179,928,944</u>	<u>250,187,922</u>
	<u>1,127,397,641</u>	<u>1,348,046,579</u>
3.15 Trade receivables		
<i>(Unsecured, considered doubtful)</i>		
Receivables outstanding for a period exceeding six months from the date they became due for payment	293,268	293,268
Provision for bad and doubtful debts	<u>(293,268)</u>	<u>(293,268)</u>
	-	-
<i>(Unsecured, considered good)</i>		
Other receivables	-	105,709
	<u>-</u>	<u>105,709</u>
3.16 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	216,518	29,480
Balances with banks :		
- on current accounts	73,734,097	30,429,966
Other bank balances		
Bank deposits due to mature within 12 months of the reporting date	-	10,000,000
	<u>73,950,615</u>	<u>40,459,446</u>
Details of balance with banks on deposit accounts		
Bank balance available on demand/ deposit with original maturity of 3 months or less included under 'Cash and cash equivalents'	73,734,097	30,429,966
Deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	-	10,000,000
Deposits due to mature after 12 months of the reporting date included under 'Other non-current assets' (Refer note 3.13)	1,181,000	-
	<u>74,915,097</u>	<u>40,429,966</u>



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

	2017	2016
3.17 Short-term loans and advances		
<i>(Unsecured, considered good)</i>		
<i>To parties other than related parties</i>		
Prepaid expenses	853,923	396,932
Advance to suppliers	6,588,409	15,629,618
Mobilisation advances	8,929,721	3,421,830
Advances to employees	72,526	220,750
Other advance	891,118	600,000
Service tax receivable	6,032,519	1,781,164
Advance for Value Added Tax	50,642	50,642
<i>(Unsecured, considered doubtful)</i>		
Advance to suppliers	500,000	500,000
Provision for bad and doubtful advance	<u>(500,000)</u>	<u>(500,000)</u>
	-	-
<i>To related parties</i>		
Short-term loans to related parties*		
- Shrachi Realty Private Limited (interest free)	8,706,257	-
- Shrachi Virtuous Retail Projects Private Limited	8,048,648	8,048,648
- Brijlaxmi Paper Products Private Limited (interest free)	600,000	-
- Renaissance Maintenance Private Limited (interest free)	112,537,300	179,289,589
	<u>153,311,063</u>	<u>209,439,173</u>

* Short-term loan to related party:

- a) Shrachi Realty Private Limited, a company in which key management personnel can exercise significant influence.
- b) Shrachi Virtuous Retail Projects Private Limited, a company in which key management personnel can exercise significant influence.
- c) Brijlaxmi Paper Products Private Limited, a company in which key management personnel can exercise significant influence.
- d) Renaissance Maintenance Private Limited, a wholly owned subsidiary of the Company.

3.18 Other current assets *(Unsecured, considered good)*

Interest accrued on fixed deposits	9,649	413,455
Interest accrued on loan to a related party	6,522,115	5,435,548
Other receivable	429,080	429,080
	<u>6,960,844</u>	<u>6,278,083</u>



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

	2017	2016
3.19 Revenue from operations		
Sale of developed land (net)	249,833,614	56,275,839
Revenue from construction and sale of real estate	463,708,548	234,983,244
Other operating revenue		
Realisation from cancellation/ transfer of booking	5,390,681	6,030,171
	<u>718,932,843</u>	<u>297,289,254</u>
3.20 Other income		
Interest income		
- on loan	1,207,297	1,207,297
- on others	12,071,477	3,183,967
Profit on sale of current investments (mutual funds)	282,157	1,197,769
Unspent liabilities no longer required written back	23,897	-
Miscellaneous receipts	84,005	57,021
	<u>13,668,833</u>	<u>5,646,054</u>
3.21 Change in inventories of work in progress and finished developed units		
Project work in progress:		
Opening project work in progress	1,097,858,657	1,008,966,403
Less: Closing project work in progress	947,468,697	1,097,858,657
Increase in work in progress	<u>150,389,960</u>	<u>(88,892,254)</u>
Finished stock of developed units:		
Opening stock of developed units	250,187,922	170,525,641
Less: Closing stock of finished developed units	179,928,944	250,187,922
Increase in finished developed units	<u>70,258,978</u>	<u>(79,662,281)</u>
	<u>220,648,938</u>	<u>(168,554,535)</u>
3.22 Construction costs		
Cost of civil works	244,770,538	267,038,826
Depreciation	2,215,263	1,937,724
Borrowing costs	44,810,792	51,596,499
Other expenses	64,916,183	66,535,005
	<u>356,712,776</u>	<u>387,108,054</u>



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

	2017	2016
3.23 Employee benefits expense		
Salaries, bonus and allowances	34,210,997	29,112,013
Contribution to provident and other funds	2,481,606	2,867,040
Staff welfare expenses	943,949	749,765
	<u>37,636,552</u>	<u>32,728,818</u>
Less: Transferred to construction work-in-progress	(16,432,231)	(17,927,552)
	<u>21,204,321</u>	<u>14,801,266</u>
3.24 Finance costs		
Interest expense		
- on short term borrowings	43,195,274	51,596,499
- on vehicle loan	174,107	105,091
- on others	104,195	634,407
- on late payment of advance tax	4,649,037	1,679,007
Other borrowing cost	1,927,409	24,720
	<u>50,050,022</u>	<u>54,039,724</u>
Less: Borrowing costs transferred to construction work-in-progress	(44,810,792)	(51,596,499)
	<u>5,239,230</u>	<u>2,443,225</u>
3.25 Other expenses		
Rates and taxes	359,292	748,039
Repairs and maintenance	4,563,523	2,543,237
Insurance	560,124	491,705
Advertisement expenses	20,805,194	13,569,952
Travelling and conveyance	4,151,181	4,098,866
Communication expenses	800,880	630,015
Legal and professional fees	8,182,906	9,744,462
Brokerage and commission	6,869,878	6,539,025
Provision for compensation	49,000,000	-
Provision for bad and doubtful debt	-	293,268
Provision for bad and doubtful advances	-	500,000
Advances / sundry balance written off	827,720	-
Payment to auditors	851,150	670,230
Miscellaneous expenses	1,461,445	660,858
	<u>98,433,293</u>	<u>40,489,657</u>
Less: Transferred to construction work-in-progress	(14,033,126)	(15,863,490)
	<u>84,400,167</u>	<u>24,626,167</u>
Note: Payment to auditors		
Statutory audit	650,000	500,000
Others	150,000	125,000
Reimbursement of expenses	51,150	45,230
	<u>851,150</u>	<u>670,230</u>



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

3.26 Earnings per share

The basic EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

Particulars		2017	2016
Net profit after tax attributable to equity shareholders	(A)	28,239,088	29,981,017
Number of equity shares at the beginning and end of the year		3,517,768	3,517,768
Weighted average number of equity shares outstanding during the year	(B)	3,517,768	3,517,768
Basic and diluted earnings per equity share *	(A/B)	8.03	8.52
Face value per share		10.00	10.00

* For 16.75% compulsorily convertible debentures, the number and amount of the equity shares will be determined by the Board of Directors of the Company at the time of exit of the investors and therefore these have not been considered for the purposes of dilutive equity shares.

3.27 Contingent liabilities and commitments (to the extent not provided for):

Particulars	2017	2016
Income tax claims against the Company not acknowledged as debts and disputed by the Company	13,010	1,545,990
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	-	-

3.28 Related party disclosures

Names of related parties

Relationship	Names of related party
Parties where control exists Control through substantial interest in voting power and power to direct through agreement i.e. Co-venturers	Bengal Shrachi Housing Development Limited Xander Investment Holding VI Limited
Wholly owned subsidiary	Renaissance Maintenance Private Limited
Other related parties with whom transactions have taken place during the year Enterprises in which the co-venturers have significant influence Enterprises in which the key management personnel have significant influence	Nalonrod Holdings Limited Shrachi Virtuous Retail Projects Private Limited Shrachi Realty Private Limited BTL EPC Limited (formerly known as Bengal Tools Limited) AMRI Hospitals Limited (till 12 th May 2015) Brijalxmi Paper Products Private Limited
Key management personnel	Ravi Todi, Director Rahul Todi, Director
Relatives of Key management personnel	Shrawan Kumar Todi, father of Ravi Todi



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

3.28 Related party disclosures (continued)

Related party transactions

Nature of transaction	Co-venturers	Wholly owned subsidiary	Enterprise significantly influenced by co-venturers	Enterprise in which KMP has significant influence	Key management personnel	Relatives of Key Management Personnel	Total
Printing and stationary							
Brijlaxmi Paper Products Private Limited	-	-	-	31,750	-	-	31,750
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Interest on unsecured loan							
Shrachi Virtuous Retail Projects Private Limited	-	-	-	1,207,297	-	-	1,207,297
	(-)	(-)	(-)	(1,207,297)	(-)	(-)	(1,207,297)
Unsecured interest free advances received							
Rahul Todi	-	-	-	-	70,000,000	-	70,000,000
	(-)	(-)	(-)	-	(-)	(-)	(-)
Ravi Todi	-	-	-	(-)	44,500,000	-	44,500,000
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Unsecured interest free advances refunded back							
Rahul Todi	-	-	-	-	70,000,000	-	70,000,000
	(-)	(-)	(-)	-	(-)	(-)	(-)
Ravi Todi	-	-	-	(-)	44,500,000	-	44,500,000
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Unsecured interest free loan given							
Bengal Shrachi Housing Development Limited	-	-	-	-	-	-	-
	(110,200,000)	(-)	(-)	(-)	(-)	(-)	(110,200,000)
Shrachi Realty Private Limited	-	-	-	12,263,507	-	-	12,263,507
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Brijlaxmi Paper Products Private Limited	-	-	-	1,350,000	-	-	1,350,000
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Renaissance Maintenance Private Limited	-	64,147,332	-	-	-	-	64,147,332
	(-)	(193,150,000)	(-)	(-)	(-)	(-)	(193,150,000)
Unsecured interest free loan refunded back							
Bengal Shrachi Housing Development Limited	-	-	-	-	-	-	-
	(198,400,000)	(-)	(-)	(-)	(-)	(-)	(198,400,000)
Shrachi Realty Private Limited	-	-	-	3,557,250	-	-	3,557,250
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Brijlaxmi Paper Products Private Limited	-	-	-	750,000	-	-	750,000
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Renaissance Maintenance Private Limited	-	130,899,621	-	-	-	-	130,899,621
	(-)	(21,222,787)	(-)	(-)	(-)	(-)	(21,222,787)
Premium accrued during the year on redeemable preference shares							
Bengal Shrachi Housing Development Limited	2,192,660	-	-	-	-	-	2,192,660
	(2,192,660)	(-)	(-)	(-)	(-)	(-)	(2,192,660)
Xander Investment Holding VI Limited	466,896	-	-	-	-	-	466,896
	(466,896)	(-)	(-)	(-)	(-)	(-)	(466,896)
Balance outstanding as at the end of the year							
Unsecured short term loans							
Renaissance Maintenance Private Limited	-	112,537,300	-	-	-	-	112,537,300
	(-)	(179,289,589)	(-)	(-)	(-)	(-)	(179,289,589)
Shrachi Realty Private Limited	-	-	-	8,706,257	-	-	8,706,257
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Brijlaxmi Paper Products Private Limited	-	-	-	600,000	-	-	600,000
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Shrachi Virtuous Retail Projects Private Limited	-	-	-	8,048,648	-	-	8,048,648
	(-)	(-)	(-)	(8,048,648)	(-)	(-)	(8,048,648)



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

3.28 Related party disclosures (continued)

Related party transactions

Nature of transaction	Co-venturers	Wholly owned subsidiary	Enterprise significantly influenced by co-venturers	Enterprise in which KMP has significant influence	Key management personnel	Relatives of Key Management Personnel	Total
Debentures outstanding at the end of the year							
Nalonrod Holdings Limited	(-)	(-)	(25,000,000)	(-)	(-)	(-)	(25,000,000)
Ravi Todi	-	-	-	-	-	12,500,000	12,500,000
Shrawan Kumar Todi	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	-	-	-	-	-	12,500,000	12,500,000
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Trade payables							
BTL EPC Limited (formerly known as Bengal Tools Limited)	-	-	-	35,580	-	-	35,580
	(-)	(-)	(-)	(35,580)	(-)	(-)	(35,580)
Nalonrod Holdings Limited	-	-	247,808	-	-	-	247,808
	(-)	(-)	(247,808)	(-)	(-)	(-)	(247,808)
Retention money payable							
Bengal Shrachi Housing Development Limited	700,349	-	-	-	-	-	700,349
	(700,349)	(-)	(-)	(-)	(-)	(-)	(700,349)
Payable on cancellation of bookings							
AMRI Hospitals Limited	-	-	-	8,728,335	-	-	8,728,335
	(-)	(-)	(-)	(8,728,335)	(-)	(-)	(8,728,335)
Interest accrued on unsecured loan							
Shrachi Virtuous Retail Projects Private Limited	-	-	-	6,522,115	-	-	6,522,115
	(-)	(-)	(-)	(5,435,548)	(-)	(-)	(5,435,548)
Other receivable							
Bengal Shrachi Housing Development Limited	429,080	-	-	-	-	-	429,080
	(429,080)	(-)	(-)	(-)	(-)	(-)	(429,080)
Accrued premium on redeemable preference shares as at year end							
Bengal Shrachi Housing Development Limited	17,541,280	-	-	-	-	-	17,541,280
	(15,348,620)	(-)	(-)	(-)	(-)	(-)	(15,348,620)
Xander Investment Holding VI Limited	3,735,168	-	-	-	-	-	3,735,168
	(3,268,272)	(-)	(-)	(-)	(-)	(-)	(3,268,272)

Note: Amounts in brackets represent prior year comparatives



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

3.29 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 and infrastructure facilities and has only one reportable geographical segment. Accordingly, these standalone financial statements are reflective of the information required by the Accounting Standard on Segment Reporting (AS-17) for the real estate development segment.

3.30 Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as set out in the following disclosures:

	2017	2016
a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal	-	-
- Interest	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

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

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to **Rs1,676,321**(2016: Rs1,336,494)

Compensated absences (Other long term employment benefit):

The leave wages are payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement on attaining superannuation age. The liability towards compensated absences for the year ended 31 March 2017 based on actuarial valuation using the projected accrued benefit method amounting to **Rs 568,066**(2016: Rs 759,548)has been recognised in the Statement of Profit and Loss.

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 summarises the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for gratuity benefit.



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

3.31 Disclosure pursuant to Accounting standard – 15 'Employee Benefits' (continued)

Gratuity		2017	2016			
I	Net employee expense					
	Current service cost	874,615	738,036			
	Interest cost on benefit obligation	252,233	189,859			
	Expected return on plan assets	(169,483)	(74,500)			
	Net actuarial (gain)/ loss recognised in the year	(533,009)	188,739			
	Acquisition adjustment	-	(390,283)			
	Net benefit expenses	424,356	651,851			
II	Amount recognised in the balance sheet					
	Defined benefits obligation	3,860,153	3,488,039			
	Plan asset	2,452,940	2,198,220			
	Amount recognised in the balance sheet	1,407,213	1,289,819			
III	Movement in benefit liability					
	Opening defined benefit obligation	3,488,039	1,357,320			
	Acquisition adjustment	-	1,030,821			
	Interest cost	252,233	189,859			
	Current service cost	874,615	738,036			
	Benefits paid	(249,866)	(29,807)			
	Actuarial (gain) / losses on obligation	(504,868)	201,810			
	Closing benefit obligation	3,860,153	3,488,039			
IV	Changes in the fair value of plan assets					
	Opening fair value of plan assets	2,198,220	8,76,469			
	Expected return	169,483	74,500			
	Contributions by employer	306,962	1,263,987			
	Benefits paid	(249,866)	(29,807)			
	Actuarial gain	28,141	13,071			
	Closing fair value of plan assets	2,452,940	2,198,220			
V	Actual return on plan assets					
	Expected return on plan assets	169,483	74,500			
	Actuarial loss on plan assets	28,141	13,071			
VI	The Principal actuarial assumptions are as follows					
	Discount rate	7.50% p.a.	8 % p.a.			
	Salary increase	10% p.a.	10% p.a.			
	Withdrawal rate	10 per thousand p.a				
VII	Experience adjustments: Amount for current and previous four years are as follows					
		2017	2016	2015	2014	2013
	Defined benefit obligation	3,860,153	3,488,039	1,357,320	838,423	651,967
	Fair value of plan assets	2,452,940	2,198,220	876,469	580,572	389,897
	Surplus/ (Deficit)	(1,407,213)	(1,289,819)	(480,851)	(257,851)	(262,070)
	Experience adjustment on plan liabilities [(gain)/loss]	(809,615)	201,810	(126,245)	(20,483)	(35,859)
	Experience adjustment on plan assets [gain/(loss)]	45,506	17,453	15,363	7,743	26,454



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

3.31 Disclosure pursuant to Accounting standard – 15 'Employee Benefits' (continued)

Investment detail of plan assets:

Plan asset, for gratuity payable to employees, available with the Company is an Insurer managed fund by Life Insurance Corporation of India (100%).

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

The overall expected long-term rate of return on assets is 7.71%(2016: 8.50%). The expected long-term rate of return is based on the portfolio as a whole and not on the sum of the returns on individual asset categories. The return is based exclusively on historical returns, without adjustments.

3.32 Dividend on 14% Class "C" and Class "D" Non cumulative preference shares

The preference shareholders have waived their right to preference dividend in respect of the current year ended 31 March 2017 and previous year ended 31 March 2016. Accordingly, provision for preference dividend has not been created as at 31 March 2017 and 31 March 2016.

3.33 The Company had taken 254.74 acres of land from Burdwan Development Authority (BDA) on 27 August 2010 on long term lease basis for 99 years with option of renewal for the purpose of construction and development of Satellite Township. As per the agreement the Company had with BDA, the Company had paid full amount as cost of development rights.

In the earlier years, few land owners who sold their land to BDA, claimed higher compensation from BDA.

The Company has signed a Memorandum of Understanding (MoU) dated 29 August 2014 with BDA and Samity. As per the terms of the MoU, the Company agreed to transfer all its leasehold rights over a portion of project land not exceeding 30 acres and Samity represented by erstwhile land owners agreed to withdraw all legal cases/ other disputes. However, the final agreement between the parties is yet to be reached.

3.34 Disclosure under section 186 of the Companies Act, 2013

The operations of the Company are classified as 'infrastructure facilities' as defined under Schedule III to the Act. Accordingly, the disclosure requirements specified in sub-section 4 of Section 186 of the Act in respect of loans given, investment made or guarantee given or security provided and the related disclosures on purposes/ utilisation by recipient companies are not applicable to the Company.

3.35 During the year, the Company has given a loan of Rs 12,263,507 to Shrachi Realty Private Limited and Rs1,350,000 to Brijlaxmi Paper Products Private Limited and receive the repayment of Rs 3,557,250 and Rs750,000 respectively, which is in non-compliance of Section 185 of the Companies Act 2013. The Company is in the process of taking necessary steps under Companies Act, 2013 with respect to same. The management of the Company believes that the penalty to be determined is not expected to be material to these standalone financial statements and accordingly no adjustment has been made in the standalone financial statements.



Shrachi Burdwan Developers Private Limited

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

(Currency: Indian rupees)

3.36 Disclosure on Specified Bank Notes (SBNs)

The details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016, as required by MCA notification G.S.R. 308(E) dated 30 March 2017 are given below:

Particulars	SBNs(Rs)	Other denomination notes (Rs)	Total (Rs)
Closing cash in hand as on 8-11-2016	458,500	297	458,797
(+) Permitted receipts	-	425,887	425,887
(-) Permitted payments	-	264,881	264,881
(-) Amount deposited in Banks	458,500	-	458,500
Closing cash in hand as on 30-12-2016	-	161,703	161,703

* 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 8 November 2016.

3.37 Other matters

Information with regard to other matters specified in Schedule III to the Act is either nil or not applicable to the Company for the year.

As per our report of even date attached.


For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022



Jayanta Mukhopadhyay
Partner
Membership No: 055757


Place: Kolkata
Date: 25 September 2017



For and on behalf of the Board of Directors
Shrachi Burdwan Developers Private Limited
CIN: U45200WB2006PTC111545


Rahul Todi
Director
DIN: 00080441


Ravi Todi
Director
DIN: 00080388


Shweta Priy
Company Secretary

Place: Kolkata
Date: 25 September 2017