

BENGAL EMAMI HOUSING LIMITED

CIN: U70109WB2009PLC134447

REGD OFF: EMAMI TOWER, 2ND FLOOR

687, ANANDAPUR, E.M. BYPASS

KOLKATA-700107

**Audited Financial Statements for the
year ended 31st March, 2018**



S. K. AGRAWAL & CO.

Chartered Accountants

Firm Registration No. 306033E

SUITE NOS : 606-608

THE CHAMBERS, OPP. GITANJALI STADIUM

1865, RAJDANGA MAIN ROAD, KASBA

KOLKATA - 700 107

PHONE : 033-4008 9902/9903/9904

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

Independent Auditors' Report

To the Members of Bengal Emami Housing Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Bengal Emami Housing Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the statement of Profit and Loss (including Other Comprehensive Income), the statement of Cash Flow and the Statement of Changes In Equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; 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 Ind AS 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 Ind AS 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 read with Rules issued thereunder and the Order issued under Section 143(11) of the Act.

We have conducted our audit of the Ind AS Financial Statements 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 Ind AS financial statements are free from material misstatement.

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





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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 Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 31st March, 2018, and its Profit including other comprehensive income, its cashflows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
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 purpose of our audit;
 - (b) In our opinion proper books of accounts 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 including Other Comprehensive Income, the Cash Flow Statement and the Statement of changes in Equity dealt with by this Report are in agreement with the books of accounts;
 - (d) In our opinion, the accompanying Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended;
 - (e) On the basis of written representations received from the Directors as on March 31, 2018 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018 from being reappointed as a Director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".





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(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company does not have any pending litigations;
- (ii) The Company did not have any longterm contracts, including derivative contracts for which there were any material foreseeable losses; and
- (iii) There is no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Kolkata
Date: 28th May 2018



For, S.K. Agrawal & Co.
Chartered Accountants
Registration No-306033E

J.K. Choudhury
Partner

Membership number: 009367



S. K. AGRAWAL & CO.

Chartered Accountants

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KOLKATA - 700 107
PHONE : 033-4008 9902/9903/9904
FAX : 033-40089905, Website : www.skagrwal.co.in

Annexure A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditor's Report to the members of **Bengal Emami Housing Limited** ("the Company") on the Ind AS financial statements for the year ended on 31st March, 2018. We report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipments.

(b) The Property, Plant & Equipments were physically verified during the year by the management in accordance with a program of verification covering all Property, Plant & Equipments over a period of three years, which in our opinion provides for physical verification of all the Property, Plant & Equipments at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Since the Company has no immovable property, such clause is not applicable.

(ii) (a) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals.

(b) There was no material discrepancies noticed on physical verification of the inventory as compared to books records.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under section 189 of the Act. Therefore, the provisions of sub clauses (a), (b) and (c) of paragraph 3 (iii) of the Order are not applicable.

(iv) The Company has not given any loans to directors and also no inter-company loans, guarantees, securities and investments have been made by the company to the parties covered under provisions of section 185 and 186 of the Act. Therefore the provisions of clause 3(iv) of the Order are not applicable to the Company.

(v) The Company has not accepted any deposits from the public.

(vi) As explained to us, the Company is not required to maintain cost records prescribed by the Central Government under sub-section (1) of section 148 of the Act.

(vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, Goods & Service Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on which they became payable.





S. K. AGRAWAL & CO.

Chartered Accountants

Firm Registration No. 306033E

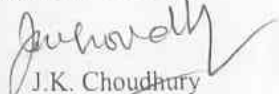
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1865, RAJDANGA MAIN ROAD, KASBA
KOLKATA - 700 107
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- (b) There are no disputed statutory dues pending payment at the Balance Sheet date.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of Initial Public Offer or Further Public Offer including debt instruments except Term Loans. The money raised by way of term loan has been used only for the purpose for which it was raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, the Company has paid or provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.



Place: Kolkata
Date: 28th May 2018

For, S.K. Agrawal & Co.
Chartered Accountants
Registration No- 306033E


J.K. Choudhury
Partner

Membership number: 009367



S. K. AGRAWAL & CO.

Chartered Accountants

Firm Registration No. 306033E

SUITE NOS : 606-608
THE CHAMBERS, OPP. GITANJALI STADIUM
1865, RAJDANGA MAIN ROAD, KASBA
KOLKATA - 700 107
PHONE : 033-4008 9902 / 9903 / 9904
FAX : 033-40089905, Website : www.skagrawal.co.in

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **BENGAL EMAMI HOUSING LIMITED** ("the Company") as of 31st March, 2018 in conjunction with our audit of the Ind AS 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 Internal Financial Controls over Financial Reporting (the "Guidance Note") and Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS 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





S. K. AGRAWAL & CO.

Chartered Accountants

Firm Registration No. 306033E

SUITE NOS : 806-808

THE CHAMBERS, OPP. GITANJALI STADIUM

1885, RAJDANGA MAIN ROAD, KASBA

KOLKATA - 700 107

PHONE : 033-4008 9902/9903/9904

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

(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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essentials components of Internal Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



Place: Kolkata
Date: 28th May 2018

For, S.K. Agrawal & Co.

Chartered Accountants

Registration No- 306033E

J.K. Choudhury

J.K. Choudhury

Partner

Membership number: 009367

BENGAL EMAMI HOUSING LIMITED

Balance Sheet as at 31st March, 2018

		Amount (₹)		
	Note	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	2	1,282,878	1,020,911	503,772
Intangible Assets	2	1,931	1,931	5,242
Other Non Current Assets	3	135,756	134,256	134,256
Total Non-Current Assets		1,420,565	1,157,098	643,270
Current Assets				
Inventories	4	978,134,020	597,027,570	349,547,089
Financial Assets				
Trade Receivables	5	117,290,842	33,040,284	-
Cash and Cash Equivalents	6	226,360,115	90,958,449	445,829
Current Tax Assets (Net)	7	1,147,967	272,488	-
Other Current Assets	8	58,403,354	3,581,723	3,814,361
Total Current Assets		1,381,336,298	724,880,514	353,807,279
TOTAL		1,382,756,863	726,037,612	354,450,549
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	9	2,000,000	2,000,000	2,000,000
Other Equity	10	(1,006,456)	(1,298,997)	(1,486,545)
Total Equity		993,544	701,003	513,455
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	11	-	109,125,846	-
Provisions	12	1,601,753	1,551,373	887,197
Total Non-Current Liabilities		1,601,753	110,677,219	887,197
Current Liabilities				
Financial Liabilities				
Borrowings	13	430,519,772	378,479,818	352,950,629
Trade Payables	14	-	141,600	68,500
Other Financial Liabilities	15	250,275,466	2,435,111	20,000
Other Current Liabilities	16	699,291,726	233,533,465	-
Provisions	17	74,602	69,396	10,768
Total Current Liabilities		1,380,161,566	614,659,390	353,049,897
TOTAL		1,382,756,863	726,037,612	354,450,549

Summary of Significant Accounting Policies and Notes to Accounts

1 to 35

For and on behalf of the Board of Directors

As per our report of even date
For S. K. Agrawal & Co.
Chartered Accountants
Firm Registration No. 306033E

J. K. Choudhury
Partner
M. No. 009367
Place: Kolkata
Date: 28-05-2018



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BENGAL EMAMI HOUSING LIMITED

Statement of Profit and Loss for the year ended 31st March, 2018

Particulars	Note	Amount (₹)	
		For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
INCOME			
Revenue from Operations	18	1,130,045	751,957
Other Income		-	-
Total Revenue (I)		1,130,045	751,957
EXPENSES			
(Increase)/Decrease in Inventories of Finished Goods and Work-in-Progress	19	(391,137,090)	(247,480,481)
Employee Benefits Expense	20	25,182,076	24,318,201
Finance Costs	21	52,348,479	52,581,988
Project Expenses	22	313,198,160	170,229,645
Depreciation & Amortisation Expense	2	408,375	350,647
Other Expenses	23	989,375	122,204
Total Expenses (II)		989,375	122,204
Profit/(Loss) before tax (I-II)		140,670	629,753
Tax Expenses			
Current Tax		14,760	61,990
Deferred Tax		-	-
Profit/(Loss) for the period		125,910	567,763
Other Comprehensive income			
Items that will not be subsequently reclassified to profit or loss			
Re-measurement of the Defined Benefit Plan		166,631	(380,215)
Total Comprehensive Income for the Year		292,541	187,548
Earnings per Equity Share of face value of ₹ 10/- each			
Basic & Diluted	24	0.63	2.84
Summary of Significant Accounting Policies and Notes to Accounts	1 to 35		

As per our report of even date
For S. K. Agrawal & Co.
Chartered Accountants
Firm Registration No. 306033E

J. K. Choudhury
Partner
M. No. 009367
Place: Kolkata
Date: 28-05-2018



For and on behalf of the Board of Directors

(Signature)
(Signature)

BENGAL EMAMI HOUSING LIMITED

Cash Flow Statement for the year ended 31st March, 2018

	Amount (₹)	
	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
A. Cash Flow from Operating Activities		
Profit/(Loss) before tax	140,670	629,753
Add: Adjusted for		
Depreciation and Amortisation Expense	408,375	350,647
OCI	166,631	(380,215)
Finance Costs	52,348,479	52,581,988
Operating Profit before Working Capital Changes	53,064,155	53,182,173
Adjusted for:		
Long - Term Provisions	50,380	664,176
Trade Payables	(141,600)	73,100
Other Financial Liabilities	8,894,276	1,364,084
Other Current Liabilities	465,758,261	233,533,463
Short - Term Provisions	5,206	58,628
Other Non - Current Assets	(1,500)	-
Inventories	(381,106,450)	(247,480,481)
Trade Receivable	(84,250,558)	(33,040,284)
Other Bank Balance	-	-
Other Current Asstes	(54,821,631)	232,638
Cash Generated from Operations	7,450,539	8,587,497
Less: Taxes Paid	890,239	334,478
Net Cash from Operating Activities (A)	6,560,300	8,253,019
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment	(670,342)	(864,475)
Net Cash from Investing Activities (B)	(670,342)	(864,475)
C. Cash Flow from Financing Activities		
Proceeds from Long-Term Borrowings	373,262,000	228,051,706
Repayment of Long-Term Borrowings	(235,000,000)	(110,251,705)
Interest Paid	(27,417,413)	(11,644,052)
Net Cash from Financing Activities (C)	110,844,587	106,155,949
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	116,734,545	113,544,493
Cash and Cash Equivalents at the beginning of the year	86,240,003	(27,304,490)
Cash and Cash Equivalents at the end of the year	202,974,548	86,240,003

Notes to Statement of Cash Flows

1. Cash and Cash Equivalents include the following Balance Sheet amounts

Particulars	As at March 31, 2018	As at March 31, 2017
Cash and Cash Equivalents (Refer Note No. 6)	226,360,115	90,958,449
Bank Overdraft which forms an integral part of cash management system	(23,385,567)	(4,718,446)
	202,974,548	86,240,003

2. The above Statement of Cash Flow has been prepared under the indirect method as set out in IND AS 7 on Statement of Cash Flow

As per our report of even date
For S. K. Agrawal & Co.
Chartered Accountants
Firm Registration No. 306033E

J. K. Choudhury
Partner
M. No. 009367
Place: Kolkata
Date: 28-05-2018



For and on behalf of the Board of Directors

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BENGAL EMAMI HOUSING LIMITED

Statement of Changes in Equity for the year ended 31st March, 2018

Particulars	Equity Share Capital	Retained Earnings	Total
Balance as at 1st April, 2016	2,000,000	(1,486,545)	513,455
Total Comprehensive Income for the year			
Profit for the year		567,763	567,763
Other Comprehensive Income		(380,215)	(380,215)
Balance as at 31st March, 2017	2,000,000	(1,298,997)	701,003
Total Comprehensive Income for the year			
Profit for the year		125,910	125,910
Other Comprehensive Income		166,631	166,631
Balance as at 31st March, 2018	2,000,000	(1,006,456)	993,544

As per our report of even date
For S. K. Agrawal & Co.
Chartered Accountants
Firm Registration No. 306033E

J. K. Choudhury

J. K. Choudhury
Partner
M. No. 009367
Place: Kolkata
Date: 28-05-2018



For and on behalf of the Board of Directors

✓ *[Signature]*

[Signature]

BENGAL EMAMI HOUSING LIMITED

Notes Forming Part of Financial Statements

Note 1

Basis of Accounting and preparation of Financial Statement

I) Company Overview

Bengal Emami Housing Ltd. ("the Company"), joint sector company with West Bengal Housing Board and engaged primarily in the business of real estate construction, development and other related activities. The Company is a public limited incorporated and having its registered office at 687, Anandapur, E M Bypass, Kolkata - 700107, West Bengal.

II) Basis of Preparation

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the section 133 of the Companies Act, 2013 ("the 2013 Act"), and the relevant provision and amendments, as applicable. The Financial Statements have been prepared on accrual basis under the historical cost convention except certain assets measured at fair value.

These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101, First-time adoption of Indian Accounting Standards (Ind AS 101). The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101. Under previous GAAP financial statements were prepared in accordance with the Accounting Standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provisions of the Act as applicable.

III) Operating cycle

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of projects, phasing of project, type of development, project complexities, approvals needed & realization of project into cash and cash equivalents and range from 3 to 5 years. Accordingly project related assets and liabilities have been classified into current and non-current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

IV) Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS 8 requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) at the end of the reporting period and the reported income and expenses during the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

V) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.



BENGAL EMAMI HOUSING LIMITED

Notes Forming Part of Financial Statements

When measuring the fair value of a financial assets or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted price in active markets for identical assets and liabilities.

Level 2: inputs other than quoted price including in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data.

If inputs used to measure the fair value of an assets or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfer between levels of the fair value hierarchy at end of the reporting period during which the change has occurred.

Significant Accounting Policies

a) Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition, on current cost basis less accumulated depreciation and accumulated impairment, if any. Cost comprises purchase price and cost directly attributable for bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the income statement when the asset is de-recognized.

Depreciation is provided on written down value method over the estimated useful lives of property, plant and equipment and are in line with the requirement of Part C of Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

b) Intangible Assets

Intangible Assets are recognized only when future economic benefits arising out of the assets flow to the enterprise and are amortised on written down value method over their estimated useful life of five years. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any

c) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's



BENGAL EMAMI HOUSING LIMITED

Notes Forming Part of Financial Statements

recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

d) Inventories

Inventories are valued at cost and net realisable value whichever is lower except Construction Work-in-Progress which is valued at cost. Construction Work-in-Progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses attributable to the projects undertaken by the Company

Net realizable 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.

e) Provisions and Contingent Liabilities

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

f) Revenue Recognition

Revenues are recognised in accordance with the guiding principles of Ind AS 18.

g) Borrowing Costs

Borrowing costs, pertaining to development of Long term projects, are transferred to construction work in progress, as part of the cost of the projects upto the time all the activities necessary to prepare these projects for its intended use or sale are complete.



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h) Income Tax

Income tax expenses comprise current and deferred tax. It is recognized in Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

i) Current Tax

Current tax comprise the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts used for taxation purpose.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

i) Employee Benefit

i) Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as result of past service provided by the employee and the obligation can be estimated reliably.

Defined benefit plans

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Re-measured of the net defined liability, which comprise actuarial gains and losses are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (assets). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when settlement occurs.

ii) Other long term employee benefit

The Company's net obligation in respect of long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. Re-measurement are recognized in Statement of Profit and Loss in the period in which they arise.



BENGAL EMAMI HOUSING LIMITED

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j) Financial instruments

1. Financial Assets

i) Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

ii) Initial recognition and measurement

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All the financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial assets.

iii) Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified in three categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through profit or loss
- Equity Investment

iv) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The assets is held within a business model whose objective is to hold assets are collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

v) Debt instruments at Fair Value through Profit or Loss



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Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the statement of Profit and Loss.

vi) De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily de-recognized when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred substantially all the risks and rewards of the assets, or
- the company has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the asset.

vii) Impairment of financial assets

The Company applies 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

2. Financial Liabilities

i) Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost.

ii) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

iii) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are de-recognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and transactions cost. The EIR amortization is included as finance costs in the Statement of Profit and Loss.



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This category generally applies to loans and borrowings.

iv) De-recognition

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

v) Offsetting of financial instruments

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

k) Earning per share

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

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

l) Cash and Cash Equivalents

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

m) Transition to Ind AS

As stated in clause II of Note 1, the Company's financial statements for the year ended March 31, 2018 are the first annual financial statements prepared in compliance with Ind AS.

The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2016 as the transition date. Ind AS 101 requires that all Ind AS standards that are effective for the first Ind AS Financial Statements for the year ended March 31, 2018, be applied consistently and retrospectively for all fiscal years presented.

All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial



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Notes Forming Part of Financial Statements

statements under both Ind AS and Previous GAAP as of the Transition Date have been recognized in equity at the Transition Date.

In preparing these financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101 as explained below:

i) Exemptions from retrospective application:

Property, Plant and Equipment; and intangibles exemption: The Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment and intangibles as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (April 1, 2016).

ii) Reconciliations:

The followings reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- equity as at April 1, 2016
- equity as at March 31, 2017



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Notes Forming Part of Financial Statements

Reconciliation of Equity as previously reported under IGAAP to Ind AS

Particulars	Opening Balance Sheet as at April 1, 2016			Balance Sheet as at March 31, 2017		
	IGAAP	Effect of transition to Ind AS	Ind AS	IGAAP	Effect of transition to Ind AS	Ind AS
ASSETS						
Non-Current Assets						
Property, Plant and Equipment	503,772	-	503,772	1,020,911	-	1,020,911
Intangible Assets	5,242	-	5,242	1,931	-	1,931
Other Non Current Assets	134,256	-	134,256	134,256	-	134,256
Total Non-Current Assets	643,270	-	643,270	1,157,098	-	1,157,098
Current Assets						
Inventories	352,043,441	(2,496,352)	349,547,089	599,118,368	(2,090,798)	597,027,570
Financial Assets						
Trade Receivables	-	-	-	33,040,284	-	33,040,284
Cash and Cash Equivalents	445,829	-	445,829	90,958,449	-	90,958,449
Current Tax Assets (Net)	-	-	-	272,488	-	272,488
Other Current Assets	3,814,361	-	3,814,361	3,581,723	-	3,581,723
Total Current Assets	356,303,631	(2,496,352)	353,807,279	726,971,312	(2,090,798)	724,880,514
TOTAL	356,946,901	(2,496,352)	354,450,549	728,128,410	(2,090,798)	726,037,612
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	2,000,000	-	2,000,000	2,000,000	-	2,000,000
Other Equity	(1,486,545)	-	(1,486,545)	(918,781)	(380,215)	(1,298,996)
Total Equity	513,455	-	513,455	1,081,219	(380,215)	701,004
Liabilities						
Non-Current Liabilities						
Financial Liabilities						
Borrowings	-	-	-	110,000,000	(874,154)	109,125,846
Provisions	887,197	-	887,197	1,551,373	-	1,551,373
Total Non-Current Liabilities	887,197	-	887,197	111,551,373	(874,154)	110,677,219
Current Liabilities						
Financial Liabilities						
Borrowings	355,446,981	(2,496,352)	352,950,629	379,316,247	(836,429)	378,479,818
Trade Payables	68,500	-	68,500	141,600	-	141,600
Other Financial Liabilities	20,000	-	20,000	2,435,111	-	2,435,111
Other Current Liabilities	-	-	-	233,533,465	-	233,533,465
Provisions	10,768	-	10,768	69,396	-	69,396
Total Current Liabilities	355,546,249	(2,496,352)	353,049,897	615,495,819	(836,429)	614,659,390
TOTAL	356,946,901	(2,496,352)	354,450,549	728,128,411	(2,090,798)	726,037,613



BENGAL EMAMI HOUSING LIMITED**Notes Forming Part of Financial Statements**

Reconciliation of Statement of Profit and Loss as previously reported under IGAAP to Ind AS

Particulars	Year Ended March 31, 2017		
	IGAAP	Effect of transition to Ind AS	Ind AS
INCOME			
Revenue from Operations	751,957	-	751,957
Other Income	-	-	-
Total Revenue (I)	751,957	-	751,957
EXPENSES			
(Increase)/Decrease in Inventories of Finished Goods and Work-in-Progress	(247,074,927)	(405,554)	(247,480,481)
Employee Benefits Expense	24,698,416	(380,215)	24,318,201
Finance Costs	51,796,219	785,769	52,581,988
Project Expenses	170,229,645	-	170,229,645
Depreciation & Amortisation Expense	350,647	-	350,647
Other Expenses	122,204	-	122,204
Total Expenses (II)	122,204	-	122,204
Profit/(Loss) before tax (I-II)	629,753	-	629,753
Tax Expenses			
Current Tax	61,990	-	61,990
Profit/(Loss) for the period	567,763	-	567,763
Other Comprehensive income			
Items that will not be subsequently reclassified to profit or loss			
Net Defined Benefit Plans	-	(380,215)	(380,215)
Total Comprehensive Income for the Period	567,763	(380,215)	187,548



BENGAL EMAMI HOUSING LIMITED
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2 Property, Plant and Equipment (Current Year)

Amount (₹)

Particulars	Gross Block				Depreciation & Amortisation				Net Block	
	As on 01.04.2017	Additions	Deductions/ Adjustments	As on 31.03.2018	As on 01.04.2017	During the Year	Deductions/ Adjustments	Upto 31.03.2018	As on 31.03.2018	As on 31.03.2017
Tangible Assets:										
Computer & Peripheral	271,413	-	-	271,413	247,532	10,486	-	258,018	13,395	23,881
Furniture & Fittings	1,812,200	-	-	1,812,200	889,361	238,923	-	1,128,284	683,916	922,839
Motor Car	-	670,342	-	670,342	-	125,528	-	125,528	544,814	-
Office Equipment	154,250	-	-	154,250	80,059	33,438	-	113,497	40,753	74,191
Sub-Total (A)	2,237,863	670,342	-	2,908,205	1,216,952	408,375	-	1,625,327	1,282,878	1,020,911
Intangible Assets:										
Software	44,000	-	-	44,000	42,069	-	-	42,069	1,931	1,931
Sub-Total (B)	44,000	-	-	44,000	42,069	-	-	42,069	1,931	1,931
Total (A+B)	2,281,863	670,342	-	2,952,205	1,259,021	408,375	-	1,667,396	1,284,809	1,022,842

2 Property, Plant and Equipment (Previous Year)

Amount (₹)

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	As on 01.04.2016	Additions	Deductions/ Adjustments	As on 31.03.2017	As on 01.04.2016	During the Year	Deductions/ Adjustments	Upto 31.03.2017	As on 31.03.2017	As on 31.03.2016
Tangible Assets:										
Computer & Peripheral	271,413	-	-	271,413	206,588	40,944	-	247,532	23,881	64,825
Furniture & Fittings	947,725	864,475	-	1,812,200	643,843	245,518	-	889,361	922,839	303,882
Office Equipment	154,250	-	-	154,250	19,185	60,874	-	80,059	74,191	135,065
Sub-Total (A)	1,373,388	864,475	-	2,237,863	869,616	347,336	-	1,216,952	1,020,911	503,772
Intangible Assets:										
Software	44,000	-	-	44,000	38,758	3,311	-	42,069	1,931	5,242
Sub-Total (B)	44,000	-	-	44,000	38,758	3,311	-	42,069	1,931	5,242
Total (A+B)	1,417,388	864,475	-	2,281,863	908,374	350,647	-	1,259,021	1,022,842	509,014



BENGAL EMAMI HOUSING LIMITED
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	As at 31st March 2018 Amount (₹)	As at 31st March 2017 Amount (₹)	As at 1st April 2016 Amount (₹)
3 Other Non-Current Assets			
<i>(Unsecured, considered good)</i>			
Security Deposits	135,756	134,256	134,256
	<u>135,756</u>	<u>134,256</u>	<u>134,256</u>
4 Inventories			
Work-in-Progress	978,134,020	597,027,570	349,547,089
	<u>978,134,020</u>	<u>597,027,570</u>	<u>349,547,089</u>
5 Trade Receivables			
<i>(Unsecured, considered good)</i>			
Trade Receivables	117,290,842	33,040,284	-
	<u>117,290,842</u>	<u>33,040,284</u>	<u>-</u>
6 Cash and Cash Equivalents			
Balances with Banks	226,087,683	90,231,512	-
Cash in hand	272,432	726,937	445,829
	<u>226,360,115</u>	<u>90,958,449</u>	<u>445,829</u>
7 Current Tax Assets (Net)			
Advance Income Tax and Tax Deducted at Source (Net)	1,147,967	272,488	-
	<u>1,147,967</u>	<u>272,488</u>	<u>-</u>
8 Other Current Assets			
Advances to Contractors/Suppliers/Consultants	40,690,627	138,500	990,000
Advances to Employees	2,300	111,200	-
Balances with Government Authorities	17,397,947	2,847,902	2,824,361
Prepaid Expenses	312,480	484,121	-
	<u>58,403,354</u>	<u>3,581,723</u>	<u>3,814,361</u>



BENGAL EMAMI HOUSING LIMITED
Notes Forming Part of Financial Statements

	As at 31st March 2018 Amount (₹)	As at 31st March 2017 Amount (₹)	As at 1st April 2016 Amount (₹)
9 Equity Share Capital			
Authorized Shares			
20,00,000 Equity Shares of ₹10/- each.	20,00,000	20,00,000	20,00,000
	<u>20,00,000</u>	<u>20,00,000</u>	<u>20,00,000</u>
Issued, subscribed & fully paid-up shares			
2,00,000 Equity Shares of ₹10/- each	2,00,000	2,00,000	2,00,000
	<u>2,00,000</u>	<u>2,00,000</u>	<u>2,00,000</u>

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No of shares	Amount (₹)	No of shares	Amount (₹)	No of shares	Amount (₹)
Shares outstanding at the beginning of the period	200,000	2,000,000	200,000	2,000,000	200,000	2,000,000
Shares Outstanding at the end of the period	<u>200,000</u>	<u>2,000,000</u>	<u>200,000</u>	<u>2,000,000</u>	<u>200,000</u>	<u>2,000,000</u>

b. Rights attached to Equity Shares

The company has only one class equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company

Name of Shareholders	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No of shares	% holding in the class	No of shares	% holding in the class	No of shares	% holding in the class
West Bengal Housing Board, Investing Party to which the Company is an Associate *	100,000	50.00%	100,000	50.00%	100,000	50.00%
1,00,000 equity shares of ₹10 each fully paid						
Emami Infrastructure Limited, Investing Party to which the Company is an Associate	60,000	30.00%	60,000	30.00%	60,000	30.00%
60,000 equity shares of ₹10 each fully paid						

* Out of 1,00,000 equity shares, 400 equity shares are held by Nominee Shareholders of West Bengal Housing Board

10 Other Equity

Retained Earnings
Opening Balance
Add: Profit/(Loss) for the Year
Other Comprehensive Income
Closing Balance



	As at 31st March 2018 Amount (₹)	As at 31st March 2017 Amount (₹)	As at 1st April 2016 Amount (₹)
Opening Balance	(1,298,997)	(1,486,545)	(1,220,065)
Add: Profit/(Loss) for the Year	125,910	567,763	(266,480)
Other Comprehensive Income	166,631	(380,215)	-
Closing Balance	<u>(1,006,456)</u>	<u>(1,298,997)</u>	<u>(1,486,545)</u>

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Notes Forming Part of Financial Statements

	As at 31st March 2018 Amount (₹)	As at 31st March 2017 Amount (₹)	As at 1st April 2016 Amount (₹)
1 Borrowings			
Financial Liabilities carried at amortised cost			
Secured			
Term Loan from Bank (Refer Note No. 32)	-	10,91,25,846	-
	-	10,91,25,846	-
2 Provisions			
Provision for Employee Benefits (Refer Note No. 26)			
Gratuity	13,98,074	11,24,077	4,60,699
Leave Encashment	2,03,679	4,27,296	4,26,498
	16,01,753	15,51,373	8,87,197
3 Borrowings			
Financial Liabilities carried at amortised cost			
Secured			
Overdraft from Banks ((Refer Note No. 32)	2,29,42,561	38,82,017	2,52,53,968
	2,29,42,561	38,82,017	2,52,53,968
Unsecured			
Loans from Related Party (Refer Note No. 27)	32,25,44,250	37,45,97,801	31,68,29,462
Loans from Others	8,50,32,961	-	1,08,67,199
	40,75,77,211	37,45,97,801	32,76,96,661
	43,05,19,772	37,84,79,818	35,29,50,629
4 Trade Payables			
Others	-	1,41,600	68,500
	-	1,41,600	68,500
5 Other Financial Liabilities			
Financial Liabilities carried at amortised cost			
Current Maturities of Long Term Debt (Refer Note No. 32)	23,77,81,269	-	-
Interest accrued	22,15,837	10,51,027	-
Other Liabilities	1,02,78,360	13,84,084	20,000
	25,02,75,466	24,35,111	20,000
6 Other Current Liabilities			
Advances from Customers	69,92,91,726	21,21,21,749	-
Other Liabilities	-	2,14,11,716	-
	69,92,91,726	23,35,33,465	-
7 Provisions			
Provision for Employee Benefits (Refer Note No. 26)			
Gratuity	62,377	47,256	5,644
Leave Encashment	12,225	22,140	5,124
	74,602	69,396	10,768



BENGAL EMAMI HOUSING LIMITED
Notes Forming Part of Financial Statements

	Year ended 31.03.2018 Amount (₹)	Year ended 31.03.2017 Amount (₹)
18 Revenue from Operations		
Other Operating Revenue	11,30,045	7,51,957
	<u>11,30,045</u>	<u>7,51,957</u>
19 (Increase)/Decrease in Inventories of Finished Goods and Work-in-Progress		
I. Opening Stock		
Work-in-Progress*	58,69,96,930	34,95,47,089
	<u>58,69,96,930</u>	<u>34,95,47,089</u>
II. Closing Stock		
Work-in-Progress	97,81,34,020	59,70,27,570
	<u>97,81,34,020</u>	<u>59,70,27,570</u>
Net Increase in Inventories (I -II)	<u>(39,11,37,090)</u>	<u>(24,74,80,481)</u>
* Opening WIP is net of GST input availed.		
20 Employee Benefits Expense		
Salaries, Bonus & Allowances	2,41,87,538	2,36,55,334
Contribution to Provident and Other Funds	5,15,740	3,99,633
Staff Welfare Expenses	4,78,798	2,63,234
	<u>2,51,82,076</u>	<u>2,43,18,201</u>
21 Finance Costs		
Interest Expenses	5,23,48,479	5,25,81,988
	<u>5,23,48,479</u>	<u>5,25,81,988</u>
22 Project Expenses		
Materials Consumed	3,19,59,265	8,88,50,472
Architects & Consultants Fees	1,01,88,111	78,89,947
Payment to Contractors	24,50,73,502	2,65,53,308
Sanction Fees & NOC Charges	-	2,07,66,859
Insurance Expenses	9,14,788	8,53,826
Advertising & Marketing Expenses	1,78,27,108	1,59,34,529
Rates & Taxes	1,77,661	2,79,582
Other Project Expenses	70,57,725	91,01,122
	<u>31,31,98,160</u>	<u>17,02,29,645</u>
23 Other Expenses		
Rates & Taxes	11,450	10,700
Miscellaneous Expenses (Refer Note No. 25)	9,77,925	1,11,504
	<u>9,89,375</u>	<u>1,22,204</u>
24 Earnings per Share (EPS)		
Earnings per Share is calculated as follows:		
Profit/(loss) after tax attributable to Equity Shareholders	1,25,910	5,67,763
Weighted average number of equity shares	2,00,000	2,00,000
Nominal value of Equity Share	10	10
Basic and Diluted Earnings per Share	<u>0.63</u>	<u>2.84</u>
25 Auditors' Remuneration		
Audit Fees	75,000	75,000
Tax Audit Fees	10,000	-
Other Matters	2,500	3,000
	<u>87,500</u>	<u>78,000</u>



BENGAL EMAMI HOUSING LIMITED

Notes to the Financial Statements

26 Defined Benefit Plan

As per actuarial valuations as on 31st March, 2018 and recognised in the financial statement in respect of Employee benefit schemes

Amount (₹)

Particulars	31st March, 2018		31st March, 2017	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Unfunded	Unfunded	Unfunded	Unfunded
A. Expenses Recognised in the Income Statement				
1. Current Service Cost				
2. Past Service Cost	309,837	112,048	343,776	107,143
3. Loss/(Gain) on settlement	-	-	-	-
4. Net Interest Cost/(Income) on the Net Defined Benefit Liability/(Assets)	-	-	-	-
5. Re-measurement (or Actuarial)(gain)/Loss arising from:	90,778	22,697	61,413	33,040
- Change in demographic assumptions	-	-	-	-
- Change in financial assumption	(6,503)	(4,525)	67,040	22,376
- Experience variation (i.e. actual experience vs assumption)	(104,994)	(50,609)	340,069	(49,270)
- Others	-	-	-	-
6. Return on plan assets, excluding amount recognised in net interest expenses	-	-	-	-
7. Re-measurement (or Actuarial)(gain)/Loss arising because of change in effect of assets ceiling	-	-	-	-
8. Total Expenses recognised in the statement of Profit & Loss	400,615	134,745	405,189	140,183
B. Assets and Liability				
1. Present value of Obligation	-	-	-	-
2. Fair value of Plan Assets	-	-	-	-
3. Fund status [Surplus/(deficit)]	-	-	-	-
4. Effect of Assets Ceiling, if any	-	-	-	-
5. Net assets/(Liability) recognised in balance sheet	-	-	-	-
C. Change in Present Value of Obligation				
1. Present value of Obligation as at beginning of period	1,171,333	449,436	466,343	431,622
2. Current Service Cost	309,837	112,048	343,776	107,143
3. Interest Expenses or Cost	90,778	22,697	61,413	33,040
Re-measurement (or Actuarial)(gain)/Loss arising from:	-	-	-	-
- Change in demographic assumptions	-	-	-	-
- Change in financial assumptions	(6,503)	(4,525)	67,040	22,376
- Experience variation (i.e. actual experience vs assumptions)	(104,994)	(50,609)	340,069	(49,270)
- Others	-	-	-	-
4. Past Service Cost	-	-	-	-
5. Effect of change in foreign exchange rates	-	-	-	-
6. Benefit Paid	-	(313,143)	(107,308)	(95,475)
7. Acquisition Adjustment	-	-	-	-
8. Effect of business combinations or disposals	-	-	-	-
9. Present value of Obligation as at the end of period	1,460,451	215,904	1,171,333	449,436
D. Change in Fair value of plan assets				
1. Fair value of Plan Assets at beginning of period	-	-	-	-
2. Investment Income	-	-	-	-
3. Employer's contribution	-	-	-	-
4. Employee's contribution	-	-	-	-
5. Benefit paid	-	(313,143)	(107,308)	(95,475)
6. Return on plan assets, excluding amount recognised in net interest expenses	-	-	-	-
7. Acquisition Adjustment	-	-	-	-
8. Fair value of Plan Assets at end of period	-	-	-	-
E. Other Comprehensive Income				
1. Actuarial (gain)/losses	-	-	-	-
- Change in demographic assumptions	(6,503)	(4,525)	67,040	22,376
- Change in financial assumptions	(104,994)	(50,609)	340,069	(49,270)
- Experience variation (i.e. actual experience vs assumptions)	-	-	-	-
- Others	-	-	-	-
2. Return on plan assets, excluding amount recognised in net interest expenses	-	-	-	-
3. Re-measurement (or Actuarial)(gain)/Loss arising because of change in effect of asset ceiling	-	-	-	-
4. Components of defined benefit cost recognised in other Comprehensive Income	(111,497)	(55,134)	407,109	(26,894)



BENGAL EMAMI HOUSING LIMITED
Notes to the Financial Statements

Particulars	31st March, 2018		31st March, 2017	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Unfunded	Unfunded	Unfunded	Unfunded
F. Financial Assumptions				
1. Discount Rate (%)	7.75%	7.75%	7.50%	7.50%
2. Salary Growth Rate (per annum)	6.00%	6.00%	6.00%	6.00%

Sensitivity Analysis

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

Particulars	Gratuity		Leave Encashment	
	As at	As at	As at	As at
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Defined Benefit Obligation (Base)	1,460,451	1,171,333	215,904	449,436

Particulars	Gratuity			
	As at 31.03.2018		As at 31.03.2017	
	Decrease	Increase	Decrease	Increase
	Discount Rate (- / + 1%)	1,597,804	1,342,245	1,322,473
(% change compared to base due to sensitivity)	9.40%	-8.09%	12.90%	-11.01%
Salary Growth (- / + 1%)	1,333,034	1,606,356	1,039,435	1,316,072
(% change compared to base due to sensitivity)	-8.72%	10.00%	-11.26%	12.36%
Withdrawal Rate (- / + 1%)	1,450,097	1,468,455	1,160,791	1,184,218
(% change compared to base due to sensitivity)	-0.70%	0.55%	-0.90%	1.10%

Particulars	Leave Encashment			
	As at 31.03.2018		As at 31.03.2017	
	Decrease	Increase	Decrease	Increase
	Discount Rate (- / + 1%)	235,051	199,331	499,482
(% change compared to base due to sensitivity)	8.87%	-7.68%	11.14%	-9.61%
Salary Growth (- / + 1%)	197,988	236,297	405,288	499,734
(% change compared to base due to sensitivity)	-8.30%	9.45%	-9.82%	11.19%
Withdrawal Rate (- / + 1%)	213,059	218,425	445,391	454,380
(% change compared to base due to sensitivity)	-1.32%	1.21%	-0.90%	1.10%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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

Expected contribution during the next annual reporting period

Particulars	Gratuity		Leave Encashment	
	As at	As at	As at	As at
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
The company's best estimate of contribution during the next year	487,029	476,756	155,055	170,734

Maturity profile of Defined Benefit Obligation.

Particulars	Gratuity		Leave Encashment	
	As at	As at	As at	As at
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Weighted average duration (based on discounted cashflow)	6.2 Years	8.56 Years	5.92 Years	7.83 Years

Expected cash flows over the next (Valued on undiscounted basis):	Gratuity		Leave Encashment	
	As at	As at	As at	As at
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
1 Year	69,767	-	13,674	-
2 to 5 Years	329,680	33,620	49,455	41,447
6 to 10 Years	1,180,310	1,137,713	167,629	407,989



BENGAL EMAMI HOUSING LIMITED
Notes to the Financial Statements

27 Related party disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below

i) Key Managerial Personnel & Other Directors:

Name	Designation
a) Key Managerial Personnel	
Shri Rajesh Bagaria	Managing Director
Late Raj K Sureka (Upto 15-05-2017)	Joint Managing Director
Shri Rohin Raj Sureka (w.e.f. 08-09-2017)	Joint Managing Director
b) Other Directors	
Shri Karoon Dey (Upto 07-09-2017)	Director
Shri Santanu Das	Director
Shri Anis Kumar Chakraborty (Upto 07-09-2017)	Director
Shri Sudhis Kumar Nandy (w.e.f. 08-09-2017)	Director
Shri Supriya Kumar Mondal (w.e.f. 19-09-2017)	Director
Shri Asok Kumar Ray Chowdhury	Director
Shri Pitamber Sharan Patwari	Director
Shri Girija Kumar Choudhary	Director

ii) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Name of Related Party	Relationship
1. West Bengal Housing Board	Investing Party to which the Company is an Associate
2. Emami Infrastructure Ltd.	Company is an Associate

iii) Entities Over which Key Managerial Personnel and their relatives have significant influence.

Name of the Entity
1. Kalya Hitech Pvt. Ltd.

iv) Relatives of Directors and Key Managerial Personnel:

Name of Related Party	Relationship
1. Mrs. Priya A Sureka	Wife of Late Raj K Sureka
2. Miss. Avishi Sureka	Daughter of Late Raj K Sureka
3. Mr. Rohin Raj Sureka (upto 07-09-2017)	Son of Late Raj K Sureka
4. Mr. Akhilesh Bagaria	Son of Shri Rajesh Bagaria
5. Mr. Avnish Bagaria	Son of Shri Rajesh Bagaria

v) Transactions during the year with related parties:

Nature of Transactions	Investing Party to which the Company is an Associate		Key Managerial Personnel & Other Directors		Relatives of Directors and Key Managerial Personnel		Entities Over which Key Managerial Personnel and their relatives have significant influence		Total	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	Loans Taken	16,00,00,000	12,24,00,000	-	-	-	-	-	-	16,00,00,000
Loans Repayment	23,50,00,000	19,51,00,000	-	-	-	-	-	-	23,50,00,000	19,51,00,000
Interest Paid	7,09,684	12,51,598	-	-	-	-	-	-	7,09,684	12,51,598
Reimbursements	1,37,96,840	1,03,04,035	-	-	-	-	-	-	1,37,96,840	1,03,04,035
Sitting Fees	-	-	3,35,000	2,25,000	-	-	-	-	3,35,000	2,25,000
Director Remuneration Paid	-	-	47,75,000	59,58,333	-	-	-	-	47,75,000	59,58,333
Purchase of Car	-	-	-	-	15,181	38,86,078	6,70,342	-	6,70,342	15,181
Advance amount received for Sale of Flat	-	-	-	-	-	-	-	-	-	-

The details of amount due to related parties as follows:

Related Party	Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Investing Party to which the Company is an Associate	Loans Taken	21,91,19,999	29,41,10,000	27,68,10,000
	Interest Payable	10,34,34,250	8,04,87,801	4,00,19,463
Relatives of Directors and Key Managerial Personnel	Advance received against sale of Flat	65,41,445	16,746	-
	Advance received against sale of Flat	14,13,005	6,879	-



BENGAL EMAMI HOUSING LIMITED
Notes to Financial Statements

28 Financial instruments- Fair Value and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	Carrying amount			Fair Value		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Financial Assets						
Current						
Trade Receivables	117,290,842	33,040,284	-	117,290,842	33,040,284	-
Cash and Cash Equivalents	226,360,115	90,958,449	445,829	226,360,115	90,958,449	445,829
Total	343,650,957	123,998,733	445,829	343,650,957	123,998,733	445,829
Financial Liabilities						
Non-Current						
Borrowings	-	109,125,846	-	-	109,125,846	-
Current						
Borrowings	430,519,772	378,479,818	352,950,629	430,519,772	378,479,818	352,950,629
Trade Payables	-	141,600	68,500	-	141,600	68,500
Other Financial Liabilities	250,275,466	2,435,111	20,000	250,275,466	2,435,111	20,000
Total	680,795,238	490,182,375	353,039,129	680,795,238	490,182,375	353,039,129

B. Measurement of Fair Value

The Company uses the Discounted cash flow valuation technique (in relation to Fair Value of Assets measured at amortised cost) which involves determination of present value of expected receipt discounted using appropriate discounting rate.

C. Risk Management Framework

The Company has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk and
- Market Risk

The company's management has overall responsibility for the identification, analysis and mitigation of various risks faced by the company. The Company's management has devised a risk management policy establishing risk mitigating controls and reviews the effectiveness of the same on regular basis.

The below mentioned notes explain the sources of risk which the company is exposed to and how the Company manages the risk.

i) Credit Risk

Credit Risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers, unbilled revenue, cash and cash equivalents and balances with banks, other loans and project deposits.

The Carrying amount of financial assets represents the maximum credit exposure.

Trade and other receivables

Customer credit risk is managed by requiring customers to pay advances through progress billing before transfer of ownership, therefore, substantially eliminating the company's credit risk in this respect.

The company's credit risk with regards to trade receivable has a high degree of risk diversification, due to large numbers of customers related to varied categories.

Based on prior experience and an assessment of the current economic environment, management believes that no credit risk provision is Money received from customers against progress billings is disclosed as advance from customers.

Cash & Cash Equivalents

Credit Risk on cash and cash equivalents is limited as the company maintain the money in the bank account of the company.



BENGAL EMAMI HOUSING LIMITED
Notes to Financial Statements

ii) Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The management monitors rolling forecasts of the company's liquidity positions on the basis of expected cash flow.

The company does not have any derivative financial liabilities. The following are the remaining contractual maturities of non derivative financial liabilities at the reporting date:

March 31, 2018	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Borrowings	43,05,19,772	43,05,19,772	40,75,77,211	2,29,42,561		
Other Financial Liabilities	25,02,75,466	25,02,75,466	24,00,64,606	1,02,10,860		

March 31, 2017	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non-Current						
Borrowings	10,91,25,846	10,91,25,846		10,91,25,846		
Current						
Borrowings	37,84,79,818	37,84,79,818	37,45,97,801		38,82,017	
Trade Payables	1,41,600	1,41,600	1,41,600			
Other Financial Liabilities	24,35,111	24,35,111	11,18,527		13,16,584	

April 1, 2016	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Borrowings	35,29,50,629	35,29,50,629	32,76,96,661	-	2,52,53,968	
Trade Payables	68,500	68,500	68,500	-		
Other Financial Liabilities	20,000	20,000	20,000	-		

iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will effect the company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency Risk

The company does not have any investment in foreign currency, hence is not exposed to currency risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

The interest rate profile of the company's interest bearing financial instruments as reported to the management is as follows:

Particulars	31.03.2018	31.03.2017	01.04.2016
Financial Liabilities			
Variable rate instruments			
Term Loan	23,77,81,269	10,91,25,846	-
Overdraft	2,29,42,561	38,82,017	2,52,53,968
Fixed rate Instrument			
Other Loans	40,75,77,211	37,45,97,801	32,76,96,661



BENGAL EMAMI HOUSING LIMITED
Notes to Financial Statements

Fair value sensitivity analysis for fixed rate instruments

The Company does not accounts for any fixed rate financial assets and liabilities at fair value through profit/loss. Therefore, a change in interest rates at the reporting date would not effect profit or loss.

29 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

30 Commitments

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Capital Commitment	358,181,031	22,369,028	-

The Company enters into construction contracts for Civil and MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurement and negotiated rates, which are determinable as and when the work under the said contracts are completed.

31 The Company operates in a single business segment i.e. Real Estate Development. Therefore, segment reporting as per Ind AS - 108 is not applicable.

32 The company has received sanction for Term loan of Rs. 50 crores and overdraft facility as sub-limit of Term Loan of Rs. 25 crores from Axis Bank Ltd. for carrying out construction of its proposed residential complex at Plot No. AA-IIB/BLK-6 in Action Area II, Rajarhat. The loan is secured by equitable mortgage of immovable property at above mentioned site and is also secured by hypothecation of current assets including receivables pertaining to the said residential project. The Term Loan and Overdraft facility (sub-limit of Term Loan) carries interest at Base Rate + 2.00% p.a. Term loan is repayable in 4 quarterly installments starting from 31-12-2018 and Overdraft be repaid as last two installments of Term Loan.

33 Deferred Tax

Since there is no probable certainty supported by convincing evidence, the company has not recognized the deferred tax assets of ₹ 1,77,934/- (Previous Year ₹ 2,23,704/-) as at 31.03.2018 on unabsorbed business loss and depreciation loss as recommended under Ind AS - 12.

Particulars	Balance as on 31.03.18	Balance as on 31.03.17
Deferred Tax Asset		
Brought Forward Losses	8,702	308,384
Timing Difference due to Depreciation	567,135	415,577
Total Timing Difference	575,837	723,961
Deferred Tax Asset	177,934	223,704

34 The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.

35 Previous year's figures have been rearranged or regrouped wherever necessary.

As per our report of even date
 For S. K. Agrawal & Co.
 Chartered Accountants
 Firm Registration No. 306033E

For and on behalf of the Board of Directors

J. K. Choudhury
 Partner
 M. No. 009367
 Place: Kolkata
 Date: 28-05-2018



Handwritten signature of a board member, with a checkmark to the left and another signature below it.