H. R. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

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Independent Auditor's Report to the Members of MEDI-NET SERVICES PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **MEDI-NET SERVICES PRIVATE LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March, 2018, the Cash flow statement and the statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 and presentation of the Ind-AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive income ,cash flows and the statement of 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 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.

Auditor's 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 the Rules made there under.
We conducted our audit of Ind AS financial statement 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 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 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 including the IND-AS :

i. in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2018;

ii. in the case of the cash flow statement, of the cash flows for the year ended on that date, and

iii. statement of 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"), 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 & 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 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 Cash Flow Statement and statement of changes in Equity dealt with by this Report are in agreement with the books of account;

d. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. on the basis of written representations received from the directors as on 31st March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018, from being appointed as a director in terms of Section 164 (2) of the Act;

f. with respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure – B;**

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 which would have impact on its financial position in its financial statement.

   ii. The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, as required on long term contracts including derivative contracts;

   iii. No amount is required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder.

For **H. R. Agarwal and Associates**
Chartered Accountants
Firm's registration number: 323029E

Sagarwal.

(Shyam Sundar Agarwal, FCA)
Partner
Membership number: 060033

Place: Kolkata
Date: 17th Day of May 2018

H. R. AGARWAL & ASSOCIATES * CHARTERED ACCOUNTANTS * CA

The Annexure - A

To the Independent Auditor's Report on the IND-AS Financial Statements of MEDI-NET SERVICES PRIVATE LIMITED referred to in paragraph 1 under the heading "Report on other Legal and regulatory requirements" of our report of even date

i The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

(b) Fixed Assets have been physically verified by the management in the phased periodical manner, which in our opinion is reasonable having regard to the size of the company and the nature of its Assets. No material discrepancies were noticed on such verification.

(c) The title deeds/ lease deeds of immovable properties included in Property, Plant and Equipment are held in the name of the company;

ii) As the Company has neither purchased / sold goods during the year nor is there any opening stock, requirement of reporting on physical verification of stocks, in our opinion does not arise.

iii) The company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of grant of loans, making Investments and providing guarantees and securities, as applicable.

v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in pursuance to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.

vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013.

vii) a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, employees 'state Insurance, Income Tax, Sales tax, Service Tax, Goods and Service Tax, custom duty, excise duty, value added tax, cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of service tax, Goods and Service Tax, sales tax, Income Tax, provident fund, employees state Insurance, custom duty, excise duty or value added tax and cess were in arrears, as at 31st March, 2018 for a period of more than six months from the date they became payable

b) According to the information and explanations given to us, there are no dues of VAT, sales tax, Service tax, Goods and Service Tax ,duty of custom, duty of excise and Income Tax which have not been deposited on account of any dispute.

H. R. AGARWAL & ASSOCIATES CHARTERED ACCOUNTANTS

viii) The company does not have any loans or borrowings from any financial institution, banks, government or by issue of debentures during the year. Accordingly, clause (viii) of paragrap 3 of the Order is not applicable to the Company.

ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause (ix) of paragraph 3 of the Order is not applicable to the Company

x) No any fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.

xi) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not paid/ provided for any managerial remuneration during the year. Accordingly, clause (xi) of paragraph 3 of the Order is not applicable to the Company.

xii) The company is not a Nidhi Company. Accordingly, Clause (xii) of paragraph 3 of the Order are not applicable to the Company.

xiii) According to the information and explanation given to us and based on our examination of the records of the Company, the company has not entered into any transactions with the related parties that require approval under section 177 and 188 of the companies Act, 2013 and the rules made there under. Accordingly, clause (xiii) of paragraph 3 of the Order is not applicable to the Company.

xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xv) According to the information and explanations given to us, the Company has not entered into non- cash transactions with directors or persons connected with them;

xvi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934.

For **H. R. Agarwal and Associates**
Chartered Accountants
Firm's registration number: 323029E

Sagarwal.

(Shyam Sundar Agarwal, FCA)
Partner
Membership number: 060033

H. R. AGARWAL & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ CA

Place: Kolkata,
Date: 17th Day of May, 2018

Annexure-B referred to in paragraph 2(f) under "Report on other legal and regulatory requirements" of 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 Control over financial reporting of **MEDI-NET SERVICES PRIVATE 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 then ended.

Management Responsibility for the 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 the 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under Section 143(10) of the Act, 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 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.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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 essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For **H. R. Agarwal and Associates**
Chartered Accountants
Firm's registration number: 323029E

Sagarwal.

(Shyam Sundar Agarwal, FCA)
Partner
Membership number: 060033

H. R. AGARWAL & ASSOCIATES * CHARTERED ACCOUNTANTS *

Place: Kolkata
Date: 17th Day of May 2018

Medi-Net Services Pvt. Ltd.

Balance Sheet as at 31st March, 2018

(Rs. In Lacs)

	Particulars	Note No.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
I.	**ASSETS**				
(1)	**Non - current assets**				
	(a) Property, Plant and Equipment	4	289.68	289.68	289.68
	(b) Capital work in progress	5	13.17	12.63	10.75
(2)	**Current assets**				
	(a) Financial assets				
	(i) Cash and cash equivalents	6	0.00	0.06	0.67
	(d) Other current assets	7	-	-	0.45
	Total Assets		302.85	302.37	301.56
II.	**EQUITY AND LIABILITIES**				
(1)	**Equity**				
	(a) Equity Share capital	8	4.00	4.00	4.00
	Liabilities				
(2)	**Current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	9	296.61	294.97	294.90
	(ii) Other financial liabilities	10	0.19	3.32	2.42
	(b) Other current liabilities	11	2.05	0.08	0.24
	Total Equity and Liabilities		302.85	302.37	301.56

The accompanying notes 1 to 11 are an integral part of the financial statements.

As per our report of even date

For H. R. Agarwal & Associates
Chartered Accountants
Firm Reg No: 323029E

S. Agarwal.

(CA Shyam Sundar Agarwal)
Partner
Membership No.FCA 060033

Date : 17/05/2018
Place : Kolkata

H. R. AGARWAL & ASSOCIATES CHARTERED ACCOUNTANTS CA

For and on behalf of Board of Directors

Abhishek Bhardwaj
Director
DIN: 03459739

Shankar Mukherjee
Director
DIN: 01918561

Medi-Net Services Pvt. Ltd.

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

(a) Equity Share capital

For the year ended 31st March, 2018 **(Rs. In Lacs)**

Balance as at 1st April, 2017	Changes in equity share capital during the year	Balance as at 31st March, 2018
4.00	-	4.00

For the year ended 31st March, 2017 **(Rs. In Lacs)**

Balance as at 1st April, 2016	Changes in equity share capital during the year	Balance as at 31st March, 2017
4.00	-	4.00

As per our report of even date

For H. R. Agarwal & Associates
Chartered Accountants
Firm Reg No: 323029E

Sagarwal.

(CA Shyam Sundar Agarwal)
Partner
Membership No.FCA 060033

For and on behalf of Board of Directors

Abhishek Bhardwaj
Director
DIN: 03459739

Shankar Mukherjee
Director
DIN: 01918561

Date : 17/05/2018
Place : Kolkata

Notes to the Financial Statements

1.	**Corporate information**
	Medi-net Services Private Limited is incorporated on 21 August 2007. Its registered office is situated at Plot No. X-1, 2 & 3, Block - EP, Sector - V, Salt Lake City, Kolkata - 700 091. The Company has not yet commenced business operations. Shristi Infrastructure Development Corporation Ltd. is the holding company owned 75% of equity share capital of the Company.
	The financial statements for the year ended March 31, 2018 were approved for issue by the Board of Directors on May ….., 2018.
2.	**Significant accounting policies**
2.1	**Statement of Compliance with Ind AS**
	These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2017. Up to the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1st April, 2016. Details of the exceptions and optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 31 (First-time Adoption).
2.2	**Basis of preparation**
	The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration in exchange for goods and services.
	All amount disclosed in the financial statements including notes thereon have been rounded off to the nearest lacs as per the requirement of Schedule III to the Act, unless stated otherwise.
2.3	**Use of estimates**
	The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.
2.4	**Operating Cycle**
	All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of Financial Statements. The Company has ascertained its operating cycleto be 12 months for the purpose of current, non-current classification of assets and liabilities.
2.5	**Property, plant and equipment (PPE)**
a)	Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost

CHARTERED ACCOUNTANTS

Notes to the Financial Statements (contd.)
Note No. : 2 Significant accounting policies (contd.)

	which represents the carrying value of PPE recognised as at 1st April, 2016 measured as per the previous GAAP.
	Assets held under finance leases are not depreciated due to perpetual lease..
b)	Capital work in progress is stated at cost and includes development and other expenses. Directly attributable expenditure (including finance costs relating to borrowed funds for construction or acquisition of Property, plant and equipment) incurred on projects under implementation are treated as Pre-operative expenses pending allocation to the assets and are shown under Capital work in progress.
2.6	**Impairment of Assets**
	As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, if any, an impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.
	If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.
2.7	**Revenue recognition**
	Revenue is recognised to the extent it is probable that economic benefits would flow to the Company and the revenue can be reliably measured, regardless of when the revenue proceeds is received from customers. Revenue is measured on accrual basis at the fair value of the consideration received/receivable net of rebate and taxes.
2.8	**Borrowing costs**
	Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.
2.9	**Provisions, contingent liabilities and contingent assets**
a)	Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.
b)	Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Company or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

H. R. AGARWAL & ASSOCIATES CHARTERED ACCOUNTANTS

Notes to the Financial Statements (contd.)
Note No. : 2 Significant accounting policies (contd.)

c)	Contingent assets are neither recognized nor disclosed except when realisation of income is virtually certain, related asset is disclosed.	
d)	Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.	
2.10	**Financial instruments, Financial assets, Financial liabilities and Equity instruments**	
	Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.	
i)	**Financial Assets**	
(a)	**Recognition**	
	Financial assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.	
(b)	**Classification**	
	Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification. Financial assets are classified as those measured at:	
	1)	amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
	2)	fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
	3)	fair value through profit or loss (FVTPL), where the assets does not meet the criteria for categorization as at amortized cost or as FVTOCI. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.
(c)	**Impairment**	
	The Company assesses at each reporting date whether a financial asset (or a group of financial assets) that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.	
(d)	**De-recognition**	
	Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. If the asset is one that is measured at:	
	(i)	amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
	(ii)	fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within

Notes to the Financial Statements (contd.)
Note No. : 2 Significant accounting policies (contd.)

	equity.
ii)	**Financial liabilities**
	Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.
iii)	**Equity instruments**
	Equity instruments are recognised at the value of the proceeds.
iv)	**Offsetting of financial instruments**
	Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.
v)	**Fair value measurement**
	Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement" (Ind AS - 113).
	For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same—to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.
	In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.
	The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
	Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
	Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
	Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
2.11	**Leases**
	Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.
	Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Notes to the Financial Statements (contd.)
Note No. : 2 Significant accounting policies (contd.)

	Lease payments, if any, are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.
2.12	**Cash and cash equivalents**
	Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand and balance with banks on current accounts.
	For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.
2.13	**Cash Flow Statement**
	Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.
3.	**Use of estimates and judgements**
	The judgements, apart from those involving estimations, that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to the following:
i)	**Classification of leases**
	The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Medi-Net Services Pvt. Ltd.

Note 4 - Property, plant and equipment

(Rs. In Lacs)

Particulars	Gross Block		Depreciation / Amortisation			Net Block	
	As on 01.04.2017	As on 31.03.2018	As on 01.04.2017	For the year	As on 31.03.2018	As on 31.03.2018	As on 31.03.2017
Property, plant and equipment							
Land	289.68	289.68	-	-	-	289.68	289.68
	289.68	**289.68**	-	-	-	**289.68**	**289.68**

Previous year

(Rs. In Lacs)

Particulars	Gross Block		Depreciation / Amortisation			Net Block	
	As on 01.04.2016	As on 31.03.2017	As on 01.04.2016	For the year	As on 31.03.2017	As on 31.03.2017	As on 31.03.2016
Leasehold land	289.68	289.68	-	-	-	289.68	289.68
	289.68	**289.68**	-	-	-	**289.68**	**289.68**

R. ... & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★

Notes to accounts (contd.)

Note No. : 5 Capital work-in-progress

(Rs. In Lacs)

Particulars			As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016
Balance brought forward	(A)		12.63		10.75		8.43
Additions during the year :							
construction Exp			-		-		1.24
Survey Expense							
Finance costs							0.28
Bank charges			0.09		0.23		0.04
Other expenses							
Professional expenses		0.34		1.26		0.66	
Audit fees		0.07		0.08		0.08	
Filing fees		0.02		0.06		0.02	
Miscellaneous expenses		0.00	0.44	0.26	1.66	-	0.76
	(B)		0.53		1.88		
Capital work-in-progress at the end of the year	C= (A+B)		13.17		12.63		10.75

8.00

Medi-Net Services Pvt. Ltd.

Notes to accounts (contd.)

Note No. : 6 Cash and cash equivalents

(Rs. In Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Cash in hand	0.00	0.00	0.00
Balances with banks			
On current accounts	-	0.05	0.67
	0.00	**0.06**	**0.67**

Note No. : 7 Other current assets *(Unsecured, considered good)*

(Rs. In Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Advances other than capital advances			
Other advances			
Service Tax Input Receivable		-	0.20
Others			
Advance to others		-	0.25
	-	**-**	**0.45**

Note No. : 9 Borrowings

(Rs. In Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Carried at amortized cost			
Loans repayable on demand			
From Related party - Unsecured			
Holding Company	296.61	294.97	294.90
	296.61	294.97	294.90

H. R. AGARWAL & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★

Notes to accounts (contd.)

Note No. : 8

Equity Share capital

(Rs. In Lacs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares	Amount Rs.	No. of shares	Amount Rs.	No. of shares	Amount Rs.
(a) Authorised						
Equity shares of par value Rs. 10/- each	0.50	5.00	0.50	5.00	0.50	5.00
(b) Issued, subscribed and fully paid up						
Equity shares of par value Rs. 10/- each	0.40	4.00	0.40	4.00	0.40	4.00
		4.00		**4.00**		**4.00**

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares	Amount Rs.	No. of shares	Amount Rs.	No. of shares	Amount Rs.
At the beginning of the year	0.40	4.00	0.40	4.00	0.40	4.00
Add: Issued during the year	-	-	-	-	-	-
At the end of the year	**0.40**	**4.00**	**0.40**	**4.00**	**0.40**	**4.00**

(d) Terms / Rights attached to Equity shares :
The Company has only Equity shares having a per value of Rs. 10.00 per share. Each holder of Equity shares are entitled to to receive dividend as declared from time to time and 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 dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shares held by holding/ultimate holding company and/or their subsidiaries/associates :

Name of the Company (Relationship)	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Shristi Infrastructure Development Corp. Ltd.	**0.30**	75%	0.30	75%	-	-
Shristi Housing Development Ltd.*			-	-	0.30	75%

*Amalgamated with Shristi Infrastructure Development Corporation Limited pursuant to Hon'ble High Court Order, Calcutta dated 16th February, 2016 which became effective on 31st March, 2016.

(f) Shareholders holding more than 5 % of the equity shares in the Company :

Name of the shareholders	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Shristi Infrastructure Development Corp. Ltd.	0.30	75%	0.30	75%	-	-
Shristi Housing Development Ltd.*	-	-	-	-	0.30	75%
Mr. Isha Khan Choudhury	0.05	12.5%	0.05	12.5%	0.05	12.5%
Ms. S S Noor	0	12.5%	0.05	12.5%	0.05	12.5%

Note No. : 10 Other financial liabilities

(Rs. In Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Financial liabilities at amortized cost			
Other Payables			
Retention money	0.06	0.08	0.08
Liability for expenses	0.13	3.24	2.34
	0.19	**3.32**	**2.42**

Note No. : 11 Other current liabilities

(Rs. In Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Others			
Statutory liabilities	-	0.08	0.24
Accrued expenses	2.05		
	2.05	0.08	0.24

Note No. : 12 Other disclosures

1. The company is yet to commence the commercial operations, hence no Profit & Loss Account has been prepared.

2. The company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31 March 2018 as micro, small and medium enterprises. Consequently, the amount due to micro and small enterprises as per requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (31st March 2017 - Nil) (1st April 2016 - Nil).

3. **Operating Segment**

The Company has identified real estate construction as its sole operating segment and the same has been treated as the primary segment. As such no separate segment information has been provided.

4. **Related party disclosures :**

a) Name of the related parties and description of relationship :

i) Holding Company : Shristi Infrastructure Development Corporation Limited
(Control exists)

b) Transactions with Related parties :

(Rs. In Lacs)

Nature of transaction / Name of the related party	Holding Company		
	2017-18	**2016-17**	
	Rs.	**Rs.**	**Rs.**
Short term borrowings			
Taken during the year	1.63	0.07	-
Balance Outstanding:	**31st March, 2018**	**31st March, 2017**	**1st April, 2016**
Short term borrowings	296.61	294.97	294.90

c) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in current year and previous year for bad or doubtful debts in respect of the amounts owed by related parties.

Notes to accounts (contd.)

Note No. : 12 Other disclosures (contd.)

5. **Financial instruments - Accounting, Classification and Fair value measurements**

A. **Financial instruments by category**

As at 31st March, 2018

(Rs. In Lacs)

Sl. No.	Particulars	Refer Note No.	Carrying value Amortized cost			Fair Value		
			31st March, 2018	31st March, 2017	1st April, 2016	31st March, 2018	31st March, 2017	1st April, 2016
(1)	**Financial assets**							
(a)	Cash and cash equivalents	6	0.00	0.06	0.67	0.00	0.06	0.67
(2)	**Financial liabilities**							
(a)	Borrowings	9	296.61	294.97	294.90	296.61	294.97	294.90
(b)	Other financial liabilities	10	0.19	3.32	2.42	0.19	3.32	2.42
			296.80	298.29	297.32	296.80	298.29	297.32

* Borrowings are interest free.

B. **Fair value hierarchy**

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair value of cash and cash equivalents, short term borrowings and other current financial liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy.

No Financial assets and financial liabilities are measured at fair value on a recurring basis.

6. **Financial risk management objectives and policies**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(a) **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The management believes that the company is not exposed to any credit risk.

(b) **Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. The company is exposed to liquidity risk due to bank borrowings and trade and other payables. The company measures risk by forecasting cash flows.
The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The contractual maturities of all financial liabilities are less than or upto 1 year.

(c) **Market risk**

Foreign currency risk
The Company has no international transactions and is not exposed to foreign exchange risk.

Interest rate risk
The Company has no variable rate borrowings.

Price risk
The Company is not exposed to price risk.

7. **Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

8. **First-time Adoption of Ind AS**

(i) These financial statements, for the year ended 31st March, 2018, are the first financial statements, the Company has prepared in accordance with Ind AS.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ended 31st March, 2018, together with the comparative figures for the year ended 31st March, 2017, as described in the summary of significant accounting policies [Refer Note No.2].

The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2016 (the transition date) by:

a. recognising all assets and liabilities whose recognition is required by Ind AS,
b. not recognising items of assets or liabilities which are not permitted by Ind AS,
c. reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and
d. applying Ind AS in measurement of recognised assets and liabilities.

(ii) A. Reconciliation of total comprehensive income for the year ended 31st March, 2017 : Not applicable

B. Reconciliation of equity as reported under previous GAAP is summarized as follows:

Particulars	As at 1st April, 2016	As at 31st March, 2017
	Rs.	Rs.
Equity as reported under previous GAAP	4.00	4.00
Add/(Less) - Effect of transition to Ind AS	-	-
Equity as reported under Ind AS	4.00	4.00

(iii) Ind AS 101 mandates certain exceptions and allows first-time adopters exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions in the financial statements:

a) Property, plant and equipment and capital work in progress were carried in the Balance Sheet prepared in accordance with previous GAAP on 31st March, 2016. Under Ind AS, the Company has elected to regard such carrying values as deemed cost at the date of transition.

9 **Recent accounting pronouncements**

a) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company does not have Foreign currency transactions, therefore, there is no impact on the financial statements.

b) Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The Company has not yet commenced business operations, therefore, there is no impact on the financial statements.

10 The previous period's figures have been reworked, regrouped, rearranged and reclassified wherever necessary to correspond to those of the current year. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date

For H. R. Agarwal & Associates
Chartered Accountants
Firm Reg No: 323029E

(CA Shyam Sundar Agarwal)
Partner
Membership No.FCA 060033

Date : 17/05/2018
Place : Kolkata

For and on behalf of Board of Directors

Abhishek Bhardwaj
Director
DIN: 03459739

Shankar Mukherjee
Director
DIN: 01918561