DBK ASSOCIATES
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of **Kanchan Janga Integrated Infrastructure Development Private Limited**

Report on the Standalone financial statements

We have audited the accompanying standalone financial statements of **Kanchan Janga Integrated Infra. Dev. Pvt.Ltd** ("the Company"), which comprises the balance sheet as at 31st March 2018, and the statement of profit and loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment rules,2016. 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 standalone financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.
We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the standalone financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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

Branch Office : P. Chatterjee, Partner, DBK ASSOCIATES, C/O. Ashok Transport Agency (P) Ltd. Bano Manzil Road,Garikhana Chowk, Ranchi -1, Jharkhand, Mobile:98310 60714

BHUBANESWAR : Plot No.-3161, AT - Chakeisihani, Rasulgarh, Odisha - 751010
D. Biswas, Mobile - 9681185438

Report on Other Legal and Regulatory Requirements

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 said Order to the extent applicable to the company.

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 account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) the Balance Sheet, the Statement of Profit and Loss, statement of equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statement comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015;

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure- B"**; and

(g) With respect to the other matters to be included in the 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 impact the financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **DBK Associates.**
Chartered Accountants
Firm's Registration No:322817E

DBK ASSOCIATES ★ KOLKATA ★ CHARTERED ACCOUNTANTS

Pulak Chatterjee
Partner
Membership No:056493

Kolkata
Dated: 21|05|2018

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading "Report on other Legal and Regulatory Requirements" of our audit report of even date to the financial statements of the company for the year ended March 31, 2018.

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 Companies Act,2013 and on the basis of such checks as we considered appropriate and the information and explanation given to us, we further report that:

1. a) The Company has maintained proper records of Fixed Assets showing full particulars including quantitative details and situation of fixed assets.
   b) The Company has a phased program of physical verification of its fixed assets which in our opinion, is reasonable having regard to the size of the Company and the nature of its business. In accordance with such program, the management has physically verified fixed assets during the year and no material discrepancies were noticed on such verification.
   c) According to information and explanation given to us and on the basis of examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

i. The inventories has been physically verified by the management at reasonable intervals and no material discrepancy noticed on such verification .

ii. As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act and as such clauses 3(iii) (a) to (c) of the Order are not applicable.

iii. There was no loan, investment, guarantee and security during the year under Section 185 and 186 of the Companies Act, 2013.

iv. The Company has not accepted any deposits from the public, thus the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act rules framed there under, is not applicable . Accordingly clause (v) of Paragraph 3 of the order is not applicable to the Company.

v. Maintenance of cost records has not been specified by the central government under sub Section (1) of section 148 of the Companies Act, 2013 for the activities of the company.

vi. a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues including income tax and cess, service tax with appropriate authorities during the year ended 31 March 2018. As explained to us, the Company did not have any dues on account of provident fund, investor education and protection fund, Employees' state insurance, sales tax, wealth tax, value added tax, duty of customs and duty of excise.

According to the information and explanations given to us, there are no undisputed amount payable in respect of income tax and cess and Service tax which were outstanding at the year end, for a period of more than 6 months from the date they become payable.

b) According to the information and explanations given to us, there are no dues of income tax and cess and GST which have not been deposited on account of any dispute.

vii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

viii. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

ix. 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 course of our audit.

x. The Company did not paid/provided for any managerial remuneration covered under the provisions of section 197 read with Schedule V to the Act, during the year. Accordingly, paragraph 3 (xi) of the Order is not applicable.

xi. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly paragraph 3(xii) of the Order is not applicable.

xii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiii. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xv. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act,1934.

For **DBK Associates.**
Chartered Accountants
Firm's Registration No:322817E

DBK ASSOCIATES * KOLKATA * CHARTERED ACCOUNTANTS

Pulak Chatterjee
Partner
Membership No:056493

Kolkata
Dated: 21|05|2018

Annexure - B to the Independent Auditors' Report

(Referrer to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements of our report of even date to the members of Kanchan Janga Integrated Infrastructure Development Private Limited on the standalone financial statements for the year ended 31st March,2018)

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 **Kanchan Janga Integrated Infrastructure Development Private Limited** for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 standalone 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 standalone 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 standalone 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 standalone 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 31 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 Institute of Chartered Accountants of India.

For **DBK Associates.**
Chartered Accountants
Firm's Registration No:322817E

Pulak Chatterjee
Partner
Membership No:056493

Kolkata
Dated: 21/05/2018

DBK ASSOCIATES KOLKATA CHARTERED ACCOUNTANTS

Kanchan Janga Integrated Infrastructure Development Private Limited

BALANCE SHEET AS AT 31ST MARCH, 2018

(Rs. in Lakhs)

	Particulars	Note No.	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
I.	**ASSETS**							
(1)	**Non - current assets**							
	(a) Property, plant and equipment	4	4.48		4.78		6.27	
	(b) Other non-current assets	5	1.14		1.14		1.74	
	Investment		-					
	(c) Deferred tax assets							
	(d) Other non-current tax assets	6	139.69	145.31	148.80	154.72	150.19	158.20
(2)	**Current assets**							
	(a) Inventories	7	976.34		1,494.49		2,318.96	
	(b) Financial assets							
	(i) Cash and cash equivalents	8	5.19		32.93		6.64	
	(ii) Other financial assets	9	-		3.15		-	
	(c) Other current assets	10	72.11	1,053.64	48.36	1,578.93	54.13	2,379.73
	Total Assets			**1,198.95**		**1,733.65**		**2,537.93**
II.	**EQUITY AND LIABILITIES**							
	Equity							
	(a) Equity share capital	11	50.00		50.00		50.00	
	(b) Other equity	12	79.71	129.71	60.60	110.60	47.74	97.74
	Liabilities							
(2)	**Non - current liabilities**							
	(a) Financial liabilities							
	(i) Borrowings	13(i)	381.91		398.06		345.86	
	(b) Provisions	14(i)	40.51	422.42	32.09	430.15	26.94	372.80
(3)	**Current liabilities**							
	(a) Financial liabilities							
	(i) Borrowings	13(ii)	-		-		89.08	
	(ii) Trade and other payables	15	80.23		33.22		24.32	
	(iii) Other financial liabilities	16	18.56		49.96		19.25	
	(b) Other current liabilities	17	548.03		1,107.88		1,931.53	
	(c) Provisions	14(ii)	-	646.82	1.84	1,192.90	3.21	2,067.39
	Total Equity and Liabilities			**1,198.95**		**1,733.65**		**2,537.93**
	Corporate information	1						
	Significant accounting policies and estimates	2-3						
	Other disclosures							
	The accompanying notes 1 to 26 are an integral part of the standalone financial statements.							

As per our report of even date

DBK Associates
Chartered Accountants
Firm Registration No. 322817E

Pulak Chatterjee
Partner
Membership No. 056493
Place : Kolkata
Date : 21|05|2018

DBK ASSOCIATES ★ KOLKATA ★ CHARTERED ACCOUNTANTS

For and on Behalf of the Board

Sunil Jha
Director
00085667

B K Tulsyan
Director
02447595

Kanchan Janga Integrated Infrastructure Development Private Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lakhs)

	Particulars	Note No.	Year ended 31st Mar, 2018	Year ended 31st March, 2017
I.	Revenue from operations	18	1,232.14	1,314.90
II.	Other income	19	21.49	41.15
III.	**Total income (I+II)**		**1,253.63**	**1,356.05**
IV.	**Expenses:**			
	Direct Project Cost	20	288.99	107.93
	Changes in inventories of Work-in-progress	21	518.15	824.47
	Employee benefits expense	22	247.09	240.22
	Finance costs	23	47.59	72.42
	Depreciation and amortisation expense	24	2.42	1.65
	Other expenses	25	114.09	92.61
	Total expense		**1,218.33**	**1,339.28**
V.	**Profit before tax (III-IV)**		**35.30**	**16.77**
VI.	**Tax expense**	26		
	Current tax		11.45	-
	Deferred tax		-	-0.36
			11.45	**-0.36**
VII.	**Profit for the year (V-VI)**		**23.85**	**17.13**
VIII.	**Other comprehensive income**	27		
	(i) Items that will not be reclassified to profit or loss		-7.07	1.10
	(ii) Income tax relating to items that will not be reclassified to profit or loss		2.34	-0.36
	Total other comprehensive income		**-4.73**	**0.74**
IX.	**Total comprehensive income for the year (IX + X) (Comprising of profit and other comprehensive income for the year)**		**19.12**	**17.87**
X.	**Earnings per equity share** *(Nominal value per share Rs.10)*	28		
	- Basic		**3.82**	**2.57**
	- Diluted		**3.82**	**2.57**
	Number of shares used in computing earnings per share			
	- Basic		5,00,000	5,00,000
	- Diluted		5,00,000	5,00,000
	Corporate information	1		
	Significant accounting policies and estimates	2-3		
	The accompanying notes 1 to 26 are an integral part of the standalone financial statements.			

As per our report of even date

For and on Behalf of the Board

DBK Associates
Chartered Accountants
Firm Registration No. 322817E

Pulak Chatterjee
Partner
Membership No. 056493
Place : Kolkata
Date : 21|05|2018

DBK ASSOCIATES KOLKATA CHARTERED ACCOUNTANTS

Sunil Jha
Director
00085667

B K Tulsyan
Director
02447595

Kanchan Janga Integrated Infrastructure Development Private Limited
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lakhs)

	Particulars	Year ended 31st Mar, 2018	Year ended 31st March, 2017
A.	**Cash flows from operating activities**		
	Profit before taxation	35.30	16.77
	Adjustments for:		
	Depreciation of property, plant and equipments	2.42	1.65
	Provision for Employee benefit expenses	6.57	3.78
	Other Comprehensive Income	-7.07	1.10
	Operating profit before working capital changes	37.22	23.30
	Working capital changes:		
	(Increase) in inventories	518.15	824.47
	Decrease/(increase) in other current assets	-23.75	5.77
	Decrease/(increase) in other non-current tax assets	-	0.60
	Increase / (Decrease) in other financial assets	3.15	-3.15
	Increase / (Decrease) in Trade and Other Payables	47.02	8.90
	Increase / (Decrease) Other financial Liability	-31.40	30.71
	Increase / (Decrease) Other Current Liability	-559.86	-823.65
	Cash generated from operations	-9.47	66.95
	Tax Expense	0.00	3.62
	Net cash from operating activities	**-9.47**	**63.33**
B	**Cash flows from investing activities**		
	Purchase of Land	-2.12	-0.15
	Purchase of investment	0.00	
	Net cash used in investing activities	-2.12	-0.15
C	**Cash flows from financing activities**		
	Increase / (Decrease) in Short term borrowings	0.00	-89.08
	Payment of long-term borrowings	-16.15	52.20
	Net cash used in financing activities	**-16.15**	**-36.88**
	Net increase in cash and cash equivalents	**-27.74**	**26.30**
	Cash and cash equivalents at beginning of period	**32.94**	**6.64**
	Cash and cash equivalents at end of period	**5.20**	**32.94**

As per our report of even date

For and on Behalf of the Board

DBK Associates
Chartered Accountants
Firm Registration No. 322817E

Pulak Chatterjee
Partner
Membership No. 056493
Place : Kolkata
Date : 21/05/2018

DBK ASSOCIATES KOLKATA CHARTERED ACCOUNTANTS

Sunil Jha
Director
00085667

B K Tulsyan
Director
02447595

Kanchan Janga Integrated Infrastructure Development Private Limited

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31ST MARCH, 2018

(a) Equity share capital

For the year ended 31st March, 2018

Balance as at 1st April, 2016	Changes in equity share capital during the year	Balance as at 31st March, 2017
50.00	-	50.00

(b) Other equity

	Reserves and surplus	Other comprehensive	Total other equity
	Retained earnings	Re-measurement of defined benefit plan	
Balance as at 1st April, 2016	60.60		60.60
Changes in equity during the year ended 31st March, 2017			-
Profit for the year	17.13	-	17.13
Other comprehensive income/(loss) for the year	-	0.74	0.74
Transfer from/to other comprehensive income/retained earnings	-	-	-
Balance as at 31st March, 2017	**77.73**	**0.74**	**78.47**
The accompanying notes 1 to 40 are an integral part of the standalone financial statements.			

As per our report of even date

DBK Associates
Chartered Accountants
Firm Registration No. 322817E

Pulak Chatterjee
Partner
Membership No. 056498
Place : Kolkata
Date : 21/05/2018

DBK ASSOCIATES KOLKATA CHARTERED ACCOUNTANTS

For and on Behalf of the Board

Sunil Jha
Director
00085667

B K Tulsyan
Director
02447595

1.	**Corporate information**
	Kanchan Janga Integrated Infrastructure Development Private Limited ('the Company") has entered into a development agreement with M/S West Bengal Industrial Development Corporation dated 6th July 2009. According to the said agreement, the company will develop an integrated industrial hub at Fatapukur as per terms & conditions mentioned in the said agreement. Shristi Infrastructure Development Corporation Ltd. is the holding company owning 73.94% of equity share capital of the Company.
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 22 (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. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.
2.5	**Property, plant and equipment (PPE) and Depreciation**
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 which represents the carrying value of PPE recognised as at 1st April, 2016 measured as per the previous GAAP
b)	Cost is inclusive of inward freight, non-refundable taxes and duties and directly attributable costs of bringing an asset to the location and condition of its intended use. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.
	The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.
c)	Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Depreciation on items of PPE is provided on a written down value basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset as specified in Schedule II to the Companies Act, 2013.
	The estimated useful lives of PPE of the Company are as follows:

Furniture and fixtures	10 years
Office equipment	5 years
Computers	3 years

	The estimated useful lives, residual values and method of depreciation are reviewed at each Balance sheet date and are and changes, if any, are treated as changes in accounting estimate.
2.6	**Impairment of Assets**
	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 at the fair value of the consideration received/receivable net of rebate and taxes.
a)	**Revenue from services**
	Revenue is recognized when significant milestones are achieved as per terms of contracts / agreements with the clients. Amount realized against the invoices raised to the customers before commencement of assignments are shown as advance from customers under the head of current liability. Direct project expenditure incurred on assignments not completed at the end of the year is carried forward as project-in-progress.
b)	**Interest income**
	Interest income is recorded on accrual basis using the effective interest rate (EIR) method.
c)	All other income are accounted for on accrual basis.

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.
	All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.
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.
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	**Employee benefits**
a)	**Short-term employee benefits**
	Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.
b)	**Defined contribution plans**
	Company's Contributions to Provident are charged to the Statement of Profit and Loss in the year when the contributions to the respective funds are due.
c)	**Defined benefits plans**
	Gratuity is in the nature of a defined benefit plan. The cost of providing benefits under the defined benefit obligation is calculated on the basis of actuarial valuations carried out at reporting date by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are recognised immediately through other comprehensive income in the period in which they occur.
d)	**Other employee benefits**
	The employees of the Company are entitled to compensated leave which is recognised as an expense in the statement of profit and loss account as and when they accrue. The liability is calculated based on actuarial valuation using projected unit credit method. These benefits are unfunded.

2.11	**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 include Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such 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.
	Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost.	
	Investment in subsidiaries are carried at cost less accumulated impairment, if any.	
(c)	**Impairment**	
	The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as loans, trade receivables, advances and security deposits held at amortised cost and 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 equity.

KANCHAN JANGA INTEGRATED INFRASTRUCTURE DEVELOPMENT PRIVATE LIMITED

Notes to Financial Statements (contd.)

Note No. : 2 Significant accounting policies (contd.)

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)	**Dividend distribution**
	Dividends paid (including income tax thereon) is recognised in the period in respect of the final dividend when approved by shareholders.
vi)	**Fair value measurement**
	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).
2.12	**Taxes**
	Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.
	Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.
	Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.
	The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.
	Income tax, in so far as it relates to items disclosed under other comprehensive income or

	equity, are disclosed separately under other comprehensive income or equity, as applicable.
2.13	**Earnings per Share**
a)	Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders(after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period.
b)	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 are adjusted for the effects of all dilutive potential equity shares.
	The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.
2.14	**Foreign Currency Transactions**
	The functional and presentation currency of the Company is Indian Rupee.
	Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.
2.15	**Cash and cash equivalents**
	Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.
	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.
2.16	**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.

Kanchan Janga Integrated Infrastructure Development Private Limited

Notes to financial statements for the year ended March 31, 2018

Note No. : 4 Property, Plant and Equipment

(Rs. in Lakhs)

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	As on 01.04.2017	Additions During the year	Sales/Adjustments during the year	As on 31.3.2018	As on 01.04.2017	For the year	Sales/Adjustments during the year	As on 31.3.2018	As on 31.3.2018	As on 31.03.2017
Computer	2.50	1.54	-	4.04	2.01	0.93	-	2.93	1.10	0.49
						-				
Computer Software	1.59	-	-	1.59	1.32	0.34	-	1.67	- 0.07	0.27
						-				
Office Equipment	1.83	0.58	-	2.42	0.88	0.27	-	1.15	1.27	0.96
						-				
Furniture and Fixture	6.63	-	-	6.63	3.57	0.88	-	4.45	2.18	3.06
Total	**12.56**	**2.12**	-	**14.68**	**7.78**	**2.42**	-	**10.20**	**4.48**	**4.78**

Kanchan Janga Integrated Infrastructure Development Private Limited

Notes to accounts (contd.)

(Rs. in Lakhs)

Note No. : 5 Other non-current assets *(Unsecured, considered good unless stated otherwise)*

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advances other than capital advances			
Security Deposit	1.14	1.14	1.74
Others			
Preliminary Expenses	-		
	1.14	**1.14**	**1.74**

Note No. : 6 Other Non-current tax assets

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance Tax	177.80	177.80	174.19
		-	-
Less: Provision for taxation	38.12	29.00	24.00
	139.69	**148.80**	**150.19**

Note No. : 7 Inventories *(Valued at lower of cost and net realisable value, unless stated otherwise)*

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Development Work In Progress	976.34	1,494.49	2,318.96
	976.34	**1,494.49**	**2,318.96**

Note No. : 8 Cash and cash equivalents

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with banks			
On current accounts	3.57	32.54	6.54
		-	-
Cash on hand	1.62	0.39	0.09
	5.19	**32.93**	**6.64**

Note No. : 9 Other financial assets (Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at Amortised cost			
Advance to staff adjusted against salary	-	2.23	-
Imprest cash		0.92	-
	-		
	-	**3.15**	**-**

Note No. : 10 Other current assets *(Unsecured, considered good)*

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advances other than capital advances			
Other advances			
Advances to suppliers and others	17.44	18.36	20.21
Cenvat, Vat and other taxes / duties	54.61	29.94	33.70
		-	-
Others		-	-
Prepaid expenses	0.06	0.06	0.22
	72.11	**48.36**	**54.13**

Kanchan Janga Integrated Infrastructure Development Private Limited

Notes to accounts (contd.)

Note No. : 11 Equity share capital

(Rs. in Lakhs)

	Particulars	No. of shares	As at 31st Mar, 2018	No. of shares	As at 31st March, 2017	No. of shares	As at 1st April, 2016
(a)	**Authorised**						
	Equity shares of par value 10/- each	5,00,000	50.00	5,00,000	50.00	5,00,000	50.00
			50.00		**50.00**		**50.00**
(b)	**Issued, subscribed and fully paid up**						
	Equity shares of par value 10/- each	5,00,000	50.00	5,00,000	50.00	5,00,000	50.00
			50.00		**50.00**		**50.00**

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

Particulars	As at 31st Dec, 2017		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
At the beginning of the year	5,00,000	50.00	5,00,000	50.00	5,00,000	50.00
Add: Issue during the year	-	-	-	-	-	-
At the end of the year	**5,00,000**	**50.00**	**5,00,000**	**50.00**	**5,00,000**	**50.00**

(d) The Company has only one class of equity shares. The Company declares and pays dividend in Indian rupees. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.

(e) 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.

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

Name of the shareholder	As at 31st Dec, 2017		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Shristi Housing Development Ltd.*	-	-	-	-	3,69,700	73.94%
Shristi Infrastructure Development Corporation Limited	3,69,700	73.94%	3,69,700	73.94%	-	-
West Bengal Industrial Infrastructure Development Corporation	1,30,000	26%	1,30,000	26%	1,30,000	26%

*Amalgamated with Shristi Infrastructure Dev. Corp. Ltd. persuant to Hon'ble High Court Order, Calcutta dtd. 16.02.2016 which became effective on 31.03.2016.

Kanchan Janga Integrated Infrastructure Development Private Limited

Notes to accounts (contd.)

Note No. : 12 Other equity

Particulars		As at 31st Mar, 2018		As at 31st March, 2017		As at 1st April, 2016
(a) Retained earnings						
Balance as per last account	57.00		44.88			
Add: Net Profit for the year	23.85		12.11			
Add: Transfer from other comprehensive income			-			
			-			
Closing balance		80.84	-	57.00		44.88
Less : Appropriations:						
Interim dividend						
Tax on interim dividend						
	-	-	-	-	-	-
(b) Other comprehensive income						
Balance as per last account	3.60		2.86			
Add: Other comprehensive income for the year	- 4.73		0.74			
Less: Transfer to retained earnings	-	1.13		3.60		2.86
		79.71		**60.60**		**47.74**

Kanchan Janga Integrated Infrastructure Development Private Limited

Notes to accounts (contd.)

Note No. : 13 Borrowings

(i) Non-current

(Rs. in Lakhs)

Particulars	As at 31st Mar, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at amortized cost			
Unsecured			
Loan from Related Party			
Shristi Housing Development Ltd.		-	345.86
Shristi Infrastructure Development Corp. Ltd	52.47	276.78	-
Loan from other parties	329.44	121.28	-
	381.91	**398.06**	**345.86**

(ii) Current

Particulars	As at 31st Mar, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at amortized cost			
Loans repayable on demand			
Unsecured			
From Other Parties		-	89.08
	-	**-**	**89.08**

Note No. : 14 Provisions

(i) Non-current

Particulars	As at 31st Mar, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for Employee benefits			
Gratuity	21.39	14.44	11.65
Leave Encashment	19.12	17.65	15.29
	40.51	**32.09**	**26.94**

(ii) Current

Particulars	As at 31st Mar, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for Employee benefits			
Gratuity		0.78	0.65
Leave Encashment		1.07	1.10
Leave Travel Allowance	-	-	0.67
Ex-Gratia	-	-	0.79
	-	**1.84**	**3.21**

Note No. : 15 Trade payables

(Rs. in Lakhs)

Particulars	As at 31st Mar, 2018	As at 31st March, 2017	As at 1st April, 2016
Total outstanding dues of micro and small enterprises	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	80.23	33.22	24.32
	80.23	**33.22**	**24.32**

Note No. : 16 Other Current Financial Liabilities

Particulars	As at 31st Mar, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at amortized cost			
Current matuirities of long term borrowings		30.52	-
Unpaid salaries and other payroll dues	18.56	19.44	18.95
Others	-	-	0.30
	18.56	**49.96**	**19.25**

Note No. : 17 Other Current liabilities

Particulars	As at 31st Mar, 2018	As at 31st March, 2017	As at 1st April, 2016
Advances from customers	485.97	1,054.80	1,807.84
		-	-
Statutory liabilities	62.06	53.08	123.69
	548.03	**1,107.88**	**1,931.53**

Kanchan Janga Integrated Infrastructure Development Private Limited

Notes to accounts (contd.)

Note No. : 18 Revenue from operations (Rs. in Lakhs)

Particulars	Year ended 31st Mar, 2018	Year ended 31st March, 2017
Income from Development	1,232.14	1,314.90
	1,232.14	**1,314.90**

Note No. : 19 Other income

Particulars	Year ended 31st Mar, 2018	Year ended 31st March, 2017
Gound Rent	6.04	14.45
Transfer Fee	1.26	0.39
Interim Maintenance charges	11.25	25.43
Legal & Documentation Charges	1.50	0.40
Electricity Installation Charges	-	0.48
Misc Income	0.00	-
Sundry Bal Written Back	0.30	-
Interest Income on Reliance Liquid Fund	1.14	-
	21.49	**41.15**

Note No. : 20 Direct Project Cost

Particulars	Year ended 31st Mar, 2018	Year ended 31st March, 2017
Construction Cost	288.72	102.61
Insurance Premium	0.28	0.28
Electrical Work	-	5.04
	288.99	**107.93**

Note No. : 21 Changes in inventories

Particulars	Year ended 31st Mar, 2018	Year ended 31st March, 2017
Work- in-progress		
Opening stock	1,494.49	2,318.96
Less : Closing stock	976.34	1,494.49
	518.15	**824.47**

Note No. : 22 Employee benefits expense

(Rs. in Lakhs)

Particulars	Year ended 31st Mar, 2018	Year ended 31st March, 2017
Salary, Incentive, Ex gratia etc	139.08	129.85
Conveyance and Other Allowances	100.42	103.77
Gratuity and Leave encashment	7.59	6.60
	247.09	**240.22**

Note No. : 23 Finance costs

Particulars	Year ended 31st Mar, 2018	Year ended 31st March, 2017
Interest expense		
On long term borrowings	29.96	70.61
		-
Other borrowing costs	17.63	1.82
	47.59	**72.42**

Note No. : 24 Depreciation and amortisation expense

Particulars	Year ended 31st Mar, 2018	Year ended 31st March, 2017
Depreciation and amortisation of property, plant and equipment *[Refer Note No. 4]*	2.42	1.65
Amortisation of intangible assets *[Refer Note No. 5]*	-	-
	2.42	**1.65**

Note No. : 25 Other expenses

Particulars	Year ended 31st Mar, 2018	Year ended 31st March, 2017
Audit Fees	0.30	0.35
Advertisement Charges	6.90	2.49
Rent	2.31	1.97
Electricity Charges	2.20	0.76
Printing & Stationary	2.02	1.33
Professional Fees	13.06	6.11
Rates & Taxes	0.19	4.90
Equipment Hire Charges	0.11	-
Legal & Documentation Exp	0.58	-
Telephone Expenses	1.79	2.16
Repairs & Maintenance	1.01	1.78
Postage & telegram	0.21	0.16
Travelling & Coveyance exp	59.40	56.33
Security Service	6.51	4.57
Miscellaneous Expenditure	17.48	9.69
	114.09	**92.61**

Note No. : 26 Tax expense

(Rs. in Lakhs)

Particulars	Year ended 31st Mar, 2018	Year ended 31st March, 2017
Current tax	11.45	-
Deferred tax	-	-
	11.45	-
Reconciliation of Tax Expense		
Profit before tax	35.30	16.77
Applicable tax rate	32.445%	32.445%
Computed tax expense	**11.45**	-

Kanchan Janga Integrated Infrastructure Development Private Limited
Notes to accounts (contd.)

Note No. : 27 Other disclosures

A. The company has not received memorandum (as required to be filed by suppliers with 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. Hence, the amount due to micro and small enterprises as per requirement of Sec. 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (31/03/ 2017 - Nil) (01/04/ 2016 - Nil).

B. Operating Segment

In line with Ind AS 108–Operating Segments, taking into account the organizational structure, product type as well as differing risks and returns criterion, there are no distinguishable Geographical or Business components on the basis of which segments can be identified.

C. 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 Lakhs)**

Nature of transaction / Name of the related party	**Holding Company**		
	2017-18	**2016-17**	
Loan			
Shristi Infrastructure Development Corporation Limited			
Taken during the year	(224.31)	276.78	
Balance Outstanding:	**31st March, 2018**	**31st March, 2017**	**1st April, 2016 Rs.**
Shristi Infrastructure Development Corporation Limited			
Loan	52.47	276.78	-

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.

Note No. : 27 Other d sclosures (contd.)

D. No Statement of Profit and Loss has been prepared as the Company has not ommenced any business operations.

E. Financial instru nents - Accounting, Classification and Fair value measurements

a. Financial instru nents by category

As at 31st March, 2018 **(Rs. In Lakhs)**

Sl. No.	Particulars	Refer Note No.	Carrying value Amortized cost 31st March, 2018	Carrying value Amortized cost 31st March, 2017	Fair Value 31st March, 2018	Fair Value 31st March, 2017	Fair Value 1st April, 2016
(1)	**Financia assets**						
(a)	Cash and cash equivalents	5	1.62	0.39	1.62	0.39	0.09
(b)	Other financial assets				-		
	Total		**1.62**	**0.39**	**1.62**	**0.39**	**0.09**
(2)	**Financia liabilities**						
(a)	Borrowings	9	381.91	398.06	381.91	398.06	345.86
(b)	Other financial liabilities	10	18.56	49.96		49.96	19.25
			400.47	**448.02**	**381.91**	**448.02**	**365.12**

b. Fair value hiera chy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a currenttrans action 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 and other current financial assets, short term borrowings, trade payables 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.

F. Financial risk management objectives and policies

The Company's activities is expose to 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 company has only given security deposit and the company is exposed to credit risk to that extent.

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. The company is exposed to liquidity risk due to short term borrowings and other current liabilities.

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 following are the contractual maturities of financial liabilities:

(Rs. In Lakhs)

Particulars	Carrying Amount	Less than 1 year	More than 5 years	Total
31st March, 2018				
Borrowings	381.91	381.91		381.91
Other financial liabilities	18.56	18.56		18.56
Total	**400.47**	**400.47**		**400.47**
31st March, 2017				
Borrowings	398.06	398.06	-	398.06
Other financial liabilities	49.96	49.96	-	49.96
Total	**448.02**	**448.02**	-	**448.02**
1st April, 2016				
Borrowings	345.86			
Other financial liabilities	19.25	19.25		19.25
Total	**365.12**	**19.25**	-	**19.25**

G. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserve attributable to the equity shareholders 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.

H. 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.

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:

(Rs. In Lakhs)

Particulars	As at 1st April, 2016 (Date of transition)	As at 31st March, 2017 (end of last period presented under previous GAAP)
	Rs.	Rs.
Equity as reported under previous GAAP	129.71	129.71
Add/(Less) - Effect of transition to Ind AS	0.00	0.00
Equity as reported under Ind AS	**129.71**	**129.71**

(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) 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.

(iv) There is no impact on cash flow statement.

I. 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 standard permits two possible methods of transition:

• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.

• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. There will be no effect on adoption of Ind AS 115 as the Company has no commercial operations.

DBK Associates
Chartered Accountants
Firm Registration No. 322817E

Pulak Chatterjee
Partner
Membership No. 056493
Place : Kolkata
Date : 21/05/2018

DBK ASSOCIATES KOLKATA CHARTERED ACCOUNTANTS

For and on Behalf of the Board

Sunil Jha
Director
00085667

B K Tulsyan
Director
02447595

INDEPENDENT AUDITORS' REPORT

To the Members of **Kanchan Janga Integrated Infrastructure Development Private Limited**

Report on the Standalone financial statements

We have audited the accompanying standalone financial statements of **Kanchan Janga Integrated Infrastructure Development Private Limited** ("the Company"), which comprises the balance sheet as at 31St March 2018, and the statement of profit and loss, the statement of changes in Equity and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, change in Equity and cash flows of the Company in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.. 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 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 standalone financial statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the standalone financial statements.

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

Opinion

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