S S KOTHARI MEHTA & CO
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Shristi Urban Infrastructure Development Limited
New Delhi

Report on the Ind AS Financial Statements

We have audited the accompanying Ind As financial statements of **Shristi Urban Infrastructure Development Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind 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 of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on these Ind AS financial statements.

Basis for Qualified opinion:

(1) Trade receivables amounting to Rs. 510.61 lacs are outstanding for more than 1 year, pending for recovery and project in progress amounting to Rs. 24.53 lacs outstanding for more than 1 year pending for billing. Accordingly, we are unable to comment on the recovery of the same.

(2) Company has made an investment of Rs. 300 lacs in its subsidiary company wherein the commercial operations have still not commenced due to litigation on the project land. Accordingly, we are unable to comment on the value of investment made by the company.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, expect for the possible effect of matter described in the basis for Qualified Opinion paragraph, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2018, and its losses and its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

(i) As required by the Companies (Auditor's Report) Order, 2016 issued by the Central government of India in the terms of Section 143 of the Companies Act 2013, we give in the "Annexure 1" a statement on the matters specified in Paragraph 3 & 4 of the order, to the extent applicable.

(ii) As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss(including other Comprehensive Income), and the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the Balance Sheet, the statement of profit and loss (including Other Comprehensive Income) and the cash flow statement comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

(e) In respect of matters expressed in 'Basis for Qualified Opinion' paragraph, in our opinion, may have an adverse effect on the functioning of the company.

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(f) On the basis of the written representations received from the directors as on 31st March, 2018 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.

(g) 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 2".

(h) 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 22.1 to the Financial Statements

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

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

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Reg. No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Yogesh K. Gupta
Partner
Membership No. 093214

Place : New Delhi
Date : MAY 18, 2018

ANNEXURE 1 TO THE AUDITOR'S REPORT

(As referred in paragraph 'Report on Other Legal and Regulatory Requirements 'of our report to the members of **Shristi Urban Infrastructure Development Limited** on the accounts for the year ended March 31, 2018)

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) Fixed Assets have been physically verified by the company during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of such verification is reasonable having regard to the size of the company and the nature of its assets.

(c) Company does not possess any immovable property hence the provision of clause 3 (i) (c) of the Order is not applicable to the company.

(ii) The company does not hold any inventory. Hence, the provision of Clause 3(ii) of the order is not applicable to the company.

(iii) As per the information and explanations provided to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 during the year.

(iv) As per the information and explanations provided to us, the company has not given any loans, investments, guarantees and security in terms of section 185 and 186 of the Companies Act, 2013 during the year.

(v) In our opinion and according to the information and explanations given to us ,the Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other provision of the Companies Act and the rules framed there under are not applicable to the company.

(vi) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of services carried out by the company. Therefore, provisions of Clause 3 (vi) of the order are not applicable to the company.

(vii) (a) The Company, has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty, Goods and Service Tax, Value Added Tax and Cess and any other material statutory dues applicable to it though there has been slight delay in few cases.

According to information and explanations given to us, There are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty, Goods and Service Tax, Value Added Tax and Cess which are in arrear as at March 31, 2018 for a period of more than six months from the date they became payable.

(b) According to information and explanation given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Goods and Service Tax which have not been deposited on dispute of any account.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(viii) In our opinion and according to the information & explanations given to us, the company has not taken any loan from banks & financial institution. The company has not issued any debentures.

(ix) The company has not raised money by way of initial public offer or further public offer during the year. The term loans have been applied for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view and on the basis of the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

(xi) Provisions of Section 197 read with Schedule V to the Companies Act'2013 for providing managerial remuneration with the requisite approval is not applicable to the company therefore, provision of clause 3 (xi) of the order is not applicable to the company.

(xii) As the company is not a Nidhi Company, therefore provisions of Clause 3 (xii) is not applicable to the company.

(xiii) As per the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the accounting standards. Section 177 of the Companies Act, 2013 is not applicable on the company.

(xiv) According to the information and explanations given to us, the company has not made any preferential allotment/ private placement of shares or full or partly convertible debentures during the year under review. Therefore, provision of Clause 3 (xii) is not applicable to the company.

(xv) According to the information and explanation provided to us, the company has not entered into any non-cash transactions with the directors or persons connected with them. Therefore, provision of Clause 3 (xiii) is not applicable to the company.

(xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Reg. No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI *CHARTERED ACCOUNTANTS*

Yogesh K. Gupta
Partner
Membership No. 093214

Place : New Delhi
Date : MAY 18, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **Shristi Urban Infrastructure Development Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind As financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". 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 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2018:

i. We are unable to comment on the management assessment on the non-impairment of the trade receivables outstanding for more than 1 year and project in progress outstanding for more than 1 year pending for billing as detailed in our main report.

ii. We are unable to comment on the management assessment on non-impairment of investment made in its subsidiary company wherein the commercial operations have still not commenced due to litigation on the project land.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, commensurate with the size of the company & nature of its business, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 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", to the extent applicable.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2018 financial statements of the Company, and the material weaknesses have affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Reg. No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI *CHARTERED ACCOUNTANTS*

Yogesh K. Gupta
Partner
Membership No. 093214

Place : New Delhi
Date : MAY 18, 2018

SHRISTI URBAN INFRASTRUCTURE DEVELOPMENT LIMITED

Balance Sheet as at 31st March, 2018

	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	3	36,145	37,790	40,180
	(b) Financial assets				
	(i) Investments	4	3,00,00,000	3,00,00,000	3,00,00,000
	(ii) Other financial assets	5(i)	82,187	64,713	47,103
	(c) Other non-current assets	6	97,857	1,51,459	1,35,919
(2)	**Current assets**				
	(b) Financial assets				
	(i) Trade receivables	7	5,24,29,013	5,11,67,968	5,49,24,736
	(ii) Cash and cash equivalents	8	4,25,196	5,83,136	3,98,658
	(iii) Other financial assets	5(ii)	8,53,568	8,53,568	9,53,568
	(c) Current tax assets	9	14,98,006	14,96,064	19,38,582
	(d) Other current assets	10	24,88,155	26,10,948	24,58,253
	Total Assets		**8,79,10,127**	**8,69,65,646**	**9,08,96,999**
II.	**EQUITY AND LIABILITIES**				
(1)	**Equity**				
	(a) Equity Share capital	11	5,00,00,000	5,00,00,000	5,00,00,000
	(b) Other Equity		-1,77,97,477	-1,09,15,808	(26,10,830)
	Liabilities				
(2)	**Non - current liabilities**				
	(a) Provisions	12(i)	4,29,452	3,31,916	2,95,088
(3)	**Current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	13	3,07,26,304	2,81,48,804	2,68,97,513
	(ii) Trade payables	14	45,05,403	32,20,832	32,20,832
	(ii) Other financial liabilities	15	1,80,71,511	1,42,47,428	1,12,08,087
	(b) Provisions	12(ii)	85,300	15,990	14,957
	(c) Other current liabilities	16	18,89,634	19,16,484	18,71,352
	Total Equity and Liabilities		**8,79,10,127**	**8,69,65,646**	**9,08,96,999**

The accompanying notes 1 to 22 are an integral part of the financial statements.

As per our report of even date attached.
For S.S.KOTHARI MEHTA & CO.
Chartered Accountants
Firm Regn. No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Yogesh Kumar Gupta
Partner
Membership No.093214

Place : New Delhi
Date : MAY 18, 2018

For & on Behalf of the Board

Sujit Kanoria
(Director)
DIN-01175425

Kamta Nath Pandey
(Director)
DIN-00694714

Alok Kumar Joshi
(Director)
DIN-00718725

Yogesh Kumar Upadhyay
(Company Secretary)
Membership No. F6750

SHRISTI URBAN INFRASTRUCTURE DEVELOPMENT LIMITED

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

	Particulars	Note No.	Year ended 31st March, 2018 Rs.	Year ended 31st March, 2017 Rs.
I.	**Revenue from operations**		52,50,000	-
II.	Other income	17	19,416	1,00,290
III.	**Total income (I+II)**		52,69,416	1,00,290
IV.	**Expenses:**			
	Employee benefits expense	18	19,13,728	16,13,341
	Finance costs	19	41,57,977	35,68,036
	Depreciation and amortization expense		1,645	2,390
	Other expenses	20	60,77,735	32,25,081
	Total expenses (IV)		1,21,51,085	84,08,848
V.	**Profit/ (loss) before tax**		(68,81,669)	(83,08,558)
VI.	**Tax expense**			
	Current Tax			-
	Deferred Tax		(52,064)	
VII.	**Profit/ (loss) for the year**		(68,29,605)	(83,08,558)
VIII.	**Other Comprehensive Income**			
	A. (i) Items that will not be reclassified to Profit or Loss Remeasurements of the defined benefit plans			3,580
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss			-
	Total Other Comprehensive Income		-	3,580
	Total Comprehensive Income for the year		-68,29,605	-83,04,978
IX.	**Earnings per equity share (Nominal value per share Rs.10/-)**	21		
	- Basic		-1.37	-1.66
	- Diluted		-1.37	-1.66

The accompanying notes 1 to 22 are an integral part of the financial statements.

As per our report of even date attached.
For S.S.KOTHARI MEHTA & CO.
Chartered Accountants
Firm Regn. No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Yogesh Kumar Gupta
Partner
Membership No.093214

Place : New Delhi
Date : MAY 18 2018

For & on Behalf of the Board

Sujit Kanoria
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DIN-01175425

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(Director)
DIN-00718725

Yogesh Kumar Upadhyay
(Company Secretary)
Membership No. F6750

SHRISTI URBAN INFRASTRUCTURE DEVELOPMENT LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in Rs.)

	Particulars		Year ended 31st March, 2018	Year ended 31st March, 2017
A.	**Cash flows from operating activities**			
	Profit after taxation		(68,81,669)	(83,04,979)
	Adjustments for:			
	Depreciation		1,645	2,390
	Sundry Balance Written back		(8,405)	(19,05,768)
	Provision for tax			
	Misc Income		(19,416)	(1,00,290)
	Provision for employee benefit expenses			
	Interest expenses		41,55,652	35,66,452
	Operating profit before working capital changes		(27,52,193)	(67,42,195)
	Working capital changes:			
	(Increase)/decrease in Trade Receiveable		(12,52,640)	56,62,536
	Decrease/(increase) in financial assets-loans		1,76,396	(68,234)
	Increase / (Decrease) in other financial asset			
	Increase / (Decrease) in other current assets			
	Increase/(Decrease) in trade and other payables		1284571	-
	Increase/(Decrease) other financial liabilities		70,854	(1,25,218)
	Increase/(Decrease) other current liabilities		1,66,846	37,861
	Cash generated from operations		(23,06,166)	(12,35,250)
	Income tax paid		(1,942)	4,42,518
	Net cash from operating activities	(A)	**(23,08,108)**	**(7,92,732)**
B	**Cash flows from investing activities**		1,942	82,680
	Interest received			-
	Interest Paid		(4,29,273)	(3,56,761)
	Increase in Capital work in progress		-	-
	Net cash used in investing activities	(B)	(4,27,331)	**(2,74,081)**
C	**Cash flows from financing activities**			
	Proceeds from long-term borrowings		25,77,500	12,51,291
	Interest paid on financial liabilities- loan			-
	Repayment of short-term borrowings			
	Net cash used in financing activities	(C)	**25,77,500**	**12,51,291**
	Net increase in cash and cash equivalents		**(1,57,939)**	**1,84,478**
	Cash and cash equivalents at beginning of period		**5,83,136**	**3,98,658**
	Cash and cash equivalents at end of period		**4,25,197**	**5,83,136**

As per our report of even date attached.
For S.S.KOTHARI MEHTA & CO.
Chartered Accountants
Firm Regn. No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Yogesh Kumar Gupta
Partner
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Place : New Delhi
Date : MAY 18, 2018

For & on Behalf of the Board

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Membership No. F6750

Alok Kumar Joshi
(Director)
DIN-00718725

SHRISTI URBAN INFRASTRUCTURE DEVELOPMENT LIMITED

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

(a) Equity Share capital

Balance as on April 1, 2016	Changes in equity share capital during the year	Balance as at 31st March, 2017
Rs. 5,00,00,000	Rs. -	Rs. 5,00,00,000

Balance as on April 1, 2017	Changes in equity share capital during the year	Balance as at 31st March, 2018
Rs. 5,00,00,000	Rs. -	Rs. 5,00,00,000

(b) Other Equity

	Retained Earnings
	Rs.
Balance as at 1st April 2016	-26,10,829
Profit/(Loss) for the year	-83,08,558
Other comprehensive income for the year, net of income tax	3,580.00
Balance as at 31st March, 2017	**(1,09,15,807)**
Balance as at 1st April 2017	-1,09,15,807
Profit/(Loss) for the year	-68,81,670
Other comprehensive income for the year, net of income tax	
Balance as at 31st March, 2018	**-1,77,97,477**

S.S. KOTHARI MEHTA & CO. * CHARTERED ACCOUNTANTS * NEW DELHI

SHRISTI URBAN INFRASTRUCTURE DEVELOPMENT LIMITED

NOTE 3 - Property, plant and equipment

Particulars	Gross Block				Depreciation / Amortisation				Net Block
	As on 01.04.2017	Addition during the year	Sales/ Adjustments during the year	As on 31.03.2018	As on 01.04.2017	For the year	Sales/ Adjustments during the year	As on 31.03.2018	As on 31.03.2018
Property, plant and equipment									
Computers	25,797			25,797	-			-	25,797
Office Equipments	6,705			6,705	-			-	6,705
Furniture & Fixtures	7,678			7,678	2,390	1,645		4,035	3,643
	40,180	-	-	40,180	2,390	1,645	-	4,035	36,145

(In Rs.)

Particulars	Gross Block				Depreciation / Amortisation				Net Block
	As on 01.04.2016	Addition during the year	Sales/ Adjustments during the year	As on 31.03.2017	As on 01.04.2016	For the year	Sales/ Adjustments during the year	As on 31.03.2017	As on 31.03.2017
Property, plant and equipment									
Computers	25,797	-	-	25,797	-	-	-	-	25,797
Office Equipments	6,705	-	-	6,705	-	-	-	-	6,705
Furniture & Fixtures	7,678	-	-	7,678	-	2,390	-	2,390	5,288
	40,180	-	-	40,180	-	2,390	-	2,390	37,790

S.S. KOTHARI MEHTA & CO.
NEW DELHI
CHARTERED ACCOUNTANTS

SHRISTI URBAN INFRASTRUCTURE DEVELOPMENT LIMITED

Notes to accounts (contd.)

Note No. : 4 Non - current investments

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
(i) Equity instruments			
(1) Carried at cost			
In Subsidiary:			
Unquoted , Fully paid up :			
Shristi Udaipur Hotels & Resorts (P) Ltd. of Rs. 10/-each	3,00,00,000	3,00,00,000	3,00,00,000
	3,00,00,000	3,00,00,000	3,00,00,000
Aggregate amount of unquoted investments	3,00,00,000	3,00,00,000	3,00,00,000

Note No. : 5 Other Financial Assets *(Unsecured, considered good)*

(i) Non Current

Particulars	As at 31st March 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Interest accured but not due	82,187	64,713	47,103
	82,187	64,713	47,103

(i) Current

Particulars	As at 31st March 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Earnest money deposit	99,911	99,911	1,99,911
Advance to Subsidiary Company	7,53,657	7,53,657	7,53,657
	8,53,568	8,53,568	9,53,568

Note No. : 6 Other non current assets *(Unsecured, considered good)*

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Advances recoverable in cash or in kind or for value to be received			
To others	97,857	1,51,459	1,35,919
	97,857	1,51,459	1,35,919

Note No. : 7 Trade Receivables

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Unsecured and considered good	5,24,29,013	5,11,67,968	5,49,24,736
	5,24,29,013	5,11,67,968	5,49,24,736

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Note No. : 8 Cash and cash equivalents

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Cash in hand	41,236	23,710	46,410
Balances with banks			
On current accounts	1,83,960	3,59,426	1,52,248
Fixed Deposit (given as Earnest money deposit)	2,00,000	2,00,000	2,00,000
	4,25,196	**5,83,136**	**3,98,658**

Note No. : 9 Current tax assets

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Advance tax	14,98,006	14,96,064	19,38,582
	14,98,006	**14,96,064**	**19,38,582**

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
	Rs.	Rs.	Rs.
Others			
Project work in progress*	24,53,060	24,53,060	24,53,060
Advance to staff	35,095	1,53,827	-
Service tax input	-	4,061	5,193
	24,88,155	**26,10,948**	**24,58,253**

*The project in progress of has been netted off from the respective heads of the Schedule of Other expenses in earlier years.

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Notes to accounts (contd.)

Note No. : 11 Equity Share capital

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
		Rs.		Rs.		Rs.
(a) Authorised						
Equity shares of par value Rs. 10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000	50,00,000	5,00,00,000
(b) Issued, subscribed and fully paid up						
Equity shares of par value Rs. 10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000	50,00,000	5,00,00,000
		5,00,00,000		5,00,00,000		5,00,00,000

(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	No. of shares	Amount	No. of shares	Amount
		Rs.		Rs.		Rs.
At the beginning of the year	50,00,000	5,00,00,000	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Add: Issued during the year	-	-	-	-	-	-
At the end of the year	50,00,000	5,00,00,000	50,00,000	5,00,00,000	50,00,000	5,00,00,000

(d) Terms / Rights attached to Equity shares :
The Company has only Equity shares having a par 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 Corporation Limited- Holding Company	29,99,960.00	59.99	29,99,960.00	59.99	29,99,960.00	59.99

(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 Corporation Limited- Holding Company	29,99,960.00	59.99	29,99,960.00	59.99	29,99,960.00	59.99
Housing & Urban Development Corporation Limited (HUDCO)	20,00,000	40.00	20,00,000.00	40.00	20,00,000.00	40.00

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Note No. : 12 Provisions

(i) Non- Current

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Provision for employee benefits			
Unavailed leave	1,07,788	97,449	1,00,010
Gratuity	3,21,664	2,34,467	1,95,078
	4,29,452	3,31,916	2,95,088

(ii) Current

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Provision for employee benefits			
Unavailed leave	35,740	11,358	10,006
Gratuity	49,560	4,632	4,951
	85,300	15,990	14,957

Note No. : 13 Borrowings

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Carried at amortized cost			
Loan from a related party			
Unsecured- Repayable on Demand			
From Holding Company	3,07,26,304	2,81,48,804	2,68,97,513
	3,07,26,304	2,81,48,804	2,68,97,513

* The loan carries interest rate @14% per annum. There is no default as on Balance sheet date in repayment of loan.

Note No. : 14 Trade payables

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Dues to micro and small enterprises		-	-
Dues to creditors other than micro and small enterprises	45,05,403	32,20,832	32,20,832
	45,05,403	32,20,832	32,20,832

Note No. : 15 Other financial liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Financial liabilities at amortized cost			
Interest accrued but not due on borrowings	1,76,63,355	1,39,36,976	1,07,27,285
Other Payables			
Expenses payable	4,08,156	3,10,452	4,80,802
	1,80,71,511	1,42,47,428	1,12,08,087

Note No. : 16 Other current liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Others			
Statutory liabilities	18,89,634	19,16,484	18,71,352
	18,89,634	19,16,484	18,71,352

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Note No. : 17 Other Income

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Interest income on financial assets carried at amortized cost	19,416	19,567
Interest on income tax refund		80,723
	19,416	1,00,290

Note No. : 18 Employee Benefits Expense

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Salaries and wages	19,00,621	16,09,841
Staff welfare expense	13,107	3,500
	19,13,728	16,13,341

Note No. : 19 Finance Costs

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Interest expense		
On short term borrowings (holding)	41,40,421	35,66,323
Others	17,556	1,713
	41,57,977	35,68,036

Note No. : 20 Other expenses

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Payments to auditor		
As auditor for statutory audit	25,000	25,000
Postage, Telephone & Internet charges	14,751	20,997
Professional & Consultancy Charges	52,83,413	5,86,000
Printing & Stationary	250	1,720
Travelling & Conveyance	6,92,388	6,71,608
Sundry balance written off	8,405	19,05,768
Other expenses	53,528	13,988
	60,77,735	32,25,081

Note No. : 21 Earnings per share

	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
a)	Amount used as the numerator (Rs.) **Profit/(Loss) after Tax - (A)**	- 68,29,605	- 83,08,558
b)	Weighted average number of Equity Shares outstanding used as the denominator for computing Basic Earnings per Share - (B)	50,00,000	50,00,000
c)	Weighted average number of Equity Shares outstanding used as the denominator for computing Diluted Earnings per Share - (C)	50,00,000	50,00,000
d)	Nominal value of Equity Shares (Rs.)	5,00,00,000	5,00,00,000
e)	Basic Earnings per Share (Rs.) (A/B)	-1.37	-1.66
f)	Diluted Earnings per Share (Rs.) (A/C)	-1.37	-1.66

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Notes to accounts (contd.)

Note No. : 22

Other disclosures:

5. **Employee Benefits :**

As per Indian Accounting Standard - 19 " Employee Benefits", the disclosures of Employee Benefits are as follows:

a) **Defined Benefit Plans/Long Term Compensated Absences :**

Description of Plans

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of service is entitled to specific benefit. The Gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member's length of service and salary at retirement age etc.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and amounts recognised in the Balance Sheet for the said plan:

a) **Details of funded post retirement plans are as follows :**

	Particulars	For the year ended 31st March, 2018*		For the year ended 31st March, 2017	
		Gratuity	Leave encashment	Gratuity	Leave encashment
I.	**Components of Employer Expense**				
I.1	**Expenses recognised in the Statement of Profit and Loss:**				
1	Current service cost			27,412	1,584
2	Past service cost				
3	Net interest cost				
4	Curtailment				
5	Settlement				
6	Expense recognised in the Statement of Profit and Loss				
I.2	**Remeasurements recognised in Other comprehensive income**				
1	Actuarial gain / (loss) arising from:				
	- change in demographic assumptions				
	- change in financial assumptions				
	- changes in experience adjustments				
	- changes in asset ceiling (excluding interest income)				
2	(Returns)/loss on plan assets excluding amounts included in Net interest cost				
3	Components of defined benefit costs recognised in Other comprehensive income				
	Total defined benefit cost recognised in Profit and Loss and Other comprehensive income				
II.	**Change in present value of defined benefit obligation :**				
1	Present value of defined benefit obligation at the beginning of the year			2,05,084	1,04,961
2	Acquisition adjustment				
3	Interest expense			16,909	7,764
4	Past service cost				
5	Current service cost			27,412	1,584
6	Employees' contributions				
7	Benefits paid				
8	Actuarial gain / (loss) arising from:				
	- change in financial assumptions			-3,580	-12,228
	- changes in experience adjustments			-	-
9	Present value of Defined Benefit Obligation at the end of the year			2,45,825	1,02,081
III	**Change in fair value of plan assets during the year :**	NA	NA	NA	NA

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	Particulars	31st March, 2018*		31st March, 2017	
		Gratuity	Leave encashment	Gratuity	Leave encashment
IV.	**Net Asset / (Liability) recognised in the Balance Sheet as at the year end:**				
1	Present value of Defined Benefit Obligation			2,45,825	1,02,081
2	Fair value of Plan Assets				
3	Funded Status [Surplus/(Deficit)]			- 2,45,825	- 1,02,081

	Particulars	As at 31st March, 2018*		As at 31st March, 2017		As at 1st April, 2016	
4	Net Asset / (Liability) recognised in Balance Sheet	**Gratuity**	**Leave encashment**	**Gratuity**	**Leave encashment**	**Gratuity**	**Leave encashment**
	Current Liability	35740	49560	11,358	4,632	1,95,078	1,00,010
	Non-Current Liability	321664	107788	2,34,467	97,449	10,006	4,951
V.	**Actuarial Assumptions :**	**As at 31st March, 2018***		**As at 31st March, 2017**		**As at 1st April, 2016**	
		Gratuity	**Leave encashment**	**Gratuity**	**Leave encashment**	**Gratuity**	**Leave encashment**
1	Discount Rate (per annum) %			7.50%	7.50%	8.00%	8.00%
2	Expected return on Plan Assets (per annum) %			0.00%	0.00%	0.00%	0.00%
3	Expected Rate of Salary increase %			6.00%	6.00%	6.00%	6.00%
4	Retirement/Superannuation Age (Year)			60	60	60	60
5	Mortality Rates			11.23%	11.23%	12.23%	12.23%
VI.	**Major Category of Plan Assets as a % of the Total Plan Assets as at the year end :**	**As at 31st March, 2018***		**As at 31st March, 2017**		**As at 1st April, 2016**	
		NA		NA		NA	

VII. Experience adjustments on Present value of Defined Benefit Obligation and Plan Assets are as follows :

Particulars	**As at 31st March, 2018***		**As at 31st March, 2017**		**As at 1st April, 2016**	
	Gratuity	**Leave encashment**	**Gratuity**	**Leave encashment**	**Gratuity**	**Leave encashment**
Present value of Defined Benefit Obligation			2,45,825	1,02,081	2,05,084	1,04,961
Fair value of Plan Assets						
(Deficit)/Surplus			- 2,45,825	- 1,02,081	- 2,05,084	- 1,04,961
Experience adjustment of Plan Assets [Gain/(Loss)]						
Experience adjustment of Obligations [(Gain)/Loss]			- 2,45,825.00	- 1,02,081.00	- 2,05,825	- 1,04,961

*Gratuity Benefits and Leave Encashment Benefits are unfunded in nature. The liabilities are determined on accural basis and not on the basis of acturial principles since the same is not considered material.

ii) The Gratuity and Provident Fund expenses have been recognised under " Contribution to Provident and Other Funds" and Leave Encashment under " Salaries and Wages" under Note No. 18.

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Notes to accounts (contd.)

Note No. : 22 Other disclosures

1. **Contingent liabilities and commitments (to the extent not provided for)**

Sl. No.	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
I.	**Contingent liabilities**			
	Claim against the Company not acknowledged as debt	2008312	20,08,312	20,08,312
II.	**Commitments**	-	-	-

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**

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

4. **Related party disclosures :**

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

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

ii) **Fellow subsidiaries** Shristi Hotel Private Limited
Shristi Udaipur Hotels & Resorts Pvt. Ltd.
Kanchan Janga Integrated Infrastructure Dev. Pvt. Ltd.
Avarsekar Reality Private Limited
Finetune Engineering Services Private Limited
Vipani Hotels & Resorts Private Limited
Border Transport Infrastructure Dev. Limited
East Kolkata Infrastructure Development Pvt. Ltd.
Medi-Net Services Private Limited

b) **Transactions with Related parties :**

Nature of transaction / Name of the related party	Holding Company		
	2017-18	2016-17	
	Rs.	Rs.	Rs.
Borrowings			
Shristi Infrastructure Development Corporation Limited			
taken during the year	25,77,500	12,51,291	
Interest on Loan	41,40,421	35,66,323	
Nature of transaction / Name of the related party			
Balance Outstanding:	**31st March, 2018**	**31st March, 2017**	**1st April, 2016**
Shristi Infrastructure Development Corporation Limited			
Borrowings	3,07,26,304	2,81,48,804	2,68,97,513
Interest payable	1,76,63,355	1,39,36,976	1,07,27,285

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Nature of transaction/ Name of the related party	Subsidiary		
Balance Outstanding:	**31st March, 2018**	**31st March, 2017**	**1st April, 2016**
Shristi Udaipur Hotels 7 resorts Pvt.Ltd.			
Investment in equity	3,00,00,000	3,00,00,000	3,00,00,000
Reimbursement of Expenses	7,53,657	7,53,657	7,53,657

Nature of transaction/ Name of the related party	Company secretary		
Balance Outstanding:	**31st March, 2018**	**31st March, 2017**	**1st April, 2016**
Yogesh Upadhyay			
Salary	13,66,400	12,16,800	12,16,800
Salary Payable	1,70,566	1,57,060	1,51,100

c) The transactions with related party has been entered at an amount which are not materially different from those on normal commercial terms.

d) 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.

6 Balances of certain debtors and creditors are in process of confirmation/reconciliation.

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Notes to accounts (contd.)

Note No. : 22 Other disclosures (contd.)

8. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2018

Sl. No.	Particulars	Refer Note No.	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)	Trade receivables	5	5,24,29,013	5,11,67,968	5,49,24,736	5,24,29,013	5,11,67,968	5,49,24,736
(b)	Cash and cash equivalents	7	4,25,196	5,83,136	3,98,658	4,25,196	5,83,136	3,98,658
(c)	Other financial assets	8	9,35,755	9,18,281	10,00,671	9,35,755	9,18,281	10,00,671
	Total		13,60,951	15,01,417	13,99,329	13,60,951	15,01,417	13,99,329
(2)	Financial liabilities							
(a)	Borrowings	13	3,07,26,304	2,81,48,804	2,68,97,513	3,07,26,304	2,81,48,804	2,68,97,513
(b)	Trade payables	14	45,05,403	32,20,832	32,20,832	45,05,403	32,20,832	32,20,832
(c)	Other financial liabilities	15	1,80,71,511	1,42,47,428	1,12,08,087	1,80,71,511	1,42,47,428	1,12,08,087
			5,33,03,218	4,56,17,064	4,13,26,432	5,33,03,218	4,56,17,064	4,13,26,432

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, trade receivables 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.

8. 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 company generally does not have trade receivables as advance have been received from customers before sale of flats . Hence, the

(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.

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The following are the contractual maturities of financial liabilities:

Particulars		Less than 1 year	1-5 years	More than 5 years	Total
31st March, 2018					
Borrowings (including interest)	3,07,26,304	3,07,26,304			61452608.00
Trade payables	45,05,403	45,05,403			9010806.00
Other financial liabilities	1,80,71,511	1,80,71,511			36143022.00
Total	5,33,03,218	5,33,03,218			
31st March, 2017					
Borrowings	2,81,48,804	2,81,48,804			2,81,48,804
Trade payables	32,20,832	12,84,571	32,20,832		45,05,403
Other financial liabilities	1,42,47,428	1,42,47,428			1,42,47,428
Total	4,56,17,064	4,36,80,803			4,69,01,635
1st April, 2016					
Borrowings	2,68,97,513	2,68,97,513			2,68,97,513
Trade payables	32,20,832	32,20,832			32,20,832
Other financial liabilities	1,12,08,087	1,12,08,087			1,12,08,087
Total	4,13,26,432	4,13,26,432			4,13,26,432

(c) Market risk

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

Interest rate risk
i) Liabilities
The Company's fixed rate borrowings are carried at amortised cost. They are, therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. The Company has no variable rate borrowings.

ii) Assets
The company's fixed deposits are carried at fixed rate. Therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Price risk
Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is not exposed to price risk.

9. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity share-holders 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.

10. 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, 2015 (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 is summarised as follows:

Particulars	For the year end 31st March, 2017 Rs.
Profit After Tax as reported under previous GAAP	(82,94,891)
Add/(Less) - Effect of transition to Ind AS	
(i) Reclassification of actuarial gains/(losses), arising in respect of employee benefit schemes, to Other Comprehensive Income (OCI)	(3,580)
(ii) Deferred tax reversed	(10,088)
Profit After Tax as reported under Ind AS	(83,08,558)
Other Comprehensive Income (net of tax)	3,580
Total Comprehensive Income as reported under Ind AS	(83,04,978)

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

Particulars	As at 1st April, 2016 (Date of transition)	As at 31st March, 2017 (end of last period presented under
	Rs.	Rs.
Equity as reported under previous GAAP	4,74,88,803	3,91,93,912
Add/(Less) - Effect of transition to Ind AS		
(i) Deferred tax reversed (no	(99,632)	(1,09,720)
Equity as reported under Ind AS	4,73,89,170	3,90,84,192

(iii) Ind AS 101 mandates certain exceptions and allows first-time adopters exemptions from the retrospective application of certain

a) Property, plant and equipment 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.

11 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. The effect on adoption of Ind AS 115 is expected to be insignificant.

As per our report of even date attached.
For S.S.KOTHARI MEHTA & CO.
Chartered Accountants
Firm Regn. No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI *CHARTERED ACCOUNTANTS*

Yogesh Kumar Gupta
Partner
Membership No.093214

Place : New Delhi
Date : MAY 18, 2018

For & on Behalf of the Board

Sujit Kanoria
(Director)
DIN-01175425

Kamta Nath Pandey
(Director)
DIN-00694714

Alok Kumar Joshi
(Director)
DIN-00718725

Yogesh Kumar Upadhyay
(Company Secretary)
Membership No. F6750

SHRISTI URBAN INFRASTRUCTURE DEVELOPMENT LIMITED

Notes to Financial Statements

1.	**Corporate information**
	Shristi Urban Infrastructure Development Limited ('the Company") is an unlisted entity incorporated in India and is engaged in the business of Consultancy services. The company was incorporated on June 20th, 2005 as a joint venture (JV) in the ratio of 60:40 between Shristi Infrastructure Development Corporation Limited ("SIDCL") and Housing And Urban Development Corporation Limited (HUDCO") respectively, in order to promote, establish, monitor, collaborate, construct, either through public and/or private participation, and to act as special purpose vehicle (SPV) for entering into understanding and joint ventures with various Central and State Governments, their corporations, technology and domain experts, in and outside India, for development, creation, expansion and modernization of housing, commercial, social and Urban Development facilities. Further the shares held by SIDCL got transferred to Shristi Housing Development Limited w.e.f 31.03.2009. Shristi Housing Development Limited has been amalgamated with Shristi Infrastructure Development Corporation Limited w.e.f 31.03.2016. Shristi Infrastructure Development Corporation Ltd. is the holding company owning 59.99% of equity share capital of the Company.
	Its registered office is situated Delhi. The financial statements for the year ended March 31, 2018 were approved for issue by the Board of Directors on May 18, 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 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 rupee 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.

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SHRISTI URBAN INFRASTRUCTURE DEVELOPMENT LIMITED

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

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 /

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

	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 amount in the Statement of Profit and Loss for the year in which the related service is rendered.
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 on accrual basis. 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

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	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.
ii)	**Financial liabilities**	

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SHRISTI URBAN INFRASTRUCTURE DEVELOPMENT LIMITED

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

	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.

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SHRISTI URBAN INFRASTRUCTURE DEVELOPMENT LIMITED

Notes to Financial Statements (contd.)

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

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,t he 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.

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