

RR MEGA CITY BUILDERS LIMITED

Accounts for the Year Ended 31st March, 2018

Amit Desai & Co
Chartered Accountants
36 Sunbeam Apartments,
3A Pedder Road, Mumbai 400 026.
E-mail Id : amitdesaiandco@gmail.com
Tel.: 9322269386

Independent Auditor's Report

To the Members of RR MEGA CITY BUILDERS LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of RR MEGA CITY BUILDERS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE 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 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 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 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 these 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Sub-Section 3 of Section 143 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 financial statements dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder;
- (e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated May 22, 2018 as per Annexure B expressed an unmodified opinion; 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:
- the Company does not have any pending litigations which would impact its financial position;
 - the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Amit Desai & Co
Chartered Accountants
ICAI Firm's Reg. No.: 130710W

Amit Desai

(Amit N. Desai)

Partner

Membership No.: 032926

Mumbai: May 22, 2018



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of RR MEGA CITY BUILDERS LIMITED on the financial statements for the year ended 31st March, 2018]

- (i)
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its fixed assets.
 - (c) There are no immovable properties owned by the Company, hence the provisions of Paragraph 3(i) of the Order are not applicable to the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) 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 Act, hence the provisions of Paragraph 3 (iii) of the Order are not applicable to the Company.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 of the Act. Further, the provisions of Section 186 the Act are not applicable to the Company as it is engaged in the business of Real Estate.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government of India has not prescribed the maintenance of cost records under Sub-Section (1) of Section 148 of the Act for any of the activities of the Company.
- (vii)
- (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it.

And



According to the information and explanations given to us, no undisputed amounts payable in respect of including provident fund, employees' state insurance, income tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable except service tax and sales tax(WCT).

Statement showing arrears of outstanding statutory dues as at the last date of the financial year for a period more than six months is as under –

Name of the Statute	Nature of Dues	Amount* (in Rs.)	Period to which the amount relates	Due Date	Date of Payment
Maharashtra Value Added Tax Act, 2002	WCT TDS	7,46,576/-	April 2017 to June 2017	within 21 days from the end of the month in which the WCT is payable	Not Paid till date.

*Excluding any interest if any.

- (b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institutions, banks, and Government during the year. The Company has not defaulted in repayment of dues to debenture holders during the year.
- (ix) 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. Hence the provisions of Paragraph 3(ix) of the Order are not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) The Company has not paid or provided any managerial remuneration; hence the provisions of Paragraph 3 (xi) of the Order are not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Paragraph 3(xii) of the Order are not applicable to the Company.
- (xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

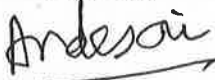


- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of Paragraph 3(xiv) of the Order are not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of Paragraph 3(xv) of the Order are not applicable to the Company.
- (xvi) Based on the information and explanation given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Amit Desai & Co

Chartered Accountants

ICAI Firm Registration No. 130710W


(Amit N. Desai)

Partner

Membership No. 032926



Mumbai: May 22, 2018

**Annexure B to the Independent Auditor's Report
on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the
Companies Act, 2013 ("the Act")**

In conjunction with our audit of the financial statements of RR MEGA CITY BUILDERS LIMITED ("the Company") as of and for the year ended 31st March, 2018, we have audited the internal financial controls over financial reporting ("IFCoFR") of the Company of as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Board of Directors 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 (the "Guidance Note") 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 IFCoFR based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's IFCoFR 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 IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail,



accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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 IFCoFR and such IFCoFR were operating effectively as at 31 March 2018, based on the IFCoFR criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of IFCoFR issued by the ICAI.

For Amit Desai & Co

Chartered Accountants

ICAI Firm's Reg. No.: 130710W

Amit Desai

(Amit N. Desai)

Partner

Membership No.: 032926

Mumbai: May 22, 2018



RR MEGA CITY BUILDERS LIMITED
CIN No.U45400MH2007PLC171263
Balance Sheet as at 31st March 2018
(All amounts in Indian rupees in lacs unless otherwise stated)

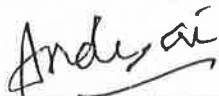
Particulars	Note No.	As at 31-Mar-18	As at 31-Mar-17
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	15.69	18.21
(b) Deferred Tax Assets (Net)		151.19	-
(c) Other Non Current Tax Assets	3	-	52.12
Total Non-Current Assets		166.88	70.33
(2) Current Assets			
(a) Inventories	4	7,188.30	7,718.40
(b) Financial Assets			
(i) Trade Receivables	5	3,462.55	5,253.88
(ii) Cash & Cash Equivalents	6	885.50	1,840.55
(iii) Bank Balances other than (ii) above	7	7.00	7.00
(iv) Loans	8	3,298.35	-
(v) Others	9	79.60	86.31
(c) Other Current Assets	10	201.04	183.51
Total Current Assets		15,122.34	15,089.65
TOTAL ASSETS		15,289.22	15,159.98
II. EQUITY AND LIABILITIES			
(1) Equity:			
(a) Equity Share Capital	11	10.00	10.00
(b) Other Equity			
(i) Retained earnings	12	(1,286.06)	(1,537.94)
(ii) Deemed Equity	13	2,869.60	2,869.60
Total Equity:		1,593.54	1,341.66
(2) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	-	-
(b) Deferred Tax Liabilities		-	47.24
Total Non-Current Liabilities		-	47.24
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	-	82.03
(ii) Trade Payables	16	339.98	957.59
(iii) Others	17	13,237.47	12,699.21
(b) Other Current Liabilities	18	13.62	32.25
(c) Provisions	19	104.61	-
Total Current Liabilities		13,695.68	13,771.08
TOTAL EQUITY & LIABILITIES		15,289.22	15,159.98
Summary of Significant Accounting Policies	1		
Notes forming part of financial statements	24-32		

As Per Our Report of Even Date

For **Amit Desai & Co**

Chartered Accountants

ICAI Firm Reg. No.: 130710W


(Amit N. Desai)

Partner

Membership No.: 032926



For and on behalf of Board of Director's



Bharat S. Sanghavi

Director

DIN: 00046906

Dinesh Jain

Director

DIN: 00059913

Mumbai

Date : May 22, 2018.

Mumbai

Date : May 22, 2018.

RR MEGA CITY BUILDERS LIMITED

CIN No.U45400MH2007PLC171263

Statement of Profit & Loss For The Year Ended 31st March 2018

(All amounts in Indian rupees in lacs unless otherwise stated)

Particulars	Note. No.	Year Ended 31-Mar-18	Year Ended 31-Mar-17
Income:			
Revenue from Operations	20	2,692.16	22,813.51
Other Income	21	196.54	12.60
Total Revenue		2,888.70	22,826.11
Expenses:			
Realty Cost Incurred	23	1,970.72	5,560.73
Change in Realty Work In Progress	23	524.47	19,883.43
Other Expenses	22	101.55	375.42
Depreciation and Amortization Expenses		2.52	2.52
Total Expenses		2,599.25	25,822.10
Profit/(Loss) Before Exceptional Items and Tax		289.45	(2,995.99)
Exceptional Items		-	-
Profit/ (Loss) Before Tax		289.45	(2,995.99)
Tax Expenses			
- Current Tax		236.00	177.20
- Deferred Tax		(198.43)	(1,156.90)
Total Tax Expenses		37.57	(979.70)
Profit / (Loss) After Tax for the Year		251.88	(2,016.30)
Earnings Per Share (Nominal Value of Rs. 10/- each)	24		
- Basic		251.88	(2,016.30)
- Diluted		251.88	(2,016.30)
Summary of Significant Accounting Policies	1		
Notes forming part of financial statements.	24-32		

As Per Our Report of Even Date

For **Amit Desai & Co**

Chartered Accountants

ICAI Firm Reg. No.: 130710W

Amit Desai

(Amit N. Desai)

Partner

Membership No.: 032926



For and on behalf of Board of Director's

Bharat S. Sanghavi

Bharat S. Sanghavi

Director

DIN: 00046906

Mumbai

Date : May 22, 2018.

Dinesh Jain

Dinesh Jain

Director

DIN: 00059913

Mumbai

Date : May 22, 2018.

RR MEGA CITY BUILDERS LIMITED

CIN No.U45400MH2007PLC171263

Cash Flow Statement For the Year Ended 31st March 2018.

(All amounts in Indian rupees in lacs unless otherwise stated)

	Particulars	Year Ended		Year Ended	
		31st March 2018		31st March 2017	
I	Cash Flow from Operating Activities				
	Net Profit(Loss) Before Tax		289.45		(2,995.99)
	<u>Adjustments for:</u>				
	Depreciation	2.52		2.52	
	Interest Income	(118.32)		-	
	Gain on Mutual Fund Investment	(64.23)	(180.03)	-	2.52
	Operating Profit before Working Capital Changes		109.42		(2,993.48)
	<u>Adjustments for:</u>				
	(Increase)/decrease Non Current Assets - Others	52.12		71.63	
	(Increase)/decrease in Inventories	530.10		19,883.43	
	(Increase)/decrease in Trade receivable	1,791.33		(5,253.88)	
	(Increase)/decrease in Others financial Assets	6.71		245.80	
	(Increase)/decrease Other current assets	(17.53)		70.26	
	Increase/(decrease) in Trade payables	(617.61)		(363.49)	
	Increase/(decrease) in Financial liabilities others	538.26		(2,673.46)	
	Increase/(decrease) in Other current liabilities	(18.63)		(38.74)	
	Increase/(decrease) in Short Term provision	104.61		(52.12)	
			2,369.36		11,889.42
	Cash Generated from/(Used in) Operations		2,478.78		8,895.95
	Taxes Paid (Net of Refund)		(236.00)		(177.20)
	Net Cash Flow From/(Used in) Operating Activities (A)		2,242.78		8,718.74
II	Cash Flow From Investing Activities				
	Interest Received		118.32		-
	Gain on Mutual Fund Investment		64.23		-
	(Loan Given)/ Collection of Loan Given		(3,298.35)		
	Net Cash Flow from/(Used in) Investing Activities (B)		(3,115.80)		-
III	Cash Flow From Financing Activities				
	Proceeds/(Repayment) of Long term borrowing		-		(2,939.62)
	Proceeds/(Repayment) of Short term borrowing		(82.03)		(4,122.16)
	Net Cash Flow from (Used in) Financing Activities (C)		(82.03)		(7,061.78)
	Increase/ (Decrease) in Cash and Cash Equivalents (D=A+B+C)		(955.05)		1,656.97
	Cash & Cash Equivalents as at Beginning of Year		1,840.54		183.58
	Cash & Cash Equivalents as at End of the Year		885.50		1,840.54
	For components for cash and cash equivalents Refer Note No. 6				

Notes:

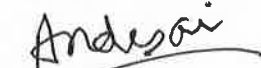
- 1 Statement of Cash Flows is prepared in accordance with Ind AS 7 as notified by Ministry of Corporate Affairs.

As Per Our Report of Even Date

For Amit Desai & Co

Chartered Accountants

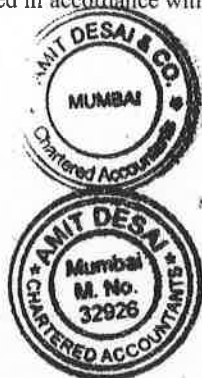
ICAI Firm Reg. No.: 130710W



(Amit N. Desai)

Partner

Membership No.: 032926



For and on behalf of Board of Director's



Bharat S. Sanghavi

Director

DIN: 00046906



Dinesh Jain

Director

DIN: 00059913

Mumbai

Date : May 22, 2018.

Mumbai

Date : May 22, 2018.

RR MEGA CITY BUILDERS LIMITED
Statement of Changes in Equity for the Year Ended March 31, 2018

(A) Equity Share Capital

(Rs. In Lakhs)

Particulars	Note No.	Amount
As at 1st April, 2016		10.00
Changes in equity share capital during the year		-
As at 31st March, 2017	11	10.00
Changes in equity share capital during the year		-
As at 31st March, 2018		10.00

(B) Other Equity

(Rs. In Lakhs)

Particulars	Other Equity		
	Retained Earnings	Deemed Equity	Total
Balance as at April 1, 2016	478.35	2,869.60	3,347.95
Profit / (Loss) for the Year	(2,016.30)	-	(2,016.30)
Other Comprehensive Income for the Year	-	-	-
Total Comprehensive Income for the Year	(2,016.30)	-	(2,016.30)
Balance as at March 31, 2017	(1,537.95)	2,869.60	1,331.65
Profit / (Loss) for the Year	251.88	-	251.88
Other Comprehensive Income for the Year	-	-	-
Total Comprehensive Income for the Year	251.88	-	251.88
Balance as at March 31, 2018	(1,286.06)	2,869.60	1,583.54

As Per Our Report of Even Date

For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No.: 130710W

Amit Desai

(Amit N. Desai)
Partner
Membership No. 032926



For and on behalf of Board of Directors

Bharat Sanghavi

Bharat Sanghavi
Director
DIN No. : 00046906

Dinesh R. Jain

Dinesh R. Jain
Director
DIN No. : 00059913

Place: Mumbai
Date : May 22, 2018.

Place: Mumbai
Date : May 22, 2018.

RR MEGA CITY BUILDERS LIMITED
CIN No.U45400MH2007PLC171263
Notes to the Financial Statement as at 31st March 2018
(All amounts in Indian rupees in lacs unless otherwise stated)

2	Property, Plant and Equipment	IT Equipement	Office equipment	Vehical	Total
	Cost or valuation				
	As at March 31, 2016	2.41	5.65	16.50	24.56
	Additions	-	-	-	-
	Sales/disposals/adjustments	-	-	-	-
	As at March 31, 2017	2.41	5.65	16.50	24.56
	Additions	-	-	-	-
	Sales/disposals/adjustments	-	-	-	-
	As at March 31, 2018	2.41	5.65	16.50	24.56
	Depreciation				
	As at March 31, 2016	2.24	0.38	1.22	3.83
	Charge for the year	0.08	0.38	2.06	2.52
	Sales/disposals/adjustments	-	-	-	-
	As at March 31, 2017	2.31	0.75	3.28	6.35
	Charge for the year	0.08	0.38	2.06	2.52
	Sales/disposals/adjustments	-	-	-	-
	As at March 31, 2018	2.39	1.13	5.34	8.87
	Net block				
	As at March 31, 2017	0.10	4.89	13.22	18.21
	As at March 31, 2018	0.02	4.52	11.16	15.69
3	Other Non Current Tax Assets			31st March 2018	31st March 2017
	Advance tax			-	410.71
	Less: Provision for taxes			-	358.60
	Total			-	52.12
4	Inventories (Valued at Cost or Net Reliasable Value, Whichever is Lower)			31st March 2018	31st March 2017
	Stock of Raw material			57.78	192.02
	Inventories (Work in Progress Realty Stock)				
	Land cost (Including Acquisiton cost)			15,024.57	15,024.57
	Development Expenses			17,897.26	16,610.99
	Finance cost			15,089.35	14,276.31
				48,011.18	45,911.86
	Less:				
	Cost of realty sales			40,880.67	38,385.49
	Work in progress Realty Stock - Total			7,130.51	7,526.38
	Total			7,188.30	7,718.40
5	Trade receivables			31st March 2018	31st March 2017
	Unsecured, Considered Good				
	Outstanding for more than six months				
	Others			3,462.54	5,253.88
	Total			3,462.54	5,253.88



RR MEGA CITY BUILDERS LIMITED
CIN No.U45400MH2007PLC171263
Notes to the Financial Statement as at 31st March 2018
(All amounts in Indian rupees in lacs unless otherwise stated)

6	Cash & Cash Equivalents	31st March 2018	31st March 2017
	Cash & Cash Equivalents		
	Cash Balance	1.49	1.29
	Balance with Bank	365.20	559.48
	Deposits with Banks (Maturity Less than 3 months)	518.81	1,279.77
	Total	885.50	1,840.54
7	Other Bank Balances	31st March 2018	31st March 2017
	Balance with Banks in Deposit Account as margin money	7.00	7.00
	Total	7.00	7.00
8	Loans	31st March 2018	31st March 2017
	Unsecured, Considered Good Loans	3,298.35	
	Total	3,298.35	-
9	Other Financial Assets	31st March 2018	31st March 2017
	Unsecured, Considered Good		
	Interest Accrued	23.41	2.17
	Other Receivables	56.19	84.14
	Total	79.60	86.31
10	Other Current Assets	31st March 2018	31st March 2017
	Balance With Statutory Authorities	201.04	183.51
	Total	201.04	183.51
11	Equity Share Capital:		
	Particulars	31st March 2018	31st March 2017
	Authorised Shares:		
	100000 Equity Shares of Rs.10/- Each	10.00	10.00
	Total	10.00	10.00
	Issued, Subscribed And Fully Paid-Up:		
	100000 Equity Shares of Rs. 10/- Each	10.00	10.00
	Total	10.00	10.00

a) Reconciliation of the Shares at the beginning and at the end of the reporting period

Particulars	31-Mar-18	31-Mar-18	31-Mar-17	31-Mar-17
	No.	Rs. In lacs	No.	Rs. In lacs
At the beginning of the year	100,000	10.00	100,000	10.00
Issued during the year	-	-	-	-
Bought back during the year	-	-	-	-
Outstanding at the end of the year	100,000	10.00	100,000	10.00



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b) Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees.

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

Equity Shares Capital	31-Mar-18	31-Mar-18	31-Mar-17	31-Mar-17
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Peninsula Realty Fund	71,000	71%	71,000	71%
Peninsula Holding and Investment Pvt. Ltd.	14,000	14%	14,000	14%
Clover Holdings & Trading Pvt. Ltd.	15,000	15%	15,000	15%

12 Retained earnings	31st March 2018	31st March 2017
<u>Profit & Loss Account:</u>		
Opening Balance	(1,537.94)	478.36
(+) Net Profit/(Net Loss) For the year	251.88	(2,016.29)
Closing Balance	(1,286.05)	(1,537.94)
Total	(1,286.05)	(1,537.94)

13 Deemed Equity	31st March 2018	31st March 2017
Equity Component of compound financial Instruments	2,869.60	2,869.60
Total	2,869.60	2,869.60

14 Non - Current Borrowing	31st March 2018	31st March 2017
<u>Unsecured Borrowings</u>		
2% Non Cumulative participating preference shares of Rs 100 each	13.67	13.67
- Preference Shares are redeemable on the Earlier of The Company shall be entitled to redeem the preference share at any time upto 31st December, 2018		
<u>Bonds/debentures</u>		
Issue of 94,79,881 (Privious Year 9479881) 0% Redeemable Optionally Fully Convertible Debentures of Rs 100	9,479.88	8,707.42
Each (Out of which 29,92,900 Debentures issued to Controlling Entity)		
Issue of 4,96,449 (Privious Year 4,96,449) 0% Redeemable Optionally Fully Convertible Debentures of Rs 100	496.45	456.00
Each Rs 100 paid up		
-Debentures are redeemable		
i The Company shall be entitled to redeem the debentures at any time upto 31st December, 2018		
ii Notwithstanding the above if the project of the company has not been completed during the tenure of Peninsula Realty Fund (The Fund) , the debentures will automatically become co-terminus with the life of the fund and shall be redeemed on the last date of the tenure of the fund.		
	9,990.00	9,177.08
Less current maturity of long term debt (Refer Note No. 17)	(9,990.00)	(9,177.08)
Total	-	-



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15	Borrowings (Current)	31st March 2018	31st March 2017
	Unsecured		
	Loans From Others		
	Peninsula Land Limited	-	76.89
	Clover Holding & Investment Pvt. Ltd.	-	5.14
	Terms :-		
	Repayable on Demand		
	Interest Rate 12% (P.Y. 15%)		
	Total	-	82.03

16	Trade Payables	31st March 2018	31st March 2017
	Micro, Small and Medium Enterprises		
	Others	339.98	957.59
	Total	339.98	957.59

Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

The Micro, Small and Medium Enterprises Development Act, 2006

Company has sent letters to suppliers to confirm whether they are covered under Micro, Small and Medium Enterprises Development Act 2006 as well as they have filed required memorandum with the prescribed authorities.

Based on the confirmation received(if any) the detail of outstanding are as under:

Particulars	31st March 2018	31st March 2017
The principal amount remaining unpaid at the end of the year	-	-
The interest amount remaining unpaid at the end of the year	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	-	-

17	Financial Liabilities -Other	31st March 2018	31st March 2017
	Current maturity of long term debt (refer note no. 14)	9,990.00	9,177.08
	Interest accrued but not due on borrowings	3,229.38	3,229.38
	Ashok Meadows Project- Condominium	18.09	292.75
	Total	13,237.47	12,699.21



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18 Other Current Liabilities	31st March 2018	31st March 2017
Statutory Liabilities	13.62	32.25
Total	13.62	32.25

19 Short Term Provisions	31st March 2018	31st March 2017
Provision for taxes	594.60	-
Less: Advance Tax	489.98	-
Total	104.61	-

20 Revenue from Operations	31st March 2018	31st March 2017
Realty Sales	2,678.96	22,813.51
Rental Income	13.20	-
Total	2,692.16	22,813.51

21 Other Income	31st March 2018	31st March 2017
Flat Cancellation Income	-	7.51
Interest Income	118.32	-
Miscellaneous Income	13.99	5.08
Gain on Mutual Fund Investment	64.23	-
Total	196.54	12.60

22 Other Expenses	31st March 2018	31st March 2017
Remuneration to Auditors		
Audit fees	1.25	1.26
Tax Audit Fee	0.60	0.00
	1.85	1.26
Bank Charges	0.03	0.04
Professional Fees	32.04	20.05
Telephone Expenses	-	0.27
Interest on Service Tax	1.99	0.36
Miscellaneous Expenses	3.15	5.97
Postage & Courier Charges	0.00	0.77
Printing & Stationery	1.45	0.31
Conveyance Expenses	0.43	1.29
Brokerage & Commission	49.21	273.13
Sales Promotion Expenses	10.83	61.69
Domestic Travelling	0.56	1.00
Donation	-	9.15
Books and Periodicals	0.01	0.14
Total	101.55	375.42



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23	The details of cost of realty sales and work in progress (Realty stock) are as under	31st March 2018	31st March 2017
	Realty costs incurred during the period		
	Development and allocated expenses	1,100.95	2,790.98
	Finance and other borrowing costs	813.04	2,365.65
	Statutory fees	56.73	404.10
	Total realty cost for the year (A)	1,970.72	5,560.73
	Opening Inventories		
	Stock of Raw material	192.02	1,126.04
	Work in progress (i)	7,526.38	26,475.79
	Closing Inventories		
	Stock of Raw material	63.42	192.02
	Work in progress	7,130.51	7,526.38
	Sub-total (ii)	7,193.93	7,718.40
	(Increased) /Decreased in inventories B=(i-ii)	524.47	19,883.43
	Cost of realty sales(A+B)	2,495.18	25,444.16
24	Earnings per share ('EPS')	31st March 2018	31st March 2017
	Profit After Tax (Rs. In Lacs)	251.88	(2,016.30)
	Weighted Average Number of Shares (Nos.)	100,000	100,000
	Basic & Diluted Earning Per Share (In Rs.)	251.88	(2,016.30)

25 Financial Instruments - Fair Values and Risk Management

(Rs In Lakhs)

31-Mar-17	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Trade receivables	-	-	5,253.88	5,253.88				
Cash and cash equivalents	-	-	1,840.55	1,840.55	-	-	-	-
Other Bank Balances	-	-	7.00	7.00	-	-	-	-
Others Financial Assets	-	-	86.31	86.31	-	-	-	-
Total	-	-	7,187.74	7,187.74	-	-	-	-
Financial Liabilities								
Short Term Borrowings	-	-	82.03	82.03	-	-	82.03	82.03
Trade Payables	-	-	957.59	957.59	-	-	-	-
Other Financial Liabilities	-	-	12,699.21	12,699.21	-	-	12,699.21	12,699.21
Total	-	-	13,738.83	13,738.83	-	-	12,781.24	12,781.24

31-Mar-18	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Trade receivables	-	-	3,462.55	3,462.55				
Cash and cash equivalents	-	-	885.50	885.50	-	-	-	-
Other Bank Balances	-	-	7.00	7.00	-	-	-	-
Loans	-	-	3,298.35	3,298.35				
Others Financial Assets	-	-	79.60	79.60	-	-	-	-
Total	-	-	7,733.00	7,733.00	-	-	-	-
Financial Liabilities								
Trade Payables	-	-	339.98	339.98	-	-	-	-
Other Financial Liabilities	-	-	13,237.47	13,237.47	-	-	13,237.47	13,237.47
Total	-	-	13,577.45	13,577.45	-	-	13,237.47	13,237.47



B Measurement of Fair Values

Valuation techniques and significant unobservable inputs

The valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used are given below.

i Long Term Loans and Advances

a Valuation Technique

Discounted cash flow technique. The valuation model considers the present value of expected payment, discounted using a risk adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast revenue and EBITDA, the amount to be paid under each scenario and the probability of each scenario.

b Significant Observable Inputs

Risk adjusted discount rate- 12% (31 March 2018)

c Inter-relationship between significant unobservable inputs and fair value measurement

The estimated fair value would increase, (decrease) if risk adjusted discount rate were lower (higher).

ii Non Current Investment

Discounted cash flow technique. The valuation model considers the present value of expected payment, discounted using a risk adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast revenue and EBITDA, the amount to be paid under each scenario and the probability of each scenario.

a

b Significant Observable Inputs

Risk adjusted discount rate- 12% (31 March 2018)

c Inter-relationship between significant unobservable inputs and fair value measurement

The estimated fair value would increase (decrease) if

- risk adjusted discount rate were lower (higher)
- expected sales growth were higher (lower)

C Financial Risk Management

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

- Credit risk ;
- Liquidity risk ; and
- Market risk

a Risk Management Framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.



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b Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investment in debt securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The carrying amount of following financial assets represents the maximum credit exposure:

i Trade and other receivables and Long term loans and advances

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

The Company's credit risk with regard to trade receivable has a high degree of risk diversification, due to the large number of projects of varying sizes and types with numerous different customer categories in a large number of geographical markets.

ii Impairment

At March 31, 2018, there were no trade and other receivables requiring impairment.

iii Cash and Cash Equivalents

The Company held cash and cash equivalents of Rs. 885.50 lakh at March 31, 2018 (March 31, 2017: Rs. 1840.54 lakh). The cash and cash equivalents are held with bank.

c Liquidity Risk

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

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

i Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Rs in Lacs

31-Mar-17	Carrying Amount	Total	Within 12 month	1-2 Year	2-5 Years	More than 5 Years
Short Term Borrowings	82.03	82.03	82.03	-	-	-
Trade Payables	957.59	957.59	957.59	-	-	-
Other Financial Liabilities	12,699.21	12,699.21	12,699.21	-	-	-

31-Mar-18	Carrying Amount	Total	Within 12 month	1-2 Year	2-5 Years	More than 5 Years
Trade Payables	339.98	339.98	339.98	-	-	-
Other Financial Liabilities	13,237.47	13,237.47	13,237.47	-	-	-



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ii Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices and will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to interest rate risk and the market value of the

iii Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	31st Mar 2018	31st Mar 2017
	(Rs. in Lacs)	
Fixed rate Instruments		
Financial Assets	525.81	1,286.77
Fixed Deposit		
Variable Rate Instruments		
Financial Assets		
Financial Liabilities		
Term loans from Financial Institutions		82.03
Short Term Borrowing		

26 Segment reporting

Based on the "Management Approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators of business, the segments in which the Company operates. The Company is primarily engaged in the business of real estate development which the Management and CODM recognise as the sole business segment. Hence disclosure of segment-wise information is not required and accordingly not provided.

27 Contingent liabilities and capital commitments

Contingent liabilities

Bank guarantee issued to Pollution control board Rs.7 lacs (P.Y. Rs.7 lacs)

Capital commitments

There are no Capital commitments as at 31st March 2018 and 31st March 2017.

28 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Based on the information available with the Company, there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March 2018. Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.

29 The company had borrowed funds inter alia, for the implementation of its real estate project. The interest cost in respect of the same is debited to cost of the project and carried under Inventories, net of any income earned on interim deployment of such borrowed funds pending utilisation for the project. Accordingly, such Dividend Income on Mutual Fund/Interest Income on the borrowed funds so deployed is credited to Work in Progress.



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30 Related party transactions

I Names of the related parties and related party relationships

- a Joint ventures 1
Peninsula Realty Fund -PRF
- b Joint ventures 2
Peninsula Land Limited
- c Joint ventures 3
Clover Holding & Investment Pvt. Ltd.

II Related party transactions

Transactions	31-Mar-18	31-Mar-17
Loan Received Joint ventures 2	3,047.92	334.39
Loan Repaid Joint ventures 2 Joint ventures 3	3,139.74 5.25	659.42 200.00
Interest Paid Joint ventures 2 Joint ventures 3	- 0.11	50.91 24.40
Interest Received Joint ventures 2	50.48	-
Manpower cost Joint ventures 2	65.41	233.01
Outstanding balance		
Payable by company Joint ventures 1		
Redeemable Optionally Fully Convertible Debentures	2,992.90	2,992.90
Interest accrued and payable on Debentures	934.28	934.28
Joint ventures 2		
Inter corporate deposit	-	76.89
Redeemable Optionally Fully Convertible Debentures	5,486.98	5,486.98
Interest accrued and payable on Debentures	1,857.03	1,857.03
Joint ventures 3		
Inter corporate deposit	-	5.14
Redeemable Optionally Fully Convertible Debentures	1,496.45	1,496.45
Interest accrued and payable on Debentures	438.07	438.07



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31 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents.

The Company's adjusted net debt to equity ratio is as follows.

Particular	As at 31st March 2018	As at 31st March 2017
Total Debt	13,237.47	12,781.24
Less : Cash and cash equivalent	885.50	1,840.54
Adjusted Net Debt	12,351.97	10,940.70
Total Equity	1,593.54	1,341.66
Less : Hedging reserve	-	-
Adjusted Equity	1,593.54	1,341.66
Adjusted Net Debt to Adjusted Equity Ratio	7.75	8.15

32 In the opinion of the directors, current assets, have the value at which they are stated in the balance sheet, if realized in the ordinary course of business. Sundry creditors are subject to confirmation.

For **Amit Desai & Co**
Chartered Accountants
ICAI Firm Reg. No.: 130710W

Amit Desai

(Amit N. Desai)
Partner

Membership No.: 032926

Mumbai

Date : May 22, 2018.



Bharat S. Sanghavi

Bharat S. Sanghavi
Director
DIN: 00046906

Mumbai

Date : May 22, 2018.

Dinesh Jain

Dinesh Jain
Director
DIN: 00059913