

## INDEPENDENT AUDITOR'S REPORT

### To the Members of PAVUROTTI REAL ESTATE PRIVATE LIMITED

#### Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of PAVUROTTI REAL ESTATE PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31 March 2017, 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 (herein after referred to as "Ind AS financial statements").

#### 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 AS financial statements based on our audit.

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



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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its 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 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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.

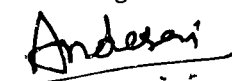


- c. The balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
- e. On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2";
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position;
  - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - (iv) the Company has provided requisite disclosures in its Ind AS Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 17(G) to the Ind AS Financial Statements.

**For Amit Desai & Co**

Chartered Accountants

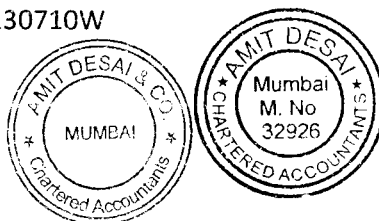
ICAI Firm Registration No. 130710W



(Amit N. Desai)

Partner

Membership No. 032926



Mumbai: 8<sup>th</sup> May, 2017

## **ANNEXURE 1 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 PAVUROTTI REAL ESTATE PRIVATE LIMITED on the Ind AS financial statements for the year ended 31<sup>st</sup> March, 2017]

- (i) The Company does not have any fixed assets and hence provisions of Paragraph 3(i) of the Order are not applicable to the Company.
- (ii) Inventories comprise of expenditure incurred on acquisition of plot of lands, development rights and other expenditure on construction and development thereof. 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 guarantees and securities the Company has complied with the provisions of Section 185 and 186 of the Act. Further, Section 186 of the Act is not applicable considering the Company as infrastructure facilities providing companies.
- (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 prescribed the maintenance of cost records for a product of the Company under Sub-Section (1) of Section 148 of the Act and the rules framed there under. However, during the year, there is no construction activity carried out which is specified in Companies (Cost Accounting Records) Rules, 2014. Accordingly, the clause does not apply for the year.
- (vii)
  - (a) The Company is 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, sales tax, service 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.

(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, Government or debenture holders during the year; hence the provisions of Paragraph 3(viii) of the Order are not applicable to the Company.
- (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 Sections 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: 8<sup>th</sup> May, 2017

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of PAVUROTTI REAL ESTATE PRIVATE LIMITED on the Ind AS financial statements for the year ended 31<sup>st</sup> March, 2017]

### **Report on the Internal Financial Controls over Financial Reporting 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 PAVUROTTI REAL ESTATE PRIVATE LIMITED ("the Company") as of March 31, 2017 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 essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.



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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

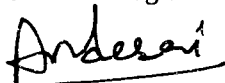
### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the essential components of internal control stated in the Guidance Note issued by ICAI.

**For Amit Desai & Co**

Chartered Accountants

ICAI Firm Registration No. 130710W



**(Amit N. Desai)**

Partner

Membership No. 032926



Mumbai: 8<sup>th</sup> May, 2017



## Balance Sheet As At 31st March, 2017

(Amount in Lacs)

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>I. ASSETS</b>				
<b>Non-Current Assets</b>				
Deferred Tax Assets (Net)	2	-	-	2.33
<b>Total Non Current Assets</b>		-	-	<b>2.33</b>
<b>Current Assets</b>				
(a) Inventories	3	7,293.02	6,664.74	6,129.77
(b) Financial Assets				
Cash and Cash Equivalents	4	2.24	2.10	0.59
Others	5	-	0.00	0.01
(c) Other Assets	6	7.31	4.37	2.32
<b>Total Current Assets</b>		<b>7,302.57</b>	<b>6,671.22</b>	<b>6,132.69</b>
<b>TOTAL ASSETS</b>		<b>7,302.57</b>	<b>6,671.22</b>	<b>6,135.02</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	7	10.00	10.00	10.00
(b) Other Equity	8	(19.81)	(18.01)	(12.52)
<b>Total Equity</b>		<b>(9.81)</b>	<b>(8.01)</b>	<b>(2.52)</b>
<b>Non-Current Liabilities</b>				
(a) Financial Liabilities				
Borrowings	9	-	4,053.11	3,445.43
<b>Total Non-Current Liabilities</b>		-	<b>4,053.11</b>	<b>3,445.43</b>
<b>Current liabilities</b>				
(a) Financial Liabilities				
Borrowings	10	7,054.62	2,372.49	2,372.49
Trade Payables	11	6.09	3.16	3.72
(b) Other Current Liabilities	12	251.66	250.48	315.90
<b>Total Current Liabilities</b>		<b>7,312.37</b>	<b>2,626.12</b>	<b>2,692.11</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,302.57</b>	<b>6,671.22</b>	<b>6,135.02</b>
Significant Accounting Policies	1			
The accompanying notes are an integral part of these financial statements	1 - 17			

As Per Our Report of Even Date

For Amit Desai &amp; Co

Chartered Accountants

ICAI Firm Reg. No.: 130710W



(Amit N. Desai)

Partner

Membership No.: 032926



For and on behalf of Board of Directors



Bharat Sanghavi

Director

DIN No.: 00046906



Prakash Mahabala Shetty

Director

DIN No.: 07163339

Kayedzohar K. Tambawala

Director

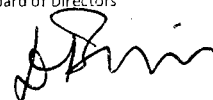
DIN No.: 00402902



Subhashchandra M. Kashimpuria

Director

DIN No.: 00046793



Dinesh R. Jain

Director

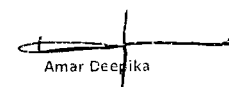
DIN No.: 00059913



Ashish K. Kapadia

Director

DIN No.: 02011632



Amar Deegika

Director

DIN No.: 07078749

Date:

08 MAY 2017

Place: Mumbai

## PAVUROTTI REAL ESTATE PRIVATE LIMITED

CIN No. U70100MH1995PTC084292

## Statement of Profit &amp; Loss For The Year Ended 31st March, 2017

(Amount in Lacs)


Particulars	Note No.	For The Year Ended 31st March, 2017	For The Year Ended 31st March, 2016
<b>Income:</b>			
Revenue from Operations		-	-
Other Income	13	0.23	-
<b>Total Revenue</b>		<b>0.23</b>	<b>-</b>
<b>Expenses:</b>			
Finance Costs	14	0.06	0.04
Other Expenses	15	1.97	3.12
<b>Total Expenses</b>		<b>2.03</b>	<b>3.17</b>
<b>Profit / (Loss) Before Exceptional Items and Tax</b>		<b>(1.80)</b>	<b>(3.17)</b>
Exceptional Items		-	-
<b>Profit/(Loss) Before Tax</b>		<b>(1.80)</b>	<b>(3.17)</b>
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	2.33
<b>Total Tax Expenses</b>		<b>-</b>	<b>2.33</b>
Profit/(Loss) After Tax for the Year ( A )		(1.80)	(5.50)
Other Comprehensive Income for the Year ( B )		-	-
<b>Total Comprehensive Income for the Year ( A + B )</b>		<b>(1.80)</b>	<b>(5.50)</b>
Earnings Per Equity Share:			
- Basic (in Rs.)		(1.80)	(5.50)
- Diluted (in Rs.)		(1.80)	(5.50)
Significant Accounting Policies	1		
The accompanying notes are an integral part of these financial statements	1 - 17		

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 Directors



Bharat Sanghavi

Director

DIN No. : 0000046906



Prakash Mahabala Shetty

Director

DIN No. : 0007163339

Kayedzohar K. Tambawala

Director

DIN No. : 0000402902

Subhashchandra M. Kashimpuria

Director

DIN No. : 0000046793



Dinesh R. Jain

Director

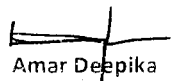
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Ashish K. Kapadia

Director

DIN No. : 0002011632



Amar Deepika

Director

DIN No. : 0007078749

Date : 08 MAY 2017

Place: Mumbai

## PAVUROTTI REAL ESTATE PRIVATE LIMITED

CIN No. U70100MH1995PTC084292

## Cash Flow Statement For the Year Ended 31st March, 2017

(Amount in Lacs)

	Particulars	For The Year Ended	
		31st March, 2017	31st March, 2016
I	<b>Cash Flow from Operating Activities</b>		
	Loss Before Tax	(1.80)	(3.17)
	<u>Adjustments for:</u>		
	Finance Costs	0.06	0.04
	<b>Operating Loss Before Working Capital Changes</b>	(1.74)	(3.12)
	<u>Adjustments For :</u>		
	Inventories	(628.28)	(534.97)
	Loans & Advances	(2.93)	(2.05)
	Other Current Assets	0.00	-
	Trade Payables	2.94	(0.56)
	Others Liabilities	1.18	(65.43)
	<b>Cash Generated from / (Used in) Operations</b>	(628.82)	(606.13)
	Taxes Paid (Net of Refund)	-	-
	<b>Net Cash Flow From / (Used in) Operating Activities</b>	(A) <b>(628.82)</b>	<b>(606.13)</b>
II	<b>Cash Flow From Investing Activities</b>		
	<b>Net Cash Flow from Investing Activities</b>	(B) -	-
III	<b>Cash Flow From Financing Activities</b>		
	Finance Costs	(0.06)	(0.04)
	Net Proceeds form Borrowings	629.02	607.68
	<b>Net Cash Flow from Financing Activities</b>	(C) <b>628.97</b>	<b>607.64</b>
	<b>Increase / (Decrease) in Cash and Cash Equivalents</b>	(D = A + B + C) <b>0.14</b>	<b>1.51</b>
	<b>Cash &amp; Cash Equivalents as at Beginning of the Year</b>	<b>2.10</b>	<b>0.59</b>
	<b>Cash &amp; Cash Equivalents as at End of the Year</b>	<b>2.24</b>	<b>2.10</b>

The accompanying notes are an integral part of these financial statements

1) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

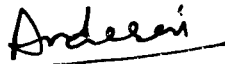
2) Previous year figures have been regrouped, rearranged or reclassified wherever necessary to conform to the current year's classifications.

As Per Our Report of Even Date

For **Amit Desai & Co**

Chartered Accountants

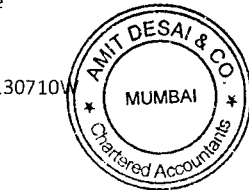
ICAI Firm Registration No.: 130710W




(Amit N. Desai)


Partner

Membership No.: 032926




For and on behalf of Board of Directors

  
**Bharat Sanghavi**  
 Director  
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 DIN No. : 0002011632

  
**Amar Deepika**  
 Director  
 DIN No. : 0007078749

 Date **08 MAY 2017**  
 Place: Mumbai

**PAVUROTTI REAL ESTATE PRIVATE LIMITED**  
**Statement of Changes in Equity for the Year Ended March 31, 2017**

**(A) Equity Share Capital**

(Rs. In Lakhs)

Particulars	Note No.	Amount
As at 1st April, 2015	3	1.00
Changes in equity share capital during the year		-
As at 31st March, 2016		1.00
Changes in equity share capital during the year		-
As at 31st March, 2017		1.00

**(B) Other Equity**

(Rs. In Lakhs)

Particulars	Reserve & Surplus		
	Retained Earnings	Other Comprehensive Income	Total
Balance at April 1, 2015	(12.52)	-	(12.52)
Ind AS Adjustments as at April 1, 2015	-	-	-
Changes in Accounting Policy / Prior Period Items	-	-	-
Restated Balance as at the April 1, 2015	(12.52)	-	(12.52)
Profit / (Loss) for the Year	(5.50)	-	(5.50)
Other Comprehensive Income for the Year	-	-	-
Total Comprehensive Income for the Year	(5.50)	-	(5.50)
Balance as at March 31, 2016	(18.01)	-	(18.01)
Profit / (Loss) for the Year	(1.80)	-	(1.80)
Other Comprehensive Income for the Year	-	-	-
Total Comprehensive Income for the Year	(1.80)	-	(1.80)
Balance as at March 31, 2017	(19.81)	-	(19.81)

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. : 0000046906

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DIN No. : 0002011632

*Amar Deepika*

Amar Deepika

Director

DIN No. : 0007078749

Date: 08 MAY 2017  
Place: Mumbai

**Note 1: Statement of Significant Accounting Policies**

**I Company Overview**

Pavurotti Real Estate Private Limited ("the Company") is a company engaged primarily in the business of real estate development and is domiciled in India.

**II (a) Basis of Preparation of Financial Statements**

The Financial Statements comply with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act"), and the relevant provisions of the 2013 Act / Companies Act, 1956 ("the 1956 Act"), as applicable.

The financial statements upto the year ended 31st March 2016 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

These Financial Statements are the Company's first Ind AS Financial Statements and are covered by Ind AS 101, first time adoption of Indian Accounting Standards (Ind AS 101). The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101.

Refer Note Item no 2 of Note 19 for an explanation of how the transition from the previous GAAP to Ind AS has affected the financial position, financial performance and cash flows of the Company.

The Financial Statements have been prepared on a historical cost basis, except certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instrument).

**(b) Use of Estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of these Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialize.

**A. Fair value measurement of financial instruments**

When the fair values of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation technique. The inputs to these models are taken from the observable market where possible, but where this is not feasible, a review of judgement is required in establishing fair values. Changes in assumptions relating to these assumptions could affect the fair value relating of financial instruments.

**(c) Functional and presentation currency**

These financial statements are presented in Indian rupees, which is the functional currency of the company. All financial information presented in Indian rupees has been rounded to the nearest lacs to two decimal

**(d) Use of Estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of these Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialize.

**(e) Measurement of fair value**

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

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

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

*Level 1* : quoted prices in active markets for identical assets or liabilities.

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



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

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

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

(f) **Miscellaneous Expenditure:**  
Preliminary and

(g) **Revenue Recognition**

The Company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis. Revenue is recognized only when it is reasonably certain that the ultimate collection will be made.

(h) **Provisions, Contingent Liabilities and Contingent Assets**

- i) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources and the amount of which can be reliably estimated.
- ii) Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future event not wholly within the control of the Company.

(i) **Financial Assets**

**Classification**

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

**Initial recognition and measurement**

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

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

- Debts at amortised cost
- Equity investments measured at fair value through profit or loss

Debt instruments at amortised cost

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

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

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

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

Equity investments

All equity investments other than investment in subsidiaries, joint venture and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.



If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### Financial Liabilities

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

Initial recognition and measurement

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

#### Loans and borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

The Interest free loans from parent company is discounted @ 15%

#### Derecognition

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

#### (i) **Income tax**

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

##### Current tax

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

**Current tax assets and liabilities are offset only if, the Company:**

- a) has a legally enforceable right to set off the recognised amounts; and
- b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



**Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (including those arising from consolidation adjustments such as unrealised profit on inventory etc.)

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

**Deferred tax assets and liabilities are offset only if:**

- a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

**Minimum Alternate Tax (MAT)**

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognised as an asset (MAT Credit Entitlement) only if there is convincing evidence for realisation of such asset during the specified period. MAT paid during the year is charged to Statement of Profit and Loss as current tax. MAT credit entitlement is reviewed at each Balance Sheet date.

**(k) Property Plant and Equipment**

Property, Plant & equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure i.e. directly attributable to the acquisition of the items of property plant and equipment

**(l) Depreciation**

Depreciation is provided under straight line method over the estimated useful life of assets. The Company depreciates its property plant and equipment over the useful life in the manner prescribed in schedule II of the Act.

**(m) Inventories**

Inventories of stock in trade are stated at cost or net realisable value whichever ever is lower. Cost comprises all cost of purchase and other cost incurred in bringing the inventories to their present location and conditions.

**(n) Transition to Ind AS**

As stated in Note 16, the Company's financial statements for the year ended March 31, 2017 are the first annual financial statements prepared in compliance with Ind AS.

The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2015 as the transition date. Ind AS 101 requires that all Ind AS standards that are effective for the first Ind AS Financial Statements for the year ended March 31, 2017, be applied consistently and retrospectively for all fiscal years presented.

All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Previous GAAP as of the Transition Date have been recognized directly in equity at the Transition Date.

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

**a) Deemed cost of Property, Plant and Equipments**

The Company has opted para D7 AA and accordingly considered the carrying value of plant and equipment as deemed cost as at transition date

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

- Reconciliation of balance sheet as at April 1, 2015;
- Reconciliation of balance sheet as at April 1, 2016;
- Reconciliation of total comprehensive income for the year ended March 31, 2016; and
- Equity as at April 1 2015
- Equity as at March 31 2016
- explanation of material adjustments to cash flow statements.





**PAVUROTTI REAL ESTATE PRIVATE LIMITED****CIN No. U70100MH1995PTC084292****Notes to the Financial Statements for the Year Ended 31st March, 2017****2 Deferred Tax**

The components of Deferred Tax Assets to the extent recognized and Deferred Tax Liabilities as on 31st March, 2017 as follows  
(Amount in Lacs)

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
<u>Deferred Tax Assets</u>			
Carry Forward of Losses	-	-	2.33
<b>Total</b>	-	-	<b>2.33</b>

**3 Inventories:**

(Amount in Lacs)

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
<u>Realty Stock: Work-in-Progress (Valued at Cost or Net Relisable Value, Whichever is Lower)</u>			
- Land Cost (Acquisition and Other Costs incidental there to)	5,307.12	5,307.12	5,307.12
- Development Expenses	192.77	174.09	165.99
- Finance Costs	1,793.12	1,183.53	656.66
<b>Total</b>	<b>7,293.02</b>	<b>6,664.74</b>	<b>6,129.77</b>

**4 Cash and Cash Equivalents:**

(Amount in Lacs)

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
<u>Cash &amp; Cash Equivalents</u>			
- Cash Balance	0.01	0.05	0.05
- Bank Balance in Current Accounts	2.22	2.04	0.54
<b>Total</b>	<b>2.24</b>	<b>2.10</b>	<b>0.59</b>

**5 Current Financial Assets - Other Assets:**

(Amount in Lacs)

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
Other Advances	-	0.00	0.01
<b>Total</b>	-	0.00	0.01

**6 Other Current Assets**

(Amount in Lacs)

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
Advance with Statutory Authorities	7.31	4.37	2.32
<b>Total</b>	<b>7.31</b>	<b>4.37</b>	<b>2.32</b>



# PAVUROTTI REAL ESTATE PRIVATE LIMITED

CIN No. U70100MH1995PTC084292

## Notes to the Financial Statements for the Year Ended 31st March, 2017

### 7 Share Capital:

(Amount in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Authorised:</b>			
1,00,000 (31st March, 2016: 1,00,000 and 1st April, 2015: 1,00,000) Equity Shares of Rs.10/- Each	10.00	10.00	10.00
<b>Total</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>
<b>Issued, Subscribed And Fully Paid-Up:</b>			
1,00,000 (31st March, 2016: 1,00,000 and 1st April, 2015: 1,00,000) Equity Shares of Rs.10/- Each	10.00	10.00	10.00
<b>Total</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>



### a) Reconciliation of the Shares at the Beginning and at the End of the Reporting Period

Equity Shares	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of Shares	Rs. In Lacs	No. of Shares	Rs. In Lacs	No. of Shares	Rs. In Lacs
At the Beginning of the Year	100,000	10.00	100,000	10.00	100,000	10.00
Issued During the Year	-	-	-	-	-	-
Bought Back During the Year	-	-	-	-	-	-
Outstanding at the End of the Year	<b>100,000</b>	<b>10.00</b>	<b>100,000</b>	<b>10.00</b>	<b>100,000</b>	<b>10.00</b>

### 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	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Jayem Properties Private Limited	21,000	21.00	21,000	21.00	21,000	21.00
Javed Tapia	23,000	23.00	23,000	23.00	23,000	23.00
Peninsula Land Limited - Holding Company	56,000	56.00	56,000	56.00	56,000	56.00

**PAVUROTTI REAL ESTATE PRIVATE LIMITED**

CIN No. U70100MH1995PTC084292

**Notes to the Financial Statements for the Year Ended 31st March, 2017****8 Other Equity**

(Amount in Lacs)

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
<b>Retained Earnings</b>			
Opening Balance	(18.01)	(12.52)	(12.52)
(+) (Net Loss) For the Current Year	(1.80)	(5.50)	-
Closing Balance	(19.81)	(18.01)	(12.52)
<b>Total</b>	<b>(19.81)</b>	<b>(18.01)</b>	<b>(12.52)</b>

**9 Non-Current Financial Liabilities: Borrowings**

(Amount in Lacs)

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
<b>Unsecured Borrowings</b>			
From Holding Company	-	4,053.11	3,445.43
(Rate of Interest in 15% p.a. (Previous Years 15 % p.a.)			
From Other Shareholders			
- Javed Tapia [Rate of Interest Nil (Previous Year: NIL)]	-	-	-
- Jayem Properties Private Limited	-	-	-
[Rate of Interest Nil (Previous Year: NIL)]			
<b>Terms of Above Loans:</b>			
The above loans are repayable after 1 year.			
<b>Total</b>	<b>-</b>	<b>4,053.11</b>	<b>3,445.43</b>

**10 Financial Liabilities: Borrowings**

(Amount in Lacs)

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
<b>Unsecured Borrowings</b>			
From Holding Company	4,682.13	-	-
(Rate of Interest in 15% p.a. (Previous Years 15 % p.a.)			
From Other Shareholders			
- Javed Tapia [Rate of Interest Nil (Previous Year: NIL)]	841.27	841.27	841.27
- Jayem Properties Private Limited	1,531.21	1,531.21	1,531.21
[Rate of Interest Nil (Previous Year: NIL)]			
<b>Terms of Above Loans:</b>			
The above loans are repayable on demand.			
<b>Total</b>	<b>7,054.62</b>	<b>2,372.49</b>	<b>2,372.49</b>



**PAVUROTTI REAL ESTATE PRIVATE LIMITED****CIN No. U70100MH1995PTC084292****Notes to the Financial Statements for the Year Ended 31st March, 2017****11 Trade Payables:**

(Amount in Lacs)

Trade Payables	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
- Micro, Small and Medium Enterprises	-	-	-
- Others	6.09	3.16	3.72
<b>Total</b>	<b>6.09</b>	<b>3.16</b>	<b>3.72</b>

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

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

Based on the confirmation received, if any, the details of outstanding are as under:

(Amount in Lacs)

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
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	-	-	-



**PAVUROTTI REAL ESTATE PRIVATE LIMITED****CIN No. U70100MH1995PTC084292****Notes to the Financial Statements for the Year Ended 31st March, 2017****12 Other Current Liabilities:**

(Amount in Lacs)

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
Duties & Taxes	1.66	0.48	65.90
Advance for Properties	250.00	250.00	250.00
<b>Total</b>	<b>251.66</b>	<b>250.48</b>	<b>315.90</b>

**13 Other Income:**

(Amount in Lacs)

Particulars	Year Ended	Year Ended
	31.03.2017	31.03.2016
Other Income	0.23	-
<b>Total</b>	<b>0.23</b>	<b>-</b>

**14 Finance Costs:**

(Amount in Lacs)

Particulars	Year Ended	Year Ended
	31.03.2017	31.03.2016
Interest Expenses	0.03	0.00
Other Borrowing Costs	0.03	0.04
<b>Total</b>	<b>0.06</b>	<b>0.04</b>

**15 Other Expenses:**

(Amount in Lacs)

Particulars	Year Ended	Year Ended
	31.03.2017	31.03.2016
Payments to the Auditors		
- Audit Fees	0.45	0.48
- Out of Pocket Expenses	-	-
	0.45	0.48
Professional Fees	0.75	1.78
Property Tax Paid	0.74	0.75
Conveyance	-	0.07
Miscellaneous Expenses	0.03	0.04
<b>Total</b>	<b>1.97</b>	<b>3.12</b>



**A. Accounting classification and fair values****1-Apr-15**

(Rs. In Lacs)

<b>Financial Assets</b>								
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Cash & Cash Equivalents	-	-	0.59	0.59				
Others	-	-	0.01	0.01				
	-	-	0.60	0.60				

(Rs. In Lacs)

<b>Financial Liabilities</b>								
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-Current Liabilities - Borrowings	-	-	3,445.43	3,445.43				
Current Liabilities - Borrowings	-	-	2,372.49	2,372.49				
Trade Payables	-	-	3.72	3.72				
	-	-	5,821.63	5,821.63				

**31-Mar-16**

(Rs. In Lacs)

<b>Financial Assets</b>								
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Cash & cash equivalents	-	-	2.10	2.10				
Others	-	-	0.00	0.00				
	-	-	2.10	2.10				

(Rs. In Lacs)

<b>Financial Liabilities</b>								
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-Current Liabilities - Borrowings	-	-	4,053.11	4,053.11				
Current Liabilities - Borrowings	-	-	2,372.49	2,372.49				
Trade Payables	-	-	3.16	3.16				
	-	-	6,428.75	6,428.75				

**31-Mar-17**

(Rs. In Lacs)

<b>Financial Assets</b>								
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Cash & Cash Equivalents	-	-	2.24	2.24				
Others	-	-	-	-				
	-	-	2.24	2.24				

(Rs. In Lacs)

<b>Financial Liabilities</b>								
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-Current Liabilities - Borrowings	-	-	-	-				
Current Liabilities - Borrowings	-	-	7,054.62	7,054.62				
Trade Payables	-	-	6.09	6.09				
	-	-	7,060.72	7,060.72				

**B. Financial risk management**

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

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

**i. Risk management framework**

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.

**ii. 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 loans and investment in debt securities. The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of other receivables and investments.

**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.



## Impairment

At March 31, 2017, the ageing of trade and other receivables that were not impaired was as follows.

	(Rs. In Lacs)	(Rs. In Lacs)
	31-Mar-17	31-Mar-16
Neither past due nor impaired	-	-
Past due 1-30 days	-	-
Past due 31-90 days	-	-
Past due 91-120 days	-	-
	-	-

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

Balance as at April 1, 2016	-
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2016	-
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2017	-

The Company held cash and cash equivalents of INR 2.24 Lacs at March 31, 2017 (March 31, 2016: INR 2.10 Lacs). The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings

### iii. 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.

### 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.

Contractual cash flow		(Rs. In Lacs)				
31-Mar-16	Carrying Amount	Total	Within 12 months	1-2 Year	2-5 Years	More than 5 Years
Non-Current Liabilities - Borrowings	4,053.11	4,053.11		4,053.11		
Current Liabilities - Borrowings	2,372.49	2,372.49	2,372.49			
Trade Payables	3.16	3.16	3.16			

		(Rs. In Lacs)				
31-Mar-17	Carrying Amount	Total	Within 12 months	1-2 Year	2-5 Years	More than 5 Years
Non-Current Liabilities - Borrowings	0.00	0.00	0.00			
Current Liabilities - Borrowings	7054.62	7054.62	7054.62			
Trade Payables	6.09	6.09	6.09			

### iv. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices – 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. We are exposed to market risk primarily related to interest rate risk and the market value of our investments affecting to parent company, since major borrowings is from parent company.

### Currency risk

The Company is exposed to currency risk on account of its trade and other payables in foreign currency. The functional currency of the Company is Indian Rupee. Currency risk is not material, as the company does not have significant exposure in foreign currency,

### 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.

The Company's Major interest free borrowings is from ultimate parent Company

### Exposure to currency risk

There is no exposure of the company in foreign currency



**PAVUROTTI REAL ESTATE PRIVATE LIMITED**

**CIN No. U70100MH1995PTC084292**

**Notes to the Financial Statements for the Year Ended 31st March, 2017**

**17 Notes Forming Parts of the Financial Statements**

**A Transition to Ind AS:**

As stated in Note 2, the Company's financial statements for the year ended March 31, 2017 are the first annual financial statements prepared in compliance with Ind AS.

The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2015 as the transition date. Ind AS 101 requires that all Ind AS standards that are effective for the first Ind AS Financial Statements for the year ended March 31, 2017, be applied consistently and retrospectively for all fiscal years presented.

All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Previous GAAP as of the Transition Date have been recognized directly in equity at the Transition Date.

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

- Reconciliation of balance sheet as at April 1, 2015;
- Reconciliation of balance sheet as at March 31, 2016;
- Reconciliation of total comprehensive income for the year ended March 31, 2016; and
- Equity as at April 1, 2015
- Equity as at March 31, 2016
- Explanation of Material Adjustments to Cash Flow Statements.

For the purposes of reporting as set out in Note 2, we have transitioned our basis of accounting from Indian generally accepted accounting principles ("IGAAP") to Ind AS. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 1, 2015 (the "transition date").

In preparing our opening Ind AS balance sheet, we have adjusted amounts reported in financial statements prepared in accordance with IGAAP. An explanation of how the transition from IGAAP to Ind AS has affected our financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables. On transition, we did not revise estimates previously made under IGAAP except where required by Ind AS.

**Reconciliation of net worth as at April 01, 2015 and March 31, 2016**

Particular	01-Apr-15	31-Mar-16
Net worth under IGAAP	(12.52)	(18.01)
Summary of Ind AS adjustments	-	-
Net worth under Ind AS	(12.52)	(18.01)

**Reconciliation of Comprehensive income for the year ended on March 31, 2016**

Particular	31-Mar-16
Comprehensive income under IGAAP	(5.50)
Summary of Ind AS Adjustments	-
Comprehensive income under Ind AS	(5.50)

**Notes to the reconciliation:**

The Company have does not have any adjustments on account of Ind AS accounting standard





**PAVUROTTI REAL ESTATE PRIVATE LIMITED**  
**CIN No. U70100MH1995PTC084292**  
**Notes to the Financial Statements for the Year Ended 31st March, 2017**

**B Contingent Liabilities**

(Rs. in lacs unless specified)		
Particulars	2016-17	2015-16
Pro-rata Charge for the Loan/Credit Facilities taken by the Holding Company	7,800.00	5,500.00

- C The Net Worth of the Company is completely eroded but the management has confirmed to support the Company, financially whenever required.
- D Debit & Credit balances of various parties are subject to confirmation/reconciliation and consequent adjustments, if any. The Company is of the view that reconciliation(s), if any, arising out of final settlement of accounts with these parties is not likely to have any material impact on the accounts. Current Assets are stated in the Balance Sheet at least at the value which is reasonably certain to recover in ordinary course of business.

**E Related Party Disclosures**

Related parties and transactions with them during the year as identified by the Management are given below:

Holding Company

Peninsula Land Limited (PLL) - Holding Company

Shareholders and Their Relatives

Jayem Properties Private Limited (JPPL) - Shareholder

Javed Tapia (JT) - Shareholder

Azim Tapia (AT) - Relative of JT



**Details of transactions carried out with related party:**

(Rs. In Lacs)

Nature of Transactions	Holding Company		Shareholders and/or Their Relatives who have significant influence directly or indirectly		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>Loan Taken</b>						
PLL	20.62	80.94	-	-	20.62	80.94
Total	20.62	80.94	-	-	20.62	80.94
<b>Interest on Loan &amp; Advances</b>						
PLL	609.59	526.87	-	-	609.59	526.87
JPPL	-	-	-	202.36	-	202.36
Total	609.59	526.87	-	202.36	609.59	729.23
<b>Loan Repaid</b>						
PLL	-	-	-	-	-	-
Total	-	-	-	-	-	-
<b>Closing Balance as on 31<sup>st</sup> March:</b>						
<b>Loans</b>						
JT	-	-	841.27	841.27	841.27	841.27
JPPL	-	-	1,531.22	1,531.22	1,531.22	1,531.22
PLL	4,682.13	4,053.11	-	-	4,682.13	4,053.11
Total	4,682.13	4,053.11	2,372.49	2,372.49	7,054.62	6,425.60
<b>Advance for Properties</b>						
AT	-	-	250.00	250.00	250.00	250.00
Total	-	-	250.00	250.00	250.00	250.00



**PAVUROTTI REAL ESTATE PRIVATE LIMITED**

**CIN No. U70100MH1995PTC084292**

**Notes to the Financial Statements for the Year Ended 31st March, 2017**

**F Earnings Per Share**

(Rs. In Lacs unless specified)			
Sr. No.	Particulars	2016-17	2015-16
1	Loss After Tax	(1.35)	(5.50)
2	Number of Shares	100,000	100,000
3	Basic & Diluted Earning Per Share (in Rs.)	(1.35)	(5.50)

- G As per Notification of Ministry of Corporate Affairs dated 30th March 2017 details of specified bank notes ( SBN) held and transacted during the period from 8th November 2016 to 30th December 2016 are as provided in table below.

(Amount in Rs.)			
Particulars	Specified Bank Notes (SBN) Amount	Other Bank Notes Amount	Total Amount
Closing Cash in hand as at 08.11.2016	2,500.00	740.00	3,240.00
Add : Permitted Receipts	-	-	-
Less : Permitted Payments	-	-	-
Less: Amounts deposited in Banks	2,500.00	-	2,500.00
Closing Cash in hand as at 30.12.2016	-	740.00	740.00



**PAVUROTTI REAL ESTATE PRIVATE LIMITED**

**CIN No. U70100MH1995PTC084292**

**Notes to the Financial Statements for the Year Ended 31st March, 2017**

H Previous year's figures have been regrouped/ rearranged/ recasted/reclassified wherever necessary to conform to the current year's classification.

As Per Our Report of Even Date

For **Amit Desai & Co**

Chartered Accountants

ICAI Firm Reg. No.: 130710W

*Amit Desai*

(Amit N. Desai)

Partner *AD*

Membership No : 032926



For and on behalf of Board of Directors

*Bharat Sanghavi*  
Bharat Sanghavi  
Director

DIN No. : 0000046906

*Prakash Mahabala Shetty*  
Prakash Mahabala Shetty  
Director

DIN No. : 0007163339

Kayedzohar K. Tambawala  
Director

DIN No. : 0000402902

*Subhashchandra M. Kashimpuria*  
Subhashchandra M. Kashimpuria  
Director

DIN No. : 0000046793

*Dinesh R. Jain*

Dinesh R. Jain  
Director

DIN No. : 0000059913

*Ashish K. Kapadia*  
Ashish K. Kapadia  
Director

DIN No. : 0002011632

*Amar Deepika*  
Amar Deepika  
Director

DIN No. : 0007078749

Date: **08 MAY 2017**  
Place: Mumbai