

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF****Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying Standalone Ind AS financial statements of M/S SUNCITY PROPERTIES PRIVATE LIMITED, which comprise the Balance Sheet as at 31st March 2018 and the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, profit or loss, cash flow and changes in equity and 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.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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 Standalone 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.



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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone 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 Standalone Ind AS financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Standalone 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 Standalone Ind AS financial statements.

Opinion

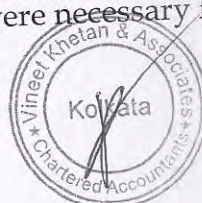
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India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

Other Matters

Nil

Report on other Legal and Regulatory Requirements

1. As required of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order.
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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- f) In our opinion and to the best of our information and according to the explanations given to us, we report as such no other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- g) With respect of adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **Annexure B** and
- h) 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 derivatives contracts for which there were any material foreseeable losses.
 - iii) There is no amount required to be transferred, to the Investor Education and Protection Fund by the company.



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in our Independent Auditor's Report to the member of Suncity Properties Private Limited for the year ended march 31st, March 2018.

- 1)
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b. The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
 - c. The title deeds of immovable properties are held in the name of the company.
- 2) Since no inventories are maintained by the company the said clause is not applicable.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013; In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.



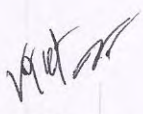
7)

- a. According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing 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 statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.
 - b. According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.



- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For VINEET KHETAN & ASSOCIATES
Chartered Accountants
Firm Reg. No. 324428E


Vineet Khetan
Partner (M.No. 060270)

Place : Kolkata
Date :



ANNEXURE B TO THE AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **M/s SUNCITY PROPERTIES PRIVATE LIMITED** as of **31st March 2018** in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conduct our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") and Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and 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 were 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 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 assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of 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 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 Profit and Loss of the company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of internal financial controls over financial reporting,

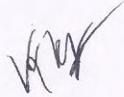
Because of Inherent Limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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



Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **31st March 2018**, based on internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by Institute of Chartered Accountants of India.

For VINEET KHETAN & ASSOCIATES
Chartered Accountants
Firm Reg. No. 324428E



Vineet Khetan
Prop. (M.No. 060270)

Place : Kolkata
Date :



SUNCITY PROPERTIES PVT LTD
CIN :U70109WB1998PTC087521

Cash flow statement for the year ended March 31, 2018
 (All amounts in thousands, unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
A Cash Flow from operating activities		
Profit before Tax(Loss)	1.78	74.47
Adjustm- nts for	-	-
Less : Interest Received	-	-
Operating Profit before Working Capital change	1.78	74.47
Change in operating assets and liabilities		
Increase/(decrease) in other non financial liabilities	115.00	22.75
Increase/(decrease) in other current liabilities	87.92	-
(Increase)/decrease in other current assets	(16.61)	-
Increase/(decrease) in other current assets	(261.45)	-
	(75.14)	22.75
Cash generated from operations	(73.36)	97.22
Income taxes paid	0.46	-
Net Cash generated from Operating Activities	(73.82)	97.22
B Cash flow from investing activities:		
Purchase of Property, Plant and Equipment (including Capital work-in-progress, capital advances and capital creditors)	(7,060.01)	(6,933.43)
Loans & Advance	-	(262.12)
Net Cash generated from Investing Activities	(7,060.01)	(7,195.55)
C Cash flow from financing activities		
Proceeds(repayment) from Short term borrowings	7,133.31	5,641.99
Net Cash generated from Financing Activities	7,133.31	5,641.99
Net increase/(decrease) in cash and cash equivalents	(0.52)	(1,456.34)
Add: Cash and cash equivalents at the beginning of the financial year	7,109.00	1,527.43
Cash and cash equivalents at the end of the year	7,108.48	71.09
Reconciliation of Cash Flow statements as per the cash flow statement		
Cash Flow statement as per above comprises of the following	31 March 2018	31 March 2017
Cash and cash equivalents	70.57	71.09
Bank overdrafts	-	-
Balances as per statement of cash flows	70.57	71.09

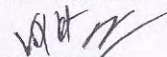
The above statement of cash flows should be read in conjunction with the accompanying notes.

Previous year figures have been regrouped / reclassified / rearranged wherever necessary to make them comparable to those for the current year .

For VINEET KHETAN & ASSOCIATES

Chartered Accountants

ICAI FRN : 324428E


VINEET KHETAN

(PROP.)

Membership No 060270

FRN: 324428E

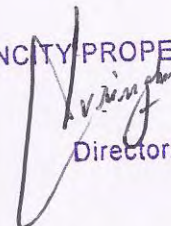
Date :-16/05/2018

For and behalf of Board of Directors

SUNCITY PROPERTIES (P) LTD.


 Director/Auth. Signatory

SUNCITY PROPERTIES (P) LTD.


 Director/Auth. Signatory



SUNCITY PROPERTIES PVT LTD

CIN :U70109WB1998PTC087521

Balance Sheet as at 31st March 2018

(All amounts in thousands, unless otherwise stated)

	Notes	As at 31 March 2018	As at 31 March 2017
ASSETS			
Non-current assets			
Property, plant and equipment	1(a)	24,781.00	24,781.00
Capital work-in-progress	1(b)	46,310.22	39,250.22
Total non-current assets		71,091.22	64,031.22
Current assets			
Financial assets			
i. Cash and cash equivalents	3(a)	70.57	71.09
ii. Other financial assets	3(b)	5,689.52	5,428.07
Other current assets	2b	247.30	230.69
Total current assets		6,007.39	5,729.85
Total assets		77,098.61	69,761.06
EQUITY AND LIABILITIES			
Equity			
Equity share capital	4(a)	20,600.00	20,600.00
Other equity			
Reserves and Surplus	4(b)	(1,943.84)	(1,948.88)
Total equity		18,656.16	18,651.12
LIABILITIES			
Non Current liabilities			
Financial liabilities			
i. Borrowings	5(a)	54,506.11	47,372.80
Total current liabilities		54,506.11	47,372.80
Current liabilities			
Financial liabilities			
i. Borrowings	5(b)	-	-
ii. Trade payables	5(c)	16.00	16.00
iii. Other financial liabilities	5(d)	3,271.95	3,156.95
Current tax liabilities (net)	6(a)	1.75	23.00
Other current liabilities	6(b)	646.65	541.19
Total current liabilities		3,936.35	3,737.14
Total liabilities		58,442.45	51,109.94
Total equities and liabilities		77,098.61	69,761.06

See accompanying notes to the financial statements

For VINEET KHETAN & ASSOCIATES

Chartered Accountants

ICAI FRN: 324428E

VINEET KHETAN

Proprietor

Membership No 060270



For and behalf of Board of Directors

SUNCITY PROPERTIES (P) LTD.

Director/Auth. Signatory

SUNCITY PROPERTIES (P) LTD.

Director/Auth. Signatory

SUNCITY PROPERTIES PVT LTD
CIN :U70109WB1998PTC087521

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

(All amounts in thousands, unless otherwise stated)

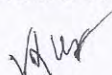
	Notes	Year ended 31 March, 2018	Year ended 31 March, 2017
Other Income	7	290.50	318.00
Total Income		291	318
Expenses			
Other expenses	8	283.72	243.54
Total expenses		284	243.54
Profit before exceptional items and tax		6.78	74.47
Exceptional items		-	-
Profit before tax		6.78	74.47
Income tax expense			
-Current tax		1.75	23.00
-Deferred tax		-	-
Total tax expense		1.75	23.00
		5.03	51.47
Other comprehensive income		-	-
<i>Items that will not be reclassified to profit or loss</i>			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		5.03	51.47
Earnings per equity share for profit from continuing operation attributable to owners of company			
Basic earnings per share (In INR)		0.002	0.025
Diluted earnings per share (In INR)		0.002	0.025

See accompanying notes to the financial statements

For VINEET KHETAN & ASSOCIATES

Chartered Accountants

ICAI FRN: 324428E



VINEET KHETAN

Proprietor

Membership No 060270

Place :-

Date :-

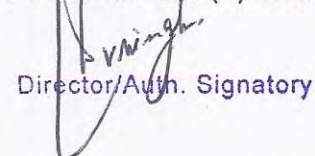
For and behalf of Board of Directors

SUNCITY PROPERTIES (P) LTD.



Director/Auth. Signatory

SUNCITY PROPERTIES (P) LTD.



Director/Auth. Signatory



SUNCITY PROPERTIES PVT LTD**Statement of Changes in Equity**

(All amounts in thousands, unless otherwise stated)

(A) Equity share capital(Refer Note 4a)

	Amount
As at 31 March 2017	21,000.00
Changes in equity share capital	-
As at 31 March 2018	21,000.00

(B) Other equity (Refer Note 4b)

Reserves and Surplus		
	Securities premium reserve	Retained earnings
Opening Balance	522.00	(2,522.34)
Profit for the period	-	51.47
Other Comprehensive Income	-	-
Total comprehensive income for the years	-	51.47
Dividend paid	-	-
Balance as at 31 March 2017	522.00	(2,470.88)
Opening Balance	522.00	(2,470.88)
Profit for the period	-	1.32
Other Comprehensive Income	-	-
Total comprehensive income for the years	-	1.32
Dividend paid	-	-
Balance as at 31 March 2018	522.00	(2,469.56)

For VINEET KHETAN & ASSOCIATES

Chartered Accountants

ICAI FRN : 324428E

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VINEET KHETAN

Proprietor

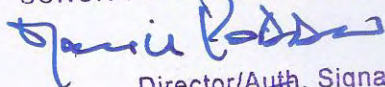
Membership No 060270

Place :-

Date :-

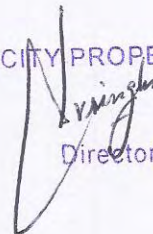
For and behalf of Board of Directors

SUNCITY PROPERTIES (P) LTD.



Director/Auth. Signatory

SUNCITY PROPERTIES (P) LTD.



Director/Auth. Signatory



1(a) Property, Plant and Equipment

Amount in Rs. thousand

Particulars	Freehold Land
Year ended March 31, 2017	
Opening gross carrying amount as on April 1, 2016	24,781.00
Accumulated depreciation and impairment	
Depreciation charge during the year	-
Impairment loss	-
Disposals	-
Closing accumulated depreciation and impairment as on March 31, 2017	-
Net carrying amount as on March 31, 2017	24,781.00
Year ended March 31, 2018	
Opening gross carrying amount as at April 1, 2017	24,781.00
Additions	-
Disposals	-
Closing gross carrying amount as on March 31, 2018	
Accumulated depreciation and impairment	
Opening accumulated depreciation and impairment as at April 1, 2017	-
Depreciation charge during the year	-
Impairment loss	-
Disposals	-
Closing accumulated depreciation and impairment as on March 31, 2018	-
Net carrying amount as on March 31, 2018	24,781.00

1(b) Capital Work in Progress

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening CWIP	39,250.22	32,033.99
Add:-		
Additions during the year (Pre-operative Expenses)	7,060.01	7,216.23
Closing Capital WIP	46,310.22	39,250.22



SUNCITY PROPERTIES PVT LTD

(All amounts in thousands, unless otherwise stated)

ASSETS**Current Assets****Note 3 Financial assets:****Note 3(a) Cash and cash equivalents**

	As at	
	31-Mar-18	31-Mar-17
Balances with banks		
- in current accounts	40.68	37.58
Cash in Hand	29.89	33.51
Total cash and cash equivalents	70.57	71.09

Note 3(b) Other financial assets

	As at	
	31-Mar-18	31-Mar-17
(Unsecured, Considered good unless otherwise stated)		
Loan and Advances to others	5,689.52	5,428.07
Total Loans	5,689.52	5,428.07

Note 2b: Other Current assets

	As at	
	31-Mar-18	31-Mar-17
Balance with Govt. Authorities	247.30	230.69
Total other assets	247.30	230.69

Note 4: Equity share capital and other equity**4(a) Equity share capital****(i) Authorised equity share capital (Equity Shares at the Face Value of INR 10 each)**

	Number of shares (in nos.)	Amount (in thousand)
As at 31 March 2017	2,100,000	21,000.00
As at 31 March 2018	2,100,000	21,000.00

(ii) Issued, Subscribed and Paid up capital (Equity Shares at the Face Value of INR 10 each)

	Number of shares (in nos.)	Amount (in thousand)
As at 31 March 2017	2,060,000	20,600.00
As at 31 March 2018	2,060,000	20,600.00

(iii) Movements in equity share capital

	Number of shares (in nos.)	Face Value per share (in Rs.)
As at 31 March 2017	2,060,000	10
As at 31 March 2018	2,060,000	10

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the Company, the shareholders will be eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

(iv) Shares of the company held by holding/ultimate holding company

	As at	
	31-Mar-18	31-Mar-17
Future Market Networks Limited	1,136,600	1,136,600

(v) Details of shareholders holding more than 5% shares in the company

	As at	
	31-Mar-18	31-Mar-17
	Number of shares & % holding	Number of shares & % holding
Future Market Networks Limited	1136600 55.18%	1136600 55.18%
MANISH PODDAR	250000 12.14%	250000 12.14%
SARDUL VIKRAM GUPTA	236700 11.49%	236700 11.49%
Vasavi Infrastructure Projects Limited	181700 8.82%	181700 8.82%



SUNCITY PROPERTIES PVT LTD

(All amounts in thousands, unless otherwise stated)

4(b) Reserve and surplus

	<u>As at</u>	
	31-Mar-18	31-Mar-17
Securities premium reserve	522.00	522.00
Retained earnings	(2,465.84)	(2,470.88)
Total reserves and surplus	(1,943.84)	(1,948.88)

Movement of Securities Premium Reserve

	<u>As at</u>	
	31-Mar-18	31-Mar-17
Opening balance	522.00	522.00
Add: (Loss) during the year	-	-
Closing Balance	522.00	522.00

Movement of Retained earnings

	<u>As at</u>	
	31-Mar-18	31-Mar-17
Opening balance	(2,470.88)	(2,522.34)
Add: (Loss) during the year	5.03	51.47
Closing Balance	(2,465.84)	(2,470.88)

Non Current Liabilities**Note 5: Financial liabilities****5(a) Borrowings**

	<u>As at</u>	
	31-Mar-18	31-Mar-17
Unsecured Loan		
Loans from related party	53,006.11	45,872.80
Loans from Others (Repayable on demand)	1,500.00	1,500.00
Total current borrowings	54,506.11	47,372.80

Current Liabilities**Note 5: Financial liabilities****5(b) Borrowings**

	<u>As at</u>	
	31-Mar-18	31-Mar-17
Unsecured Loan		
Loans from related party	-	-
Total current borrowings	-	-

5(c) Trade Payable

	<u>As at</u>	
	31-Mar-18	31-Mar-17
Trade Payable	16.00	16.00
Total current borrowings	16.00	16.00

5(d) Other financial liabilities

	<u>As at</u>	
	31-Mar-18	31-Mar-17
Payables for Expenses	3,271.95	3,156.95
Total other current financial liabilities	3,271.95	3,156.95

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

(i) There were no amounts outstanding to be paid to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).

(ii) No interest is paid/payable during the year to any micro or small enterprise registered under the MSMED.



SUNCITY PROPERTIES PVT LTD

(All amounts in thousands, unless otherwise stated)

Note 6(a): Current Tax Liabilities

	<u>As at</u>	
	31-Mar-18	31-Mar-17
Current Tax	1.75	23.00
Total other liabilities	1.75	23.00

Note 6(b): Other liabilities

	<u>As at</u>	
	31-Mar-18	31-Mar-17
Statutory dues	434.34	346.88
Other Statutory Provision	212.31	194.31
Total other liabilities	646.65	541.19

Note 7: Other Income

	<u>Year ended</u>	
	31-Mar-18	31-Mar-17
Interest Income	290.50	318.00
Total	290.50	318.00

Note 8: Other expenses

	<u>Year ended</u>	
	31-Mar-18	31-Mar-17
Travelling Expenses	271.17	214.83
Filing Fees	0.60	22.20
Auditors Remuneration	-	-
Statutory Audit	10.00	5.73
Certification	-	-
Other Services	-	-
Other Miscellaneous Expenses	1.95	0.78
Total	283.72	243.54

8(a) Details of payments to auditors

	<u>Year ended</u>	
	31-Mar-18	31-Mar-17
Payment to auditors		
Statutory auditors		
a) Audit fees	10.00	5.73
b) Taxation matters	-	-
c) Other services	-	-
Total	10.00	5.73

Note 9: Current and deferred tax**9(a) Income Tax Expense**

	<u>As at</u>	
	31-Mar-18	31-Mar-17
<u>Current tax</u>		
Current tax on profits for the year	1.75	23.00
Adjustments for current tax of prior periods	-	-
Total current tax (expense)/Saving	1.75	23.00
<u>Deferred tax</u>		
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	-	-
Income tax expense	1.75	23.00



SUNCITY PROPERTIES PVT LTD

(All amounts in thousands, unless otherwise stated)

16 b. The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

	As at	
	31-Mar-18	31-Mar-17
Statutory income tax rate	25.75%	30.90%
Differences due to:		
Expenses not deductible for tax purposes		
Others		
Effective income tax rate	25.75%	30.90%

Note 10: Related party transactions

In compliance with Ind AS 24 - "Related Party Disclosures", the required disclosures are given in the table below:

(a) Name of related parties and related parties relationship

Related Parties	Nature of relation ship	
	31-Mar-18	31-Mar-17
Future Market Networks Limited	Holding Company and Ultimate Holding Company	Holding Company and Ultimate Holding Company
	Director	Director
	Director	Director
		-
	Director	Director

(b).The Following transactions were carried out with the Related Parties in the ordinary course of business.

Nature of Transaction	For the year ended 31 March 2018	For the year ended 31 March 2017
	Holding Company and Ultimate Holding Company	Holding Company and Ultimate Holding Company
<u>Future Market Networks Limited</u>		
Reimbursement of Capital Expenditure	31.35	1,083.75
Interest On loan taken(Net of TDS)	2,801.18	2,377.83
Loan taken		19.78

Nature of Transaction	As at 31 March 2018	As at 31 March 2017
	Holding Company and Ultimate Holding Company	Holding Company and Ultimate Holding Company
<u>Balance outstanding at the end of the year</u>		
<u>Future Market Networks Limited</u>		
Borrowings -	23,386.60	20,554.08

Note 11 : Contingent liabilities and contingent assets**(a) Contingent liabilities**

Contingent Liabilities Rs. Nil (March 31, 2017-NIL).

Note 12 : Commitments

Estimated amount of contract remaining to be executed on capital account and not provided for Rs. Nil (March 31, 2017- Nil)



SUNCITY PROPERTIES PVT LTD

(All amounts in thousands, unless otherwise stated)

Note 13 : Earnings per share

(a) Basic and diluted earnings per share

	Year Ended 31 March 2018	Year Ended 31 March 2017
Profit attributable to the equity holders of the Company	6.78	51.47
Nominal Value per share	10	10
Basic/Diluted earnings per share attributable to the equity holders of the Company (Rs. Per share)	0.002	0.020

(b) Weighted average number of shares used as the denominator

	Year Ended 31 March 2018	Year Ended 31 March 2017
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	2,060,000	2,060,000

Note 14: Offsetting financial assets and financial liabilities

There are no Financial assets and liabilities which are offset as on balance sheet as there is no legally enforceable right to offset the recognised amounts and there is no intention to settle on a net basis or realise the asset and settle the liability simultaneously.



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Notes to financial statements

(All amounts in thousands, unless otherwise stated)

Note 15: Fair value measurements

15(a) Financial Instruments by category

	31 March 2018			31 March 2017		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
i. Cash and cash equivalents	-	-	70.57	-	-	71.09
ii. Other Financial assets	-	-	5,689.52	-	-	5,428.07
Total financial assets	-	-	5,760.09	-	-	5,499.15
Financial liabilities						
i. Borrowings	-	-	54,506.11	-	-	47,372.80
ii. Trade payables	-	-	16.00	-	-	16.00
iii Other financial liabilities	-	-	3,271.95	-	-	3,156.95
Total financial liabilities	-	-	57,794.06	-	-	50,545.75

15(b) Fair value hierarchy

No financial instruments are recognised and measured at fair value for which fair values are determined using the judgements and estimates.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Level 1	Level 2	Level 3	Total
At 31 March 2018				
Financial assets				
i. Other Financial assets	-	-	5,689.52	5,689.52
Total financial assets			5,689.52	5,689.52
Financial Liabilities				
i. Borrowings			54,506.11	54,506.11
ii. Trade payables			16.00	16.00
iii Other financial liabilities			3,271.95	3,271.95
Total financial liabilities			57,794.06	57,794.06

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Level 1	Level 2	Level 3	Total
Financial assets				
i. Other Financial assets	-	-	5,428.07	5,428.07
Total financial assets	-	-	5,428.07	5,428.07
Financial Liabilities				
i. Borrowings			47,372.80	47,372.80
ii. Trade payables			16.00	16.00
iii Other financial liabilities			3,156.95	3,156.95
Total financial liabilities			50,545.75	50,545.75

During the year there are no financial instruments which are measured at Level 1 and Level 2 category.

The fair value of financial instruments referred above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :

Level 1: This hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between the levels during the year.

Valuation processes :

For level 3 financial instruments the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

15(c) Fair value of financial assets and liabilities measured at amortised cost

	31 March 2018		31 March 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
i. Other Financial assets	5,689.52	5,689.52	5,428.07	5,428.07
Total financial assets	5,689.52	5,689.52	5,428.07	5,428.07
Financial Liabilities				
i. Borrowings	54,506.11	54,506.11	47,372.80	47,372.80
ii. Trade payables	16.00	16.00	16.00	16.00
iii Other financial liabilities	3,271.95	3,271.95	3,156.95	3,156.95
Total financial assets	57,794.06	57,794.06	50,545.75	50,545.75

The carrying amounts of trade payables, short term borrowings including interest thereon, capital creditors, loans repayable on demand and cash and cash equivalents are considered to have their fair values approximately equal to their carrying values.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



Note 16 : Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk are reviewed regularly to reflect changes in market conditions and the company's activities.

A. Management of Liquidity Risk:

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

	Carrying amount	Less than 12 months	More than 12 months	Total
As at 31st March 2018	57,794.06	57,794.06	-	57,794.06
i. Borrowings	54,506.11	54,506.11	-	54,506.11
ii. Trade payables	16.00	16.00	-	16.00
iii Other financial liabilities	3,271.95	3,271.95	-	3,271.95
As at 31st March 2017	50,545.75	50,545.75	-	50,545.75
i. Borrowings	47,372.80	47,372.80	-	47,372.80
ii. Trade payables	16.00	16.00	-	16.00
iii Other financial liabilities	3,156.95	3,156.95	-	3,156.95

B. Management of Market risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and currency risk .

The Company is not exposed to any foreign currency risk as neither operates internationally nor has any foreign currency transaction.

Also, the Company does not have any variable rate borrowings therefore the Company is not exposed to interest rate risk too.

C. Management of Credit Risks

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its Loan.

Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

Therefore, Company has followed General Model. The Company is not exposed to any other credit risks.

D. Capital Management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company does not distribute dividends to the shareholders.

Note 17:

Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year.

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

1. Overview of the Company

The company was incorporated in the year 1998. As real estate company for undertaking some construction projects and has acquired the land for the purpose and entered into some joint venture for joint development of a project

2. Significant Accounting Policies:

Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

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

These financial statements are the first financial statements of the Company under Ind AS. Refer note 101 note no.22 for an explanation of how the transaction from previous GAAP to Ind AS has affected the Company's financial positions, financial performance and cash flows.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities that is measured at fair value;

Investments and other financial assets:

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The Classification depends on the entity's business model for managing the financial assets and the contractual term of the cash flows.



For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable Election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

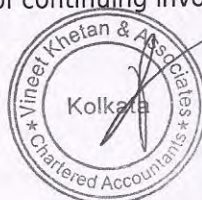
For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.



A financial liability is recognised when the obligation specified in the contract. Is discharged, completed or expired.

(v) **Income recognition**

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less from the Balance Sheet date.

Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

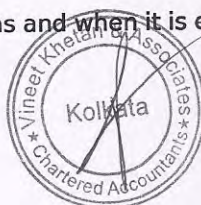
Recognising revenue from major business activities

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

Income from Services

Revenue from services rendered is recognized as the service is performed based on agreements/ arrangement with concerned parties and revenue from end of the last billing to the balance sheet date is recognized as unbilled revenue.

The company recognizes the interest income as and when it is earned on the accrual basis.



Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

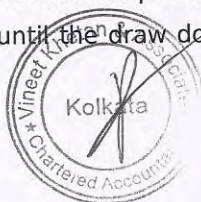
(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence



that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Borrowing costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes a substantial period of time to get ready for its intended use are capitalized as a part of the cost of such assets, until such time the asset is substantially ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the period they occur. Borrowing costs consist of interest and other costs incurred in connection with borrowing of funds.

Other borrowing costs are expensed in the period in which they are incurred.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

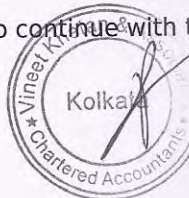
Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent cost are included in the asset's carrying value amount recognized as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of its property,



plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Trade and other payables

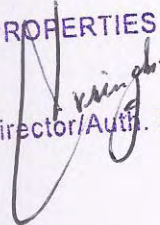
These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

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