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**KRIDHAN INFRASOLUTIONS PRIVATE LIMITED**

**BALANCE SHEET**

**PROFIT AND LOSS ACCOUNT**

**CASHFLOW STATEMENT**

**AUDIT REPORT (CARO)**

**Y. E. 31st MARCH, 2018**

**INCOME TAX A.Y. 2018-19**



**U. B. Lakhani & Co.**  
**CHARTERED ACCOUNTANTS**

A/202, Neelkanth Dhara. Opp. Dhanwantri Hospital,

N.S.Road, Mulund (W). Mumbai 400080

Tel: 25905491/92 Fax: 25905472

Email: lakhaniub@gmail.com

## KRIDHAN INFRA SOLUTIONS PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
PROPERTY, PLANT AND EQUIPMENT	1	2,58,20,239.88	2,43,24,250.37	2,32,74,025.26
INTANGIBLE ASSETS	1	33,899.24	19,544.71	52,993.71
<b>FINANCIAL ASSETS</b>	2			
i. INVESTMENTS	2(i)	3,00,000.00	3,00,000.00	3,00,000.00
ii. LOANS	2(ii)	-	-	-
iii. OTHER FINANCIAL ASSETS	2(iii)	-	-	-
DEFERRED TAX ASSETS	3	99,322.00	-	-
OTHER NON-CURRENT ASSETS	4	1,91,723.00	1,91,723.00	1,14,723.00
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,64,45,184.12</b>	<b>2,48,35,518.08</b>	<b>2,37,41,741.97</b>
<b>CURRENT ASSETS</b>				
INVENTORIES	5	85,48,005.37	99,90,548.72	1,01,96,433.24
<b>FINANCIAL ASSETS</b>	2			
i. INVESTMENTS	2(iv)	-	-	-
ii. TRADE RECEIVABLES	2(v)	22,19,58,803.39	21,41,50,532.17	10,21,37,891.62
iii. CASH AND CASH EQUIVALENTS	2(vi)	33,36,407.06	27,65,972.42	34,86,472.74
iv. OTHER BANK BALANCE	2(vii)	10,36,292.00	47,89,435.00	11,24,168.00
v. LOANS	2(viii)	1,68,32,865.80	1,46,06,966.36	98,65,957.66
OTHER CURRENT ASSETS	6	1,01,71,275.61	67,96,827.38	72,51,103.26
<b>TOTAL CURRENT ASSETS</b>		<b>26,18,83,649.23</b>	<b>25,31,00,282.05</b>	<b>13,40,62,026.52</b>
<b>TOTAL ASSETS</b>		<b>28,83,28,833.35</b>	<b>27,79,35,800.13</b>	<b>15,78,03,768.49</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
EQUITY SHARE CAPITAL	7	70,00,000.00	70,00,000.00	70,00,000.00
<b>OTHER EQUITY</b>	8			
RESERVES AND SURPLUS	8(i)	(33,48,059.94)	65,65,645.14	60,99,094.90
OTHER RESERVES	8(ii)	5,03,32,282.00	2,64,40,729.12	2,64,93,794.75
<b>TOTAL EQUITY</b>		<b>5,39,84,222.06</b>	<b>4,00,06,374.26</b>	<b>3,95,92,889.65</b>
<b>LIABILITIES</b>				
<b>NON-CURRENT LIABILITIES</b>				
<b>FINANCIAL LIABILITIES</b>	9			
i. BORROWINGS	9(i)	38,65,217.26	37,90,738.26	37,56,917.63
ii. OTHER FINANCIAL LIABILITIES	9(ii)	-	-	-
PROVISIONS	10	-	-	-
DEFERRED TAX LIABILITIES	11	-	2,42,894.00	5,59,694.00
OTHER NON CURRENT LIABILITIES	12	-	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>38,65,217.26</b>	<b>40,33,632.26</b>	<b>43,16,611.63</b>
<b>CURRENT LIABILITIES</b>				
<b>FINANCIAL LIABILITIES</b>				
i. BORROWINGS	9(iii)	-	4,89,91,296.16	4,69,65,138.92
ii. TRADE PAYABLES	9(iv)	22,75,08,414.42	17,77,71,834.14	5,69,11,268.04
iii. OTHER FINANCIAL LIABILITIES	9(v)	19,00,832.61	60,62,516.31	94,67,860.25
PROVISIONS	10	10,70,147.00	10,70,147.00	5,50,000.00
CURRENT TAX LIABILITIES	13	-	-	-
OTHER CURRENT LIABILITIES	14	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>23,04,79,394.03</b>	<b>23,38,95,793.61</b>	<b>11,38,94,267.21</b>
<b>TOTAL LIABILITIES</b>		<b>23,43,44,611.29</b>	<b>23,79,29,425.87</b>	<b>11,82,10,878.84</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>28,83,28,833.35</b>	<b>27,79,35,800.13</b>	<b>15,78,03,768.49</b>

The notes referred to above form an integral part of the Balance Sheet.  
As per our report of even date

For U.B. Lakhani & Co.  
Chartered Accountants  
Firm Reg. No : 105532W

CA Uday B. Lakhani  
(Partner)  
Membership No. : 031867

Place : Mumbai  
Date : 29-May-2018

For and on behalf of the Board

Mr. Anil D. Agrawal  
(Director)  
DIN: 00360114

Mrs. Nikki Agrawal  
(Director)  
DIN: 00182633



*Anil D. Agrawal*

*Nikki Agrawal*

**KRIDHAN INFRA SOLUTIONS PRIVATE LIMITED**

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

Particulars	Note No.	Year ended 31.03.2018	Year ended 31.03.2017
<b>I</b> Revenue from Operation	15	96,154,873.18	197,434,410.31
<b>II</b> Other Income	16	2,926,745.80	11,659,687.40
<b>III</b> <b>Total Revenue (I + II)</b>		<b>99,081,618.98</b>	<b>209,094,097.71</b>
<b>IV EXPENSES</b>			
(a) Purchases of stock-in-trade	17	66,711,327.45	154,382,326.32
(b) Changes in Inventories	18	1,442,543.35	205,884.52
(c) Employee Benefit Expenses	19	8,773,579.32	10,228,943.96
(d) Finance Cost	20	4,739,539.25	7,589,310.31
(e) Depreciation & Amortisation Expenses	21	5,466,174.00	4,865,860.20
(f) Other Expenses	22	22,216,194.89	31,163,693.36
<b>Total</b>		<b>109,349,358.26</b>	<b>208,436,018.67</b>
<b>V Profit / (Loss) before exceptional and extraordinary items and tax (III - IV)</b>		(10,267,739.28)	658,079.04
<b>VI Exceptional items</b>		-	-
<b>VII Profit / (Loss) before extraordinary items and tax</b>		(10,267,739.28)	658,079.04
<b>VIII Extraordinary items</b>		-	-
<b>IX Profit / (Loss) before tax</b>		(10,267,739.28)	658,079.04
<b>X Tax expense:</b>			
(a) Current tax	23	-	(520,147.00)
(e) Deferred tax	24	342,216.00	316,800.00
<b>XI Profit / (Loss) from continuing operations (IX - X)</b>		<b>(9,925,523.28)</b>	<b>454,732.04</b>
<b>XII Profit / (Loss) from discontinuing operations</b>		-	-
<b>XIII Tax expense of discontinuing operations</b>		-	-
<b>XIV Profit / (Loss) from discontinuing operations (after tax) (XII-XIII)</b>		-	-
<b>XV Profit / (Loss) for the period (XI + XIV)</b>		<b>(9,925,523.28)</b>	<b>454,732.04</b>
<b>XVI Earnings per Equity Share</b>	25		
(a) Basic		(14.18)	0.65
(b) Diluted		(14.18)	0.65

The notes referred to above form an integral part of the Balance Sheet.  
As per our report of even date

**For U.B. Lakhani & Co.**  
**Chartered Accountants**  
Firm Reg. No : 105532W

**CA Uday B. Lakhani**  
(Partner)

Membership No. : 031867

Place : Mumbai  
Date : 29-May-2018

**U. B. LAKHANI.**  
B.Com; (Hons) F.C.A.  
Membership No 31867



**For and on behalf of the Board**

**Mr. Anil D. Agrawal**  
(Director)  
DIN: 00360114

**Mrs. Nikki Agrawal**  
(Director)  
DIN: 00182633

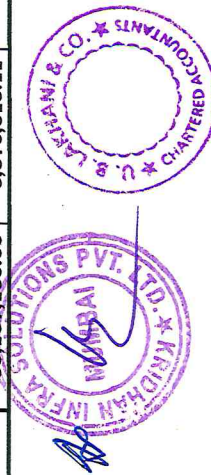


KRIDHAN INFRA SOLUTIONS PRIVATE LIMITED

ACCOUNTING YEAR : 2017 - 2018

NOTE 1 : PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

		Gross Block				Depreciation			Net Block	
Sr. No.	Particulars	Bal. as on 01.04.2017	Additions during the Year	Deduction during the Year	Bal. as on 31.03.2018	Bal. as on 01.04.2017	For the Year	Bal. as on 31.03.2018	Bal. as on 31.03.2017	
<b>A Tangible Assets</b>										
1	Plant and Equipment	34,463,189.11	4,141,528.10	-	38,604,717.21	11,625,716.00	4,525,858.00	16,151,574.00	22,453,143.21	
2	Furniture and Fixtures	11,525.00	-	-	11,525.00	7,979.01	918.00	8,897.01	2,627.99	
3	Vehicles	4,176,830.00	2,749,100.41	-	6,925,930.41	2,707,007.87	887,122.00	3,594,129.87	3,331,800.54	
4	Other Assets (Mobile phones)	122,350.00	56,634.00	-	178,984.00	108,940.86	37,375.00	146,315.86	32,668.14	
	<b>Total</b>	<b>38,773,894.11</b>	<b>6,947,262.51</b>	<b>-</b>	<b>45,721,156.62</b>	<b>14,449,643.74</b>	<b>5,451,273.00</b>	<b>19,900,916.74</b>	<b>24,324,250.37</b>	
<b>B Intangible Assets</b>										
1	Computer Software	254,110.00	29,255.53	-	283,365.53	234,565.00	14,901.00	249,466.00	33,899.24	
	<b>Total</b>	<b>254,110.00</b>	<b>29,255.53</b>	<b>-</b>	<b>283,365.53</b>	<b>234,565.00</b>	<b>14,901.00</b>	<b>249,466.00</b>	<b>33,899.24</b>	
	<b>TOTAL (A+B)</b>	<b>39,028,004.11</b>	<b>6,976,518.04</b>	<b>-</b>	<b>46,004,522.15</b>	<b>14,684,208.74</b>	<b>5,466,174.00</b>	<b>20,150,382.74</b>	<b>25,854,139.12</b>	
	<b>Previous Years</b>	<b>33,157,186.00</b>	<b>5,870,818.11</b>	<b>-</b>	<b>39,028,004.11</b>	<b>9,830,166.74</b>	<b>4,854,042.00</b>	<b>14,684,208.74</b>	<b>24,343,795.08</b>	
									<b>23,327,018.97</b>	



**KRIDHAN INFRA SOLUTIONS PRIVATE LIMITED**

**NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018**

		As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
<b>2</b>	<b>Financial Assets</b>			
<b>i.</b>	<b>Investment</b>			
	<b>Investments in Mutual Fund</b>			
	Star Union Daichi	3,00,000.00	3,00,000.00	3,00,000.00
		<b>3,00,000.00</b>	<b>3,00,000.00</b>	<b>3,00,000.00</b>
<b>ii.</b>	<b>Loan</b>			
	<b>Security Deposits</b>			
	Secured, considered good		-	-
	Unsecured, considered good		-	-
	<b>Loans &amp; Advances to Related Parties</b>			
	Secured, considered good		-	-
	Unsecured, considered good		-	-
	<b>Loans &amp; Advances to Employees</b>			
	Secured, considered good		-	-
	Unsecured, considered good		-	-
	<b>Other Loans and Advances</b>			
	Secured, considered good		-	-
	Unsecured, considered good		-	-
		-	-	-
<b>iii.</b>	<b>Other Financial Assets</b>			
		-	-	-
<b>iv.</b>	<b>Investment</b>			
	Investment	-	-	-
		-	-	-
<b>v.</b>	<b>Trade Receivables</b>			
	<b>Outstanding for less than six months from the due date</b>			
	Unsecured, considered good	5,75,75,911.16	11,82,14,643.13	9,64,61,547.42
	<b>Outstanding for more than six months from the due date</b>			
	Unsecured, considered good	16,43,82,892.23	9,59,35,889.04	56,76,344.20
	<b>Total</b>	<b>22,19,58,803.39</b>	<b>21,41,50,532.17</b>	<b>10,21,37,891.62</b>
<b>vi.</b>	<b>Cash &amp; Cash Equivalent</b>			
	Cash in hand	27,02,945.48	19,65,994.28	9,14,902.28
	<b>Balance with Banks</b>			
	Current Account	40,125.27	7,99,978.14	25,71,570.46
	Bank OD A/c	5,93,336.31	-	-
	<b>Total</b>	<b>33,36,407.06</b>	<b>27,65,972.42</b>	<b>34,86,472.74</b>
<b>vii.</b>	<b>Other Bank Balance</b>			
	Fixed Deposits	10,36,292.00	47,89,435.00	11,24,168.00
	<b>Total</b>	<b>10,36,292.00</b>	<b>47,89,435.00</b>	<b>11,24,168.00</b>



**KRIDHAN INFRA SOLUTIONS PRIVATE LIMITED**

**NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018**

		As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
<b>viii.</b>	<b>Short-term loans and advances</b>			
	<b>Security Deposits</b>			
	Secured, considered good			
	Unsecured, considered good	7,69,000.00		
	<b>Loans &amp; Advances to Related Parties</b>			
	Unsecured, considered good	1,24,42,915.00	1,24,39,815.00	67,41,761.00
	<b>Loans &amp; Advances to Employees</b>			
	Secured, considered good			
	<b>Other Loans and Advances</b>			
	Secured, considered good	26,80,950.80	21,67,151.36	31,24,196.66
	Unsecured, considered good	9,40,000.00		
	Total	<b>1,63,32,865.80</b>	<b>1,46,06,966.36</b>	<b>98,65,957.66</b>
<b>3</b>	<b>Deferred tax Assets (net)</b>			
	Deferred tax Assets	99,322.00		
		<b>99,322.00</b>	-	-
<b>4</b>	<b>Other Non-Current Assets</b>	<b>1,91,723.00</b>	<b>1,91,723.00</b>	<b>1,14,723.00</b>
<b>5</b>	<b>Inventories</b>			
	Stock in Trade	85,48,005.37	99,90,548.72	1,01,96,433.24
		<b>85,48,005.37</b>	<b>99,90,548.72</b>	<b>1,01,96,433.24</b>
<b>6</b>	<b>Other Current Assets</b>			
	Retention	50,48,555.69	42,50,007.57	34,82,601.00
	Duties & Taxes	50,46,232.92	15,57,903.43	35,67,559.26
	Other curent assets	76,487.00	9,88,916.38	2,00,943.00
		<b>1,01,71,275.61</b>	<b>67,96,827.38</b>	<b>72,51,103.26</b>



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**KRIDHAN INFRA SOLUTIONS PRIVATE LIMITED**

**NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018**

Note	Particulars	As at 31.03.2018		As at 31.03.2017		As at 31.03.2016	
		No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
<b>7</b>	<b>Share Capital</b>						
<b>7.1</b>	<b>Authorised, Issued, Subscribed &amp; Paid up Share Capital</b>						
	<b>Authorised Share Capital</b>						
	7,00,000 Equity Shares Of Rs. 10/- Each		70,00,000.00		70,00,000.00		70,00,000.00
	(P. Y. 7,00,000 Equity Shares Of Rs. 10/- Each)						
	<b>Total</b>		<b>70,00,000.00</b>		<b>70,00,000.00</b>		<b>70,00,000.00</b>
	<b>Issued, subscribed &amp; paid up :</b>						
	7,00,000 Equity Shares Of Rs. 10/- Each Fully Paid up		70,00,000.00		70,00,000.00		70,00,000.00
	(P.Y. 7,00,000 Equity Shares Of Rs. 10/- Each)						
	<b>Total</b>		<b>70,00,000.00</b>		<b>70,00,000.00</b>		<b>70,00,000.00</b>
<b>7.2</b>	<b>Reconciliation of Share Capital</b>						
	<b>Particulars</b>	As at 31.03.2018		As at 31.03.2017		As at 31.03.2016	
		No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
	<b>Equity Shares (Face Value of Rs. 10/- each)</b>						
	Shares outstanding at the beginning of the year	7,00,000	70,00,000	7,00,000	70,00,000	7,00,000	70,00,000
	Shares issued during the year	-	-	-	-	-	-
	Shares bought back during the year	-	-	-	-	-	-
	Shares outstanding at the end of the year	7,00,000	70,00,000	7,00,000	70,00,000	7,00,000	70,00,000
<b>7.3</b>	<b>Shares of the company held by other company</b>						
	<b>Particulars</b>	As at 31.03.2018		As at 31.03.2017		As at 31.03.2016	
		No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
	<b>Equity Shares (Face Value of Rs. 10/- each)</b>						
	Kridhan Infra Limited, Holding Co.	7,00,000	70,00,000	7,00,000	70,00,000	7,00,000	70,00,000
<b>7.4</b>	<b>Shareholders holding more than 5% of share</b>						
	<b>Particulars</b>	As at 31.03.2018		As at 31.03.2017		As at 31.03.2016	
		No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
	Kridhan Infra Limited	7,00,000	100	7,00,000	100	7,00,000	100



**KRIDHAN INFRA SOLUTIONS PRIVATE LIMITED**

**NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018**

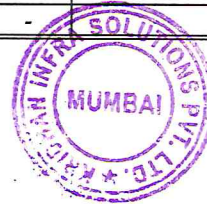
		As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
<b>8</b>	<b>Other Equity</b>			
<b>i</b>	<b>Reserves &amp; Surplus</b>			
	<b>Surplus/(Deficit) in statement of Profit &amp; Loss</b>			
	Opening Balance	65,89,281.54	61,34,549.50	64,60,223.71
	Add : Profit / (Loss) for the year	(99,25,523.28)	4,54,732.04	40,548.79
	Written back in current year			-
	Income Tax Adjustment			(3,66,223.00)
		(33,36,241.74)	65,89,281.54	61,34,549.50
	<b>Preliminary Expenses</b>	(11,818.20)	(23,636.40)	(35,454.60)
		(11,818.20)	(23,636.40)	(35,454.60)
	<b>Total</b>	<b>(33,48,059.94)</b>	<b>65,65,645.14</b>	<b>60,99,094.90</b>
<b>ii.</b>	<b>Other Reserve</b>	5,03,32,282.00	2,64,40,729.12	2,64,93,794.75
	<b>Total</b>	<b>5,03,32,282.00</b>	<b>2,64,40,729.12</b>	<b>2,64,93,794.75</b>
<b>9</b>	<b>Financial Liabilities</b>			
<b>i.</b>	<b>Borrowing</b>			
	<b>Secured</b>			
	HDFC Honda City Loan-0000022771321	-	-	-
	Term Loan A/c - 566806390000028	-	2,25,970.84	2,15,269.89
	Term Loan A/c No. 566806390000039	-	28,76,231.24	28,53,914.14
	UBI Car Loan (Ford Figo) - 315906520005477	-	-	-
	UBI Car Loan (Honda City) - 17	6,80,450.81	6,88,536.18	6,87,733.60
	Toyota Financial Services	24,75,715.00	-	-
	<b>Unsecured</b>			
	Term Loan from Other Parties	7,09,051.45	-	-
	<b>Total</b>	<b>38,65,217.26</b>	<b>37,90,738.26</b>	<b>37,56,917.63</b>
<b>ii.</b>	<b>Other Financial Liabilities</b>			
	Advance , Mobilisation	-	-	-
	Retention	-	-	-
	Others	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>iii.</b>	<b>Borrowing</b>			
	<b>Secured</b>			
	LC Payable	-	-	-
	<b>Unsecured</b>			
	Loans and Advances from related parties	-	-	-
	L&T Fincorp Diff	-	2,37,910.00	2,37,910.00
	L&T Fincorp Ltd	-	34,05,384.68	73,88,562.37
	L&T Fincorp Ltd (Pre Shipment)	-	61,11,592.58	-
	Bank OD A/c	-	3,92,36,408.90	3,93,38,666.55
		-	4,89,91,296.16	4,69,65,138.92
	<b>Total</b>	<b>-</b>	<b>4,89,91,296.16</b>	<b>4,69,65,138.92</b>



**KRIDHAN INFRA SOLUTIONS PRIVATE LIMITED**

**NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018**

		As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
<b>iv.</b>	<b>Trade Payable</b>			
	Sundry Creditors	22,75,08,414.42	17,77,71,834.14	5,69,11,268.04
	<b>Total</b>	<b>22,75,08,414.42</b>	<b>17,77,71,834.14</b>	<b>5,69,11,268.04</b>
<b>v.</b>	<b>Other Financial Liabilities</b>			
	Other Payable	17,74,811.61	50,35,376.31	65,08,207.25
	Loans and Advances from related parties	-	8,74,287.00	23,64,666.00
	Salary and Reimbursements payable	-	-	5,13,567.00
	Provision for Audit Fees	72,000.00	72,000.00	80,000.00
	Provision for Expenses	54,021.00	80,853.00	-
	Provision for Electricity	-	-	1,420.00
	<b>Total</b>	<b>19,00,832.61</b>	<b>60,62,516.31</b>	<b>94,67,860.25</b>
<b>10</b>	<b>Provision</b>			
	Provision for Income Tax (AY 2016-17)	5,50,000.00	5,50,000.00	5,50,000.00
	Provision for Income Tax (AY 2017-18)	5,20,147.00	5,20,147.00	-
	<b>Total</b>	<b>10,70,147.00</b>	<b>10,70,147.00</b>	<b>5,50,000.00</b>
<b>11</b>	<b>Deferred tax liabilities (net)</b>			
	Deferred tax (Liability)	-	2,42,894.00	5,59,694.00
	<b>Total</b>	<b>-</b>	<b>2,42,894.00</b>	<b>5,59,694.00</b>
<b>12</b>	<b>Other Non Current Liabilities</b>	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13</b>	<b>Current Tax Liabilities</b>	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>14</b>	<b>Other Current Liabilities</b>	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>



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**KRIDHAN INFRA SOLUTIONS PRIVATE LIMITED**

**NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

<b>Note</b>	<b>Particulars</b>	<b>Year ended 31.03.2018</b>	<b>Year ended 31.03.2017</b>
<b>15</b>	<b>Revenue from Operations</b>		
	Sale of Products	82,287,706.45	180,280,996.91
	Sale of Services	13,867,166.73	17,153,413.40
	Other Operating Revenues	-	-
	<b>Total</b>	<b>96,154,873.18</b>	<b>197,434,410.31</b>
<b>16</b>	<b>Other Income</b>		
	Interest Income	853,755.00	-
	Other Non Operating Income	2,072,990.80	11,659,687.40
	<b>Total</b>	<b>2,926,745.80</b>	<b>11,659,687.40</b>
<b>17</b>	<b>Purchases of Stock-In-Trade</b>		
	Purchases of Stock	66,711,327.45	154,382,326.32
		<b>66,711,327.45</b>	<b>154,382,326.32</b>
<b>18</b>	<b>Changes in Inventories</b>		
	Opening Balance	9,990,548.72	10,196,433.24
	Less : Closing Balance	8,548,005.37	9,990,548.72
	<b>Total</b>	<b>1,442,543.35</b>	<b>205,884.52</b>
<b>19</b>	<b>Employee Benefit Expenses</b>		
	Salaries and Wages	7,610,443.00	9,273,202.96
	Contribution to Provident Fund and Other Funds	492,389.00	955,741.00
	Staff Welfare Expenses	670,747.32	-
	<b>Total</b>	<b>8,773,579.32</b>	<b>10,228,943.96</b>
<b>20</b>	<b>Finance Cost</b>		
	Interest Exxpenses	4,728,539.25	7,586,901.31
	Other Borrowing Cost	11,000.00	2,409.00
	<b>Total</b>	<b>4,739,539.25</b>	<b>7,589,310.31</b>
<b>21</b>	<b>Depreciation &amp; Amortisation Expenses</b>		
	Depreciation	5,466,174.00	4,865,860.20
	Preliminary Expenses W/off	-	-
		<b>5,466,174.00</b>	<b>4,865,860.20</b>
<b>22</b>	<b>Other Expenses</b>		
	Purchases of Stores and spare parts	1,905,214.98	-
	Audit Fees	-	80,000.00
	Power and fuel	309,821.00	15,110.00
	Rent	1,940,715.00	184,933.00
	Repairs & Maintenance	464,677.00	-
	Insurance	126,060.00	-
	Rates and Taxes (excluding taxes on income)	165,214.00	279,181.00
	Miscellaneous Expenses	17,304,492.91	30,604,469.36
	<b>Total</b>	<b>22,216,194.89</b>	<b>31,163,693.36</b>
<b>23</b>	<b>Current tax</b>		
	Current tax	-	(520,147.00)
		-	<b>(520,147.00)</b>
<b>24</b>	<b>Deferred tax</b>		
	Deferred tax Asset/(Liability)	342,216.00	316,800.00
		<b>342,216.00</b>	<b>316,800.00</b>
<b>25</b>	<b>Earnings per Equity Share</b>		
	Basic	(14.18)	0.65
	Diluted	(14.18)	0.65



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**INDEPENDENT AUDITOR'S REPORT**

**To The Members of K H FOGES INDIA PRIVATE LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of KRIDHAN INFRASOLUTIONS PRIVATE LIMITED, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit & Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section specified under Section 133 of the Act, read Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of this Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of this Act and Rule made there under and the Order issued under Section 143(11) of the Act.

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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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



by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

### **Opinion**

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

### **Report on other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid standalone financial statements.
  - b) in our opinion, proper books of accounts as required by law relating to the preparation of the aforesaid standalone financial statements 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 Flow 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 standalone financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
  - e) on the basis of written representations received from the Directors of the Company as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the Directors are disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a Director in terms of Section 164(2) of the Act.
  - f) with respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our Report expresses an unmodified opinion on the adequacy and reporting effectiveness of the Company's internal financial controls over financial reporting.
  - 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements.



- (ii) the company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report Order), 2016 ('the Order') issued by the Central Government in terms of Section 143(11), of the Act, we give in "Annexure" B a statement on the matters specified in paragraphs 3 and 4 of the Order.

For U.B. Lakhani & Co.  
Chartered Accountants  
(Firm Registration No. 105532W)



CA Uday. B. Lakhani  
(Partner)  
Membership No. : 031867

Mumbai, May 29, 2018

U. B. LAKHANI.  
B.Com; (Hons) F.C.A.  
Membership No. 31867





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

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Kridhan Infrasonutions Private Limited of even date)

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **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, to the best of our information and according to the explanations given to us, 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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For U.B. Lakhani & Co.  
Chartered Accountants  
(Firm Registration No. 105532W)

*Uday B. Lakhani*

CA Uday. B. Lakhani  
(Partner)

Membership No. : 031867

Mumbai, May 29, 2018

U. B. LAKHANI  
B.Com; (Hons) F.C.A.  
Membership No. 31867





**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Kridhan Infrasolutions Pvt. Ltd. of even date)

The Annexure referred to in the Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2018, we report that:

- (i) In respect of the Company's Fixed Assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- (ii) In our opinion the inventories have been physically verified during the year by the Management at reasonable intervals and as explained to us and no material discrepancies were noticed on physical verification.
- (iii) In respect of the loans, whether secured or unsecured, granted by the companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
  - (a) The principal amounts are repayable over varying periods up to five years.
  - (b) In respect of the said loans and interest thereon, there is no overdue amount in view of any specified terms mentioned for payment of interest and no interest has been demanded thereon.
- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of grant of loans, making investments and providing grants and securities, as applicable.
- (v) The Company has not accepted any deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3(v) of the Order are not applicable to the company.



(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:  
According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues had been in few cases generally deposited after due date under the respective acts governing the tax, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Sale Tax, Wealth Tax, Service Tax and other material statutory dues, except in case of undisputed amount of Income Tax (TDS) were in arrears as at 31<sup>st</sup> March, 2018 and prior years for a period of more than six months from the date they become payable. The amount payable in respect of undisputed Income Tax (TDS) is as follows:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates
Income Tax Act, 1961	TDS	Rs. 607.49/-	FY 2017-18
Income Tax Act, 1961	TDS	Rs. 3,29,652/-	Prior Years

(viii) The provisions of the Clause 3(viii) of the Order are applicable to the Company as the company has taken a loan from Toyota Financial Services Pvt Ltd during the year which is outstanding Rs. 24,75,715/- and also have the loan from Union Bank of India outstanding at the year end Rs. 6,80,451/-. The company is regular in repayment of loans. Other than this, the company has not issued any debentures as at 31<sup>st</sup> March, 2018.

(ix) The Company has not raised any money by way of public offer, further public offer and term loans during the year and hence the provisions of Clause 3(ix) of the Order are not applicable to the Company.

(x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) In our opinion and according to the information and explanations given to us and based on our examination of the records of the company, the Company has paid/provided for managerial remuneration in accordance with the approvals mandated by the provisions of Section 197 read with Schedule of the Companies Act, 2013.



- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Hence reporting under clause 3(xii) of the order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us and based on our examinations of the records, the company is in compliance with Section 177 and 188 of the Companies Act, 2013 wherever applicable for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on the examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(xiv) of the Order is not applicable to the company.
- (xv) In our opinion and according to the information and explanations given to us and on the basis of the examination of records, the Company has not entered into any non-cash transactions with the Directors or persons connected to them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For U.B. Lakhani & Co.  
Chartered Accountants  
(Firm Registration No. 105532W)

*U. B. Lakhani*

CA Uday. B. Lakhani  
(Partner)  
Membership No. : 031867

Mumbai, May 29, 2018

U. B. LAKHANI.  
B.Com; (Hons) F.C.A.  
Membership No. 31867



**KRIDHAN INFRA SOLUTIONS PRIVATE LIMITED**  
**FINANCIAL YEAR: 2017-18**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31-03-2018**  
**(As per Direct method prescribed by AS-3)**

Particulars		For the year ended 31st March 2018	For the year ended 31st March 2017
I]	<b>Cash flows from operating activities</b>		
	Administrative Expenses paid	(18,19,695.83)	(25,20,946.57)
	Consumable Stores paid	(1,16,135.00)	(3,52,980.00)
	Payment towards diesel & petrol	(2,98,841.00)	(3,97,046.00)
	Factory Expenses paid	(1,07,881.00)	(1,83,754.00)
	Freight charges paid	(7,211.00)	(1,000.00)
	Hire Charges paid	-	(9,000.00)
	Labour charges paid	-	(2,500.00)
	Loading & Unloading charges paid	(35,502.00)	(1,60,894.00)
	Octroi Charges	(3,711.00)	-
	Testing charges paid	-	(1,27,310.00)
	Refund of MVAT for F.Y. 2015-16	-	16,82,279.00
	Net receipts from customers	4,35,50,434.47	5,06,21,671.20
	Net payment to suppliers	1,38,80,471.37	(2,99,30,311.75)
	Epayment charges paid	(2,332.00)	(15,775.00)
	Receipt from L&T Fincorp	88,02,664.71	4,23,45,523.58
	Electricity charges paid	-	(1,420.00)
	Transportation Charges paid	(800.00)	-
	Advance Against Sales	(8,74,287.00)	(8,75,665.00)
	Discount received from customer	27,170.00	41,701.33
	Bank charges paid	(3,89,839.03)	(1,75,278.50)
	Gain/(Loss) on Foreign Exchange	17,336.00	4,975.00
	Net Deposits paid	(15,40,000.00)	(48,533.00)
	E-Tendering Charges paid to Nagar Palika	(35,400.00)	-
	Retention money paid	(4,15,514.30)	(3,17,351.00)
	Net Advance made	(15,88,397.50)	(74,24,110.00)
	Payment made to Shree Décor	(1,00,000.00)	-
	Interest on Taxes paid	(1,52,216.00)	(1,44,643.00)
	Duties & Taxes Paid	(44,47,787.78)	(31,85,530.18)
	Wages & Staff salary paid	(10,54,153.00)	(13,94,812.00)
	Outward Remittance Charges paid	(1,500.00)	-
	Telex Charges Paid	(800.00)	-
	<b>Net cash from operating activities</b>	<b>5,32,86,073.11</b>	<b>4,74,27,290.11</b>
II]	<b>Cash flows from investing activities</b>		
	Purchase of property, plant and equipment	(51,834.00)	-
	Net Investments in fixed deposits	38,93,544.00	(35,17,608.00)
	<b>Net cash used in investing activities</b>	<b>38,41,710.00</b>	<b>(35,17,608.00)</b>
III]	<b>Cash flows from financing activities</b>		
	Interest on CC limit paid	(28,97,752.00)	(53,04,147.00)
	Payment of long-term borrowings	(74,15,593.99)	(44,63,681.83)
	Buyer's Credit	-	(71,783.00)
	LC Commission paid	(1,31,230.00)	(3,60,329.00)
	Inter Corporate Loans advanced during the year	2,39,72,262.00	(18,800.00)
	Letter of Credit Paid	(3,08,48,625.58)	(3,43,12,183.76)
	<b>Net cash used in financing activities</b>	<b>(1,73,20,939.57)</b>	<b>(4,45,30,924.59)</b>
	<b>Net Increase in cash and cash equivalents</b>	<b>3,98,06,843.54</b>	<b>16,31,347.52</b>



<b>I]</b>	<b>Cash and cash equivalents at beginning of period</b>		
	<b>Cash-in-hand</b>	<b>19,65,994.28</b>	<b>9,14,902.00</b>
	Cash-HO	15,57,709.10	5,70,946.00
	Khopoli Petty Cash	3,66,760.18	3,33,219.00
	Petty Cash	41,525.00	10,737.00
	<b>Bank Accounts</b>	<b>7,99,978.14</b>	<b>25,71,571.00</b>
	UBI A/c No.558401010036266 Current A/c	7,88,649.52	25,60,127.00
	UBI A/c No.566801010050301 Current A/c	-	-
	UBI A/cNo.582701010050206 (Khopoli)	11,328.62	11,444.00
	<b>Bank OD A/c</b>	<b>(3,92,36,408.90)</b>	<b>(3,93,38,667.00)</b>
	UBI CC A/c-566805010000109	(3,92,36,408.90)	(3,93,38,667.00)
		<b>(3,64,70,436.48)</b>	<b>(3,58,52,194.00)</b>
<b>II]</b>	<b>Cash and cash equivalents at end of period</b>		
	<b>Cash-in-hand</b>	<b>27,02,945.48</b>	<b>19,62,994.28</b>
	Cash-HO	23,67,774.70	15,54,709.10
	Khopoli Petty Cash	2,93,645.78	3,66,760.18
	Petty Cash	41,525.00	41,525.00
	<b>Bank Accounts</b>	<b>40,125.27</b>	<b>7,99,978.14</b>
	UBI A/c No.558401010036266 Current A/c	14,166.04	7,88,649.52
	UBI A/c No.566801010050301 Current A/c	14,630.61	-
	UBI A/cNo.582701010050206 (Khopoli)	11,328.62	11,328.62
	<b>Bank OD A/c</b>	<b>5,93,336.31</b>	<b>(3,92,36,408.90)</b>
	UBI CC A/c-566805010000109	5,93,336.31	(3,92,36,408.90)
		<b>33,36,407.06</b>	<b>(3,64,73,436.48)</b>
	<b>Net Increase in cash and cash equivalents</b>	<b>3,98,06,843.54</b>	<b>(6,21,242.48)</b>

As per our report of even date  
For U.B.Lakhani and Co.  
Chartered Accountants  
Firm Reg. No : 105532W  
CA Uday B. Lakhani

*Uday B. Lakhani*  
[Partner]  
Membership No. : 031867

Place: Mulund (West), Mumbai.  
Date: 29th May 2018

For and On behalf of the Board



*Anil Agrawal*  
Mr. Anil Agrawal  
[DIN-00360114]

*Nikki Agarwal*  
Mrs. Nikki Agarwal  
[DIN-00182633]

U. B. LAKHANI.  
B.Com; (Hons) F.C.A.  
Membership No. 31867



## KRIIDHAN INFRASOLUTIONS PRIVATE LIMITED

### Notes to the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2018

#### 1 Corporate Information

Kridhan Infrasonutions Private Limited is a private limited company in India and incorporated under the provisions of the Companies Act, 1956. It came into existence on 02.07.2010 by a mandate of Central Government. The registered office of the company is located at 203, Joshi Chambers, Ahmedabad Street, Carnac Bunder, Masjid (E), and Mumbai 400009.

The company is engaged in the Services of Civil Engineering, Piling, and Foundation & Geotechnical Engineering Works.

#### 2 Summary of Significant Accounting Policies

##### (a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. In case of land the Company has availed fair value as deemed cost on the date of transition to Ind AS. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

Depreciation on Property, Plant and Equipment is provided using written down value method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

Gains or losses arising from derecognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

##### (b) Leases

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

**Leased Assets:** Assets held under finance leases are initially recognized as Assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognized as expenses in the periods in which they are incurred.



A leased asset is depreciated over the useful life of the asset ranging from 18 years to 99 years. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

**(c) Intangible Assets**

Intangible Assets are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Intangible Assets under Development.

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when an intangible asset is derecognized.

The amortization period and the amortization method for Intangible Assets with a finite useful life are reviewed at each reporting date.

**(d) Research and Development Expenditure**

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalized.

**(e) Finance Costs**

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

**(f) Inventories**

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any, except in case of by-products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including



manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of raw materials, chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis.

**(g) Impairment of Non Financial Assets – Property, Plant and Equipment and Intangible Assets**

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**(h) Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**(i) Tax Expenses**

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in equity in which case, the tax is also recognized in Other Comprehensive Income or Equity.

**i) Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance Sheet date.

**ii) Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that



have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

**(j) Share Based Payments**

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

**(k) Foreign Currencies Transactions and Translation**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets. Additionally, exchange gains or losses on foreign currency borrowings taken prior to April 1, 2016 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income or Statement of Profit and Loss are also recognized in Other Comprehensive Income or Statement of Profit and Loss, respectively).

**(l) Revenue Recognition**

Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.

Revenue from operations is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Interest Income

Interest Income from a Financial Assets is recognized using effective interest rate method.



### Dividend Income

Dividend Income is recognized when the Company's right to receive the amount has been established.

## **(m) Financial Instruments**

### **(i) Financial Asset**

#### **A) Initial Recognition and Measurement**

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognized using trade date accounting.

#### **B) Subsequent measurement**

##### a) Financial Assets measured at Amortized Cost (AC)

A Financial Asset is measured at Amortized Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### b) Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

#### **C. Investment in Subsidiaries, Associates and Joint Ventures**

The Company has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any).

#### **D. Other Equity Investments**

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

#### **E. Impairment of Financial Assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)



For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial Liabilities

A. Initial Recognition and Measurement

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

B. Subsequent Measurement

Financial Liabilities are carried at amortized cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derivative Financial Instruments and Hedge Accounting

The Company uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards & options and commodity contracts to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognized in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or is treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a Non-Financial Assets or Non-Financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

A. Cash Flow Hedge

The Company designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognized asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of Other Comprehensive Income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the



Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

#### B. Fair Value Hedge

The Company designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortized to Statement of Profit and Loss over the period of maturity.

#### iv) Derecognition of Financial Instruments

The Company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for DE recognition under Ind AS 109.

Financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### v) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realize the asset and settle the liability simultaneously.



