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CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITOR'S REPORT

To the Members of VASCON DWELLINGS PRIVATE LIMITED
Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Vascon Dwellings Private Limited ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the Financial Statements and Internal financial controls over financial reporting

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and

auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matter:

The financial information of the company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statement for the year ended March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules , 2006 (as amended) which were audited by other auditors who expressed an unmodified opinion dated September 4, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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, the statement of profit and loss (including other comprehensive income) , the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

(e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26A to the financial statements;

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

iii. there are no amounts required to be transferred to the Investor Education and Protection Fund by the Company .

iv. the Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. - Refer Note 25 to the Ind AS financial statements.

For Chandrashekhar Iyer & Co
Chartered Accountants
Firm Registration No. 114260W

(Chandrashekhar Iyer)
Proprietor
Membership No.47723
Thane ,

26 MAY 2017

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2017, we report that:

i. The Company has no fixed assets and accordingly, sub clause (a),(b) and (c) of clause (i) of paragraph 3 of the said order are not applicable.

ii. The Company is engaged mainly in the construction business. Majority of the stock of the company are in form of developments/work in progress and building materials. The stock in the said form and stock of other materials have been regularly verified by the management during the year and no material discrepancies were noticed.

iii. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, sub-clauses (a) , (b) and (c) of clause (iii) of paragraph 3 of the said order are not applicable.

iv. According to the information and explanations given to us , the company has neither made any loans and investments. Accordingly, clause (iv) of paragraph 3 of the said order are not applicable.

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

vi. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the activities of the Company.

vii. a. The Company is regular in depositing with appropriate authorities applicable undisputed statutory dues including provident fund, employees' state insurance, income- tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of service tax , customs duty, excise duty were outstanding, as at March 31, 2017 for a period of more than six months from the date they became payable, except the following

Name of the Statue	Nature of Dues	Amount (Rs)	Period to which the amount relates	Due Date	Remarks
Income Tax Act 1961	TDS on interest	9,43,408	2014-15	7th of every following month	
Income Tax Act 1961	TDS on interest	31,17,114	2015-16	7th of every following month	
Income Tax Act 1961	TDS on contractors	70,288	31.08.2015	7th of every following month	
Income Tax Act 1961	TDS on professional fees	2,14,884	2014-15	7th of every following month	
Income Tax Act 1961	TDS on professional fees	1,59,789	2015-16	7th of every following month	
Income Tax Act 1961	TDS on brokerage	14,04,500	2014-15	7th of every following month	
ESIC	ESIC payment	3,202.00	2015-16	21st of every following month	
ESIC	ESIC payment	17,760.00	2016-17	21st of every following month	

Service Tax Act - Chapter V- Finance Act 1994	Service Tax (Reverse charge and SB Cess)	92,134.45	2014-15	6th of every following month	
Service Tax Act - Chapter V- Finance Act 1994	Service Tax (Reverse charge and SB Cess)	2,38,954.08	2015-16	6th of every following month	
Service Tax Act - Chapter V- Finance Act 1994	Service Tax (Reverse charge and SB Cess)	1,61,855.00	2016-17	6th of every following month	

b. According to the records of the Company there are no dues of sales tax/Value added tax, income-tax, customs duty, and excise duty which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, the company has not borrowed any funds from financial institutions or banks or debenture holders or Government and accordingly clause viii of paragraph 3 of the said order is not applicable.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

x. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration. Accordingly clause (xi) of paragraph 3 of the Order is not applicable.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our 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.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Chandrashekhar Iyer & Co
Chartered Accountants
Firm Registration No. 114260W

(Chandrashekhar Iyer)
Proprietor
Membership No.47723

Thane
Date: 26 MAY 2017

Annexure - B to the Auditors' 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 Vascon Dwellings Private Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

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 2017, 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 Chandrashekhar Iyer & Co
Chartered Accountants
Firm Registration No. 114260W

(Chandrashekhar Iyer)
Proprietor
Membership No.47723

Thane
Date: 26 MAY 2017

Vascon Dwelling Private Limited

Balance Sheet as on March 31, 2017

		Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at 1st April 2015
A		**ASSETS**				
	1	**Non-current assets**				
		(a) Financial Assets				
		(i) Others Financial Assets	3	32,327,920	32,337,920	31,337,920
		(b) Other non-current assets	4	9,067,899	14,353,818	15,546,840
		Total Non - Current Assets		**41,395,819**	**46,691,738**	**46,884,760**
	2	**Current assets**				
		(a) Inventories	5	83,090,291	66,255,336	65,282,388
		(b) Financial Assets				
		(i) Trade receivables	6	140,373,968	272,904,471	462,169,855
		(ii) Cash and cash equivalents	7	348,901	1,637,195	69,644,401
		(iii) Bank balances other than (ii) above		500,640	500,640	500,640
		(iv) Other Financial Assets	3	2,278,057	60,000	832,603
		(c) Other current assets	4	655,653	527,173	1,091,640
		Total Current Assets		**227,247,510**	**341,884,815**	**599,521,527**
		Total Assets (1+2)		**268,643,329**	**388,576,553**	**646,406,287**
B		**EQUITY AND LIABILITIES**				
	1	**Equity**				
		(a) Equity Share capital	8	100,000	100,000	100,000
		(b) Other Equity		(55,621,867)	(37,491,080)	(26,691,697)
		Equity attributable to owners of the Company		**(55,521,867)**	**(37,391,080)**	**(26,591,697)**
		LIABILITIES				
	2	**Non-current liabilities**				
		Financial Liabilities	9	65,853,220	176,702,710	245,551,504
		Total Non - Current Liabilities		**65,853,220**	**176,702,710**	**245,551,504**
	3	**Current liabilities**				
		(a) Financial Liabilities				
		(i) Trade payables	10	199,072,489	196,406,580	265,672,082
		(ii) Other Financial Liabilities	9	2,500,000	2,500,000	2,500,000
		(b) Other current liabilities	11	53,024,038	42,452,960	153,807,429
		(c) Provisions	12	3,715,449	7,905,383	5,466,969
		Total Current Liabilities		**258,311,976**	**249,264,923**	**427,446,480**
		Total Equity and Liabilities (1+2+3)		**268,643,329**	**388,576,553**	**646,406,287**
		See accompanying notes to the financial statements	2 - 28'			

In terms of our report attached.

For Chandrashekhar Iyer & Co.

Chartered Accountants

Firm Registration No. 114260W

Chandrashekhar Iyer

Proprietor

Membership No. 047723

Pune: Dated

For and on behalf of the Board of Directors

Abhijit Pimple

Director

DIN : 06905810

Pune: Dated

Dr.Santosh Sundararajan

Director

DIN : 00015229

Pune; Dated

VASCON DWELLING PVT. LTD.

Vascon Dwelling Private Limited
Statement of Profit and Loss for the year ended March 31, 2017

	Particulars	Note No.	For the year ended March 31,2017	For the year ended March 31,2016
I	Revenue from operations	13	5,988,859	44,227,663
II	Other Income	14	499,523	665,155
III	**Total Income (I + II)**		**6,488,382**	**44,892,818**
IV	**EXPENSES**			
	(a) Cost of materials consumed	15 a	22,662,987	6,900,868
	(b) Changes in stock of finished goods, work-in-progress and stock-in-trade	15.b	-18,379,141	-1,461,246
	(d) Employee benefit expense	16	1,653,836	2,447,340
	(c) Finance costs	17	9,353,010	36,246,305
	(d) Other expenses	18	6,291,296	11,558,934
	Total Expenses (IV)		**21,581,988**	**55,692,201**
V	**Profit/(loss) before tax (III - IV)**		**(15,093,606)**	**(10,799,383)**
VI	**Tax Expense**			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
	(3) (Excess) / Short provision for tax of earlier years		3,037,181	-
	Total tax expense (VI)		**3,037,181**	-
VII	**Profit/(loss) after tax (VI - VI)**		**(18,130,787)**	**(10,799,383)**
VIII	**Other comprehensive income**			
A	(i) Items that will not be recycled to profit or loss		-	-
B	(i) Items that may be reclassified to profit or loss		-	-
	(ii) Income tax on items that may be reclassified to profit or loss		-	-
IX	**Total comprehensive income for the period (VII + VIII)**		**(18,130,787)**	**(10,799,383)**
X	**Earnings per equity share**			
	(1) Basic	19	(1,813.08)	(1,079.94)
	(2) Diluted	19	(1,813.08)	(1,079.94)
	See accompanying notes to the financial statements	2- 28		

In terms of our report attached.
For Chandrashekhar Iyer & Co.
Chartered Accountants
Firm Registration No. 114260W

Chandrashekhar Iyer
Proprietor
Membership No. 047723
Pune; Dated

For and on behalf of the Board of Directors

Abhijit Pimple
Director
DIN : 06905810
Pune dated

Dr.Santosh Sundararajan
Director
DIN : 00015229
Pune dated

VASCON DWELLING PVT. LTD.

Vascon Dwelling Private Limited
Cash Flow Statement as on March 31, 2017

Cash Flow Statement - Indirect Method

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Cash flows from operating activities		
Profit before tax for the year	(15,093,607)	(10,799,383)
Adjustments for:		
Finance costs recognised in profit or loss	9,353,010	36,246,305
Interest Income	(446,163)	(648,837)
Movements in working capital:		
Decrease in trade and other receivables	132,530,504	189,265,384
(Increase)/decrease in inventories	(16,834,956)	(972,948)
(Increase)/decrease in other assets	(128,480)	564,467
Decrease/(increase) in trade and other payables	2,665,909	(69,265,502)
Unbilled Revenue	(2,218,058)	772,603
(Decrease)/increase in deferred revenue	12,123,815	28,889,419
(Decrease)/increase in other liabilities	(3,962,373)	(143,209,810)
Cash generated from operations		
Income Taxes refund received	2,503,646	-
Net cash generated by operating activities	120,493,247	30,841,698
Cash flows from investing activities		
Fixed deposit		(500,640)
Payments to acquire financial assets	10,000	(1,000,000)
Proceeds on sale of mutual funds		
Interest received	393,574	-
Net cash (used in)/generated by investing activities	403,574	(1,500,640)
Cash flows from financing activities		
Proceeds from borrowings		
Repayment of borrowings	(121,847,617)	(96,903,181)
Interest paid	(337,500)	(445,082)
Net cash used in financing activities	(122,185,117)	(97,348,263)
Net increase in cash and cash equivalents	(1,288,294)	(68,007,205)
Cash and cash equivalents at the beginning of the year	1,637,195	69,644,400
Cash and cash equivalents at the end of the year	348,901	1,637,195

In terms of our report attached.

For Chandrashekhar Iyer & Co.
Chartered Accountants
Firm Registration No. 114260W

Chandrashekhar Iyer
Proprietor
Membership No. 047723
Pune, dated

For and on behalf of the Board of Directors

Abhijit Pimple
Director
DIN : 06905810
Pune, Dated

Dr.Santosh Sundararajan
Director
DIN : 00015229
Pune Dated

VASCON DWELLING PVT. LTD.

Vascon Dwelling Private Limited

Notes forming part of the financial statements

1. CORPORATE INFORMATION

Vascon Dwelling Private Limited (Company) was incorporated on July 15, 2005. The Company is engaged in the business of Property Development / Real Estate Development

2. SIGNIFICANT ACCOUNTING POLICIES:

2.01 Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. Previous period numbers in the financial statements have been restated to Ind AS. The Company has presented financial statements under Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, there is no reconciliation item.

2.02 Basis of preparation and presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.03 Use of estimate

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of

Impairment of investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Valuation of deferred tax assets

The Company reviews recognition of deferred tax at the end of each reporting period. The policy for the same has been explained under Note 2.07.

Provisions and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to unwinding of discount over passage of time is recognized as finance cost. Provisions are reviewed at the each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent

2.04 Revenue Recognition / Cost Recognition

a) Construction contracts

Revenue from fixed price construction contracts is recognised on the Percentage Of Completion Method (POCM). The stage of completion is determined by survey of work performed / completion of physical proportion of the contract work determined by technical estimate of work done / actual cost incurred in relation to total estimated contract cost, as the case may be. The estimate of total contract cost has been made at the time of commencement of contract work and reviewed and revised, by the technical experts, from time to time during period in which the contract work is executed. Future expected loss, if any, is recognised immediately as expenditure. In respect of unapproved revenue recognised, an adequate provision is made for possible reductions, if any. Contract revenue earned in excess of billing has been reflected as unbilled revenue under the head "Other Current Assets" and billing in excess of contract revenue has been reflected as Unearned Revenue under the head "Other Escalation claims raised by the Company are recognised when negotiations have reached an advanced stage such that customers will accept the claim and amount that is probable will be accepted by the customer can be measured reliably.

b) Real estate development

(i) Completed Units

Revenue from sales of units is recognized as and when the underlying significant risk and rewards of ownership are transferred to the purchaser.

(ii) Units Under Development

Revenue from sales of such units is recognized as and when all the following conditions are satisfied:
(a) The underlying significant risk and rewards of ownership are transferred to the purchaser.
(b) All critical approvals necessary for commencement of the project are obtained.
(c) Reasonable level of development is reached when project cost incurred excluding land cost and borrowing cost exceeds 25% of the project cost.
(d) Atleast 25% of the estimated project area are secured by contracts or agreement with the buyers.
(e) Atleast 10% of the total revenue as per agreements of sale are realised at the reporting date in respect of each of the contracts and there are no outstanding defaults of the payment terms in such contracts.
(f) Certainty of recoverability of the balance consideration.

Project revenue and project costs associated with the real estate project are recognized as revenue and expenses by reference to the stage of completion of the project activity at the reporting date in accordance with "Guidance Note on Accounting for real estate transactions".

The percentage completion for the purpose of recognition of revenue is determined based on actual costs incurred thereon by the Company to total estimated cost with reference to the saleable area. Cost for this purpose includes cost of land/development rights, construction and development costs of such properties borrowing costs and overheads, as may be applicable.

The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period in which such changes occur.

c) **Interest Income** – Interest income is recognized on time proportion basis taking into account the amounts invested and the rate of interest.

d) **Dividend Income** – Dividend income is recognized as and when the right to receive the same is established.

2.06 Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.
Advances/deposits given to the vendors under the contractual arrangement for acquisition/construction of qualifying assets is considered as cost for the purpose of capitalization of borrowing cost.
Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is
All other borrowing costs are recognised in statement profit or loss in the period in which they are incurred.

2.07 Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.
The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

2.08 Inventories

a) Stock of Materials

Stock of materials, etc. has been valued at lower of cost or net realisable value. The cost is determined on Weighted Average method.

b) Development Work

(i) Development - Completed Units

Finished goods comprising of constructed units ready for sale are valued at lower of cost and net realisable value.

(ii) Development - Units under construction

The unit under construction to the extent not recognised as sales under the revenue recognition policy adopted by the Company is carried at lower of cost or net realisable value on the basis of technical estimate certified by the Managing Direcor / Technical

c) Stock of Trading Goods

Stock of trading goods has been stated at cost or net realisable whichever is lower. The cost is determined on Weighted Average Method.

2.09 Financial Instruments

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets 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.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.10 Earnings Per Share (EPS)

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

2.11 Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

2.12 Current/Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realized within 12 months after the date of reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after

Current assets include the current portion of non-current financial assets.
All other assets are classified as non-current.
A liability is current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period Current liabilities include the current portion of long term financial liabilities.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

2.13 Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs, if any, directly attributable to the issue of ordinary shares are recognized as a deduction from other equity, net of any tax effects.

Fair Value Measurement

Fair value is the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer the liability takes place either:

- in the principle market for the asset or liability
- in the absence of principle market, in the most advantageous market for the asset or liability.

The principle or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (Unadjusted) Market prices in active markets for incidental assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation Techniques for which the lowest level input that is significant to the fair value measurement is

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers that have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Determination of Fair Value

Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit & loss, loans and borrowings and payables.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent Measurement

Fair value through Profit & Loss

Financial liabilities at fair value through profit & loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. All changes in fair value of such liabilities are recognized in statement of profit or loss.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR

2.14 Dividend

Dividend on share is recorded as liability on the date of approval by the shareholders.

2.15 Investments

Long Term Investments are carried at cost. Provision for diminution is made to recognize the decline, other than temporary in the value of these investments. Current investments are carried at lower of the cost and fair value.

Vascon Dwelling Private Limited
Notes forming part of the financial statements

3 Others Financial Asset

A. Non Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial assets at amortised cost			
Security Deposits	10,013,620	10,023,620	10,023,620
Other loans and Advances	22,314,300	22,314,300	21,314,300
TOTAL	32,327,920	32,337,920	31,337,920

B. Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(c) Unbilled Revenue	4,305,057	60,000	4,691,034
Less :- Related advance payment received	(2,027,000)	-	(3,858,431)
TOTAL	2,278,057	60,000	832,603

4 Other non-current and current assets

A. Non Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Balances with government authorities (other than income taxes)	3,217,396	3,132,866	4,323,686
(b) Advance Income Tax (Net of Provision for tax)	5,850,503	11,220,952	11,223,154
	9,067,899	14,353,818	15,546,840

B. Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Advances to suppliers	70,816	195,962	1,091,640
(b) Amount Due from Flat owners against maintenance	478,722	271,793	-
(c) Accrued Interest	106,115	59,418	-
TOTAL	655,653	527,173	1,091,640

5 Inventories

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Construction materials / tools	395,791	1,939,977	2,428,275
Developments -Vista Phase II	82,694,500	61,009,500	59,548,254
-Vista Phase I	-	3,305,859	3,305,859
Total inventories at the lower of cost and net realisable value	83,090,291	66,255,336	65,282,388

6 Trade receivables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade receivables outstanding for a period of more than 6 months			
(a) Secured, considered good (b) Unsecured, considered good (c) Doubtful Less: Allowance for Credit Losses	140,680,175	252,411,863	6,723,763
Trade receivables outstanding for a period of less than 6 months			
(a) Secured, considered good (b) Unsecured, considered good (c) Doubtful Less: Allowance for Credit Losses	3,546,199	20,492,608	456,174,004
	144,226,374	272,904,471	462,897,767
Less: Related Unearned Receivables	(3,852,406)	-	(727,912)
TOTAL	140,373,968	272,904,471	462,169,855

Notes:
The credit period for such sales vary based on terms negotiated with customers. Credit to customers are based on credit policies which are reviewed periodically. Before accepting any new customer, the Company uses effective tools to assess the credit worthiness of the customer. Deviations are allowed only after specific approvals as provided in the Credit policies.

Trade Receivables breakup

	Amount in ₹		
Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Of the above, trade receivables from:			
- Related Parties	-	-	-
- Others	140,373,968	272,904,471	462,169,855
Total			
Current	140,373,968	272,904,471	462,169,855

7 Cash and Bank Balances

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
A) Current Cash and bank balances			
(a) Cash in hand	2,048	1,003,954	1,101,666
(b) Balances with banks in current accounts	346,853	433,241	68,524,141
(c) Balances with banks in deposit accounts with original maturity of less than 3 months		200,000	18,594
Total Cash and cash equivalent	348,901	1,637,195	69,644,401
B) Other Bank Balances			
(a) Balances with banks in deposit accounts with original maturity more than 3 months	500,640	500,640	500,640
Total Other Bank Balances	500,640	500,640	500,640

Vascon Dwelling Private Limited

Notes forming part of the financial statements

8 Equity Share Capital

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Authorised: Equity shares of 10 each with voting rights	10,000	100,000	10,000	100,000	10,000	100,000
Issued, Subscribed and Fully Paid: Equity shares of 10 each with voting rights	10,000	100,000	10,000	100,000	10,000	100,000

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity share is entitled for one vote per share held. In the event of liquidation of the company the holder of the equity share will be entitled to receive remaining asset after deducting all its liabilities in proportion to the number of equity shares held.

8.1 Equity Share Capital (Contd.)

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	Number of Shares	Equity share capital
Issued and Paid up Capital at April 1, 2015	10,000	100,000
Changes in equity share capital during the year	-	-
Balance at March 31, 2016	10,000	100,000
Changes in equity share capital during the year	-	-
Balance at March 31, 2017	10,000	100,000

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of	Number of shares held	% holding in that class of shares
Vascon Engineers Limited	100,000	100%	100,000	100%	100,000	100%

8.2 Changes in Other Equity

Particulars	Retained Earnings
Balance at the beginning of the reporting period - As of April 01, 2015	(26,691,697)
Loss for the year	(10,799,383)
Balance at the end of the reporting period March 31, 2016	(37,491,080)
Loss for the year	(18,130,787)
Balance at the end of the reporting period - March 31, 2017	(55,621,867)

9 Financial Liabilities :

A. Non Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Measured at amortised cost			
Unsecured Borrowings - at Amortised Cost			
(a) Loans from related parties	65,853,220	176,702,710	245,551,504
Total	65,853,220	176,702,710	245,551,504

B. Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Unsecured Borrowings- at Amortised Cost	2,500,000	2,500,000	2,500,000
Total	2,500,000	2,500,000	2,500,000

9.1 Financial Liability continued

Details of Long term Borrowings of the Company:

Description of the instrument	Currency of Loan	Loan Amount	Effective Interest Rate used for Discounting	Coupon Rate	Amortised cost as at March 31, 2017	Amortised cost as at March 31,2016	Amortised cost as at March 31, 2015
Loans and advances from related parties	INR	65,853,220	16%	16%	65,853,220	176,702,710	245,551,504
Total		65,853,220			65,853,220	176,702,710	245,551,504

Details of Long term Borrowings of the Company:

Description of the instrument	Currency of Loan	Loan Amount	Effective Interest Rate used for Discounting	Coupon Rate	Amortised cost as at March 31, 2017	Amortised cost as at March 31,2016	Amortised cost as at March 31, 2015
Loans and advances from related parties	INR						
Loans and advances from other parties	INR	2,500,000	15%	15%	2,500,000	2,500,000	2,500,000
Total		2,500,000			2,500,000	2,500,000	2,500,000

10 Trade Payables

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Trade payable for goods & services dues to creditors other than Micro, Small and Medium Enterprises (refer Note no.27)	199,072,489	196,406,580	265,672,082
Total Trade Payables	199,072,489	196,406,580	265,672,082

11 Other Current Liabilities :

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
a. Advances received from customers			
- Gross amount due to customers	21,037,473	17,896,614	37,544,258
- Less : Related Unbilled Revenues	-2,027,000	-	(3,858,431)
	19,010,473	17,896,614	33,685,827
b. Income received in advance (Unearned Revenue)	15,976,220	-	29,617,330
- Less : Related Debtors	-3,852,405	-	(727,911)
	12,123,815	-	28,889,419
c. Statutory dues			
- taxes payable (other than income taxes)	6,355,802	9,043,101	7,286,803
d. Others	15,533,948	15,513,245	83,945,380
TOTAL OTHER LIABILITIES	53,024,038	42,452,960	153,807,429

12 Provisions

Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
(a) Provision for employee benefits 1) Compensated absences 2) Gratuity	684,133	599,430	575,958
(b) Other Provisions	3,031,316	7,305,953	4,891,011
Total Provisions	3,715,449	7,905,383	5,466,969

Vascon Dwelling Private Limited
Notes forming part of the financial statements

13 Revenue from Operations

Particulars		As at March 31, 2017	As at March 31, 2016
Revenue recognized / sales (gross)			
(a)	Sale of unit	5,725,200	44,227,663
(b)	Trading Sales	263,659	-
Total Revenue from Operations		5,988,859	44,227,663

14 Other Income

Particulars		As at March 31, 2017	As at March 31, 2016
(a)	Interest Income		
	On Financial Assets at Amortised Cost	446,162	648,837
(b)	Dividend Income		
(c)	Miscellaneous Income	53,360	16,318
Total Other Income		499,522	665,155

15.a Cost of materials consumed

Particulars	As at March 31, 2017	As at March 31, 2016
Development		
Cost of materials consumed	22,662,987	6,900,868
	22,662,987	6,900,868

15.b Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	As at March 31, 2017	As at March 31, 2016
Inventories at the end of the year:		
Finished goods	-	-
Work-in-progress	82,694,502	64,315,361
	82,694,502	64,315,361
Inventories at the beginning of the year:		
Finished goods	-	-
Work-in-progress	64,315,361	62,854,115
	64,315,361	62,854,115
Net (increase) / decrease	(18,379,141)	(1,461,246)

16 Employee Benefits Expense

Particulars		As at March 31, 2017	As at March 31, 2016
(a)	Salaries and wages, including bonus	1,554,620	2,103,015
(b)	Contribution to provident and other funds	99,216	109,479
(c)	Staff welfare expenses	-	234,846
Total Employee Benefit Expense		1,653,836	2,447,340

17 Finance Cost

Particulars	As at March 31, 2017	As at March 31, 2016
Interest expense	9,353,010	36,246,304
Total finance costs	9,353,010	36,246,304

18 Other Expenses

Particulars			As at March 31, 2017	As at March 31, 2016
(a)	Power & Fuel oil consumed			
(b)	Repairs and maintenance		2,613,503	909,034
(c)	Rates and taxes			
(d)	**Auditors remuneration and out-of-pocket expenses**			
	(i)	As Auditors	100,000	150,000
	(ii)	For Taxation matters		
	(iii)	Auditors out-of-pocket expenses	7,474	
(e)	**Other expenses**			
	(1)	Legal and other professional costs	1,751,267	4,203,900
	(2)	Advertisement, Promotion & Selling Expenses		
	(3)	Travelling and Conveyance Expenses	113,296	166,596
	(4)	Postage and telephone	158,694	204,689
	(5)	Printing and stationery	26,198	69,632
	(6)	Compensation	1,050,000	4,598,475
	(7)	Donations		
	(8)	Bank charges	33,447	41,234
	(9)	Rent		145,196
	(10)	Miscellaneous Expenses	437,415	1,070,179
Total Other Expenses			6,291,296	11,558,935

19 Earnings per share

Note	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		₹	₹
		Per Share	Per Share
	Basic Earnings per share	(1,813.08)	(1,079.94)
	Diluted Earnings per share	(1,813.08)	(1,079.94)

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Note	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Profit / (loss) for the year attributable to owners of the Company	(18,130,787)	(10,799,383)
	Profit for the year on discontinued operations used in the calculation of basic earnings		
	Profits used in the calculation of basic earnings per share from continuing operations		
	Weighted average number of equity shares	10,000.00	10,000.00
	Earnings per share from continuing operations - Basic	(1,813.08)	(1,079.94)
	Earnings per share from discontinuing operations - Basic	-	-

Vascon Dwelling Private Limited
Notes forming part of the financial statements
Note : 20
First-time adoption of Ind-AS

These financial statements, for the year ended March 31, 2017, are the first the Company has prepared in accordance with Ind-AS. For periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with statutory reporting requirement in India immediately before adopting Ind AS ('previous GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind-AS applicable for periods ending on or after March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Comapny's opening balance sheet was prepared as at April 01, 2015, the Company's date of transition to Ind-AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016.

This note explains the principal adjustments made by the Company in restating its Indian GAAP financials statements, including the opening Balance sheet as at April 01, 2015 and the financial statements for the year ended March 31, 2016.

Note : 21
Financial Instruments and Risk Review

Capital Management
For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Borrowings	65,853,220	176,702,710	245,551,504
Trade Payables	199,072,489	196,406,580	265,672,082
Less : Cash and Cash Equivalents	348,901	1,637,195	69,644,401
Net Debt	264,576,808	371,472,095	441,579,185
Equity	(55,521,867)	(37,391,080)	(26,591,697)
Total Capital	(55,521,867)	(37,391,080)	(26,591,697)
Capital and Net Debt	209,054,941	334,081,015	414,987,488
Gearing Ratio	127%	111%	106%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.
Financial Risk Management Framework

Vascon Dwelling Private Limited is exposed primarily to credit risk, liquidity risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

i) Credit Risk
Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade payables and borrowings. None of the financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk

The carrying amount of financial liability represents the maximum credit exposure. The maximum exposure to credit risk was Rs.324,165,195 Rs.425,967,633 and Rs.672,997,984 as of March 31, 2017, March 31, 2016 and April 01, 2015 respectively, being the total of the carrying amount of trade payables, borrowings and interest payable.

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Company's exposure to customers is diversified and some customer contributes more than 10% of outstanding accounts receivable as of March 31, 2017, March 31, 2016 and April 01, 2015, however there was no default on account of those customer in the past. The concentration of credit risk is limited due to the fact that the customer base is

Before accepting any new customer, the Company uses an external/internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis.
The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

Movement in the expected credit loss allowance:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Balance at the beginning of the period/year	-	-	-
Movement in the expected credit loss allowance on trade receivables	-	-	-
Balance at the end of the period/year	-	-	-

ii) Liquidity Risk
Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Excessive Risk Concentration
Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or having economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.
In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Company to manage risk concentrations at both the relationship and industry levels

Vascon Dwelling Private Limited
Notes forming part of the financial statements

(i) Reconciliation of equity and P&L as previously reported under Indian GAAP to IND AS

Particulars	As at 01/04/2015 (Date of Transition)	As at 31/3/2016 (end of last period presented under previous
Equity as reported under previous GAAP	(26,591,697)	(37,391,080)
Ind AS: Adjustments increase (decrease):	-	-
Equity as reported under IND AS	(26,591,697)	(37,391,080)

Reconciliation of profit

PARTICULARS	Profit for the year
Previous GAAP	(10,799,383)
Ind AS: Adjustments increase (decrease) :	-
Total adjustment to profit or loss	(10,799,383)
Profit or loss under Ind AS	(10,799,383)
Other comprehensive income	-
Total comprehensive income under Ind ASs	(10,799,383)

Note 1: No statement of comprehensive income was produced under previous GAAP. Therefore the reconciliation starts with profit under previous GAAP.
Note 2: There is no IND AS adjustments and hence there are no changes in opening balances as on 1st April 2016 and profit and loss statement for the year

(ii) Reconciliation of equity and P&L as previously reported under India GAAP to IND AS

	Particulars	As at 01/04/2015 (Date of Transition)		
		Previous GAAP	Effect of transition to Ind AS	Opening Ind AS balance sheet
	Non-current assets			
	(a) Financial Assets			
	(i) Others Financial Assets			
	Security Deposits	10,023,620	-	10,023,620
	Other loans and Advances	21,314,300	-	21,314,300
	(b) Other non-current assets	15,546,840		15,546,840
	Total Non - Current Assets	46,884,760		46,884,760
	Current assets			
	(a) Inventories	65,282,388	-	65,282,388
	(b) Financial Assets		-	
	(i) Trade receivables	462,169,855	-	462,169,855
	(ii) Cash and cash equivalents	69,644,401	-	69,644,401
	(iii) Bank balances other than (ii) above	500,640	-	500,640
	(iv) Other Financial Assets	832,603	-	832,603
	(c) Other current assets	1,091,640	-	1,091,640
	Total Current Assets	599,521,527		599,521,527
	Total Assets (1+2)	646,406,287		646,406,287
B	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity Share capital	100,000	-	100,000
	(b) Other Equity excluding non-controlling interests	(26,691,697)	-	(26,691,697)
	Equity attributable to owners of the Company (I)	(26,591,697)		(26,591,697)
	Total equity (I+II)	(26,591,697)		(26,591,697)
	LIABILITIES			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	245,551,504	-	245,551,504
		245,551,504		245,551,504
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings			
	(ii) Trade payables	265,672,082	-	265,672,082
	(iii) Other financial liabilities (other than those specified in (c) below)	2,500,000	-	2,500,000
	(b) Other current liabilities	153,807,429	-	153,807,429
	(c) Provisions	5,466,969	-	5,466,969
		427,446,480		427,446,480
	Total Equity and Liabilities (1+2+3)	646,406,287		646,406,287

(iii) Reconciliation of equity and P&L as previously reported under India GAAP to IND AS

	Particulars	t 31/3/2016(end of last period presented under previous GAAP		
		Previous GAAP	Effect of transition to Ind AS	Opening Ind AS balance sheet
	Non-current assets			
	(a) Financial Assets			
	(i) Others Financial Assets	32,337,920	-	32,337,920
	(b) Other non-current assets	14,353,818	-	14,353,818
	Total Non - Current Assets	46,691,738	-	46,691,738
	Current assets			
	(a) Inventories	66,255,336	-	66,255,336
	(b) Financial Assets		-	
	(i) Trade receivables	272,904,471	-	272,904,471
	(ii) Cash and cash equivalents	1,637,195	-	1,637,195
	(iii) Bank balances other than (ii) above	500,640	-	500,640
	(iv) Other Financial Assets	60,000	-	60,000
	(c) Other current assets	527,173	-	527,173
	Total Current Assets	341,884,815	-	341,884,815
	Total Assets (1+2)	388,576,553		388,576,553
B	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity Share capital	100,000	-	100,000
	(b) Other Equity excluding non-controlling interests	(37,491,080)		(37,491,080)
	Equity attributable to owners of the Company (I)	(37,391,080)	-	(37,391,080)
	Total equity (I+II)	(37,391,080)	-	(37,391,080)
	LIABILITIES			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	176,702,710	-	176,702,710

		176,702,710	-	176,702,710
	Current liabilities			
	(a) Financial Liabilities			
	(i) Trade payables	196,406,580	-	196,406,580
	(ii) Other financial liabilities (other than those specified in (c) below)	2,500,000	-	2,500,000
	(b) Other current liabilities	42,452,960	-	42,452,960
	(c) Provisions	7,905,383	-	7,905,383
		249,264,923	-	249,264,923
	Total Equity and Liabilities (1+2+3)	388,576,553	-	388,576,553

Reconciliation of profit or loss for the year ended March 31, 2016

		Year ended 31/3/2016 latest period presented under previous GAAP)		
	Particulars	Previous GAAP	Effect of transition to Ind AS	Ind AS
I	Revenue from operations	44,227,663	-	44,227,663
II	Other Income	665,155	-	665,155
III	**Total Income (I + II)**	44,892,818	-	44,892,818
IV	**EXPENSES**			
(a)	Cost of materials consumed	6,900,868	-	6,900,868
(b)	Changes in stock of finished goods, work-in-progress and stock-in-trade	(1,461,246)	-	(1,461,246)
(c)	Employee benefit expense	2,447,340	-	2,447,340
(d)	Finance costs	36,246,304	-	36,246,304
(e)	Other expenses	11,558,935	-	11,558,935
	Total Expenses (IV)	**55,692,201**	-	**55,692,201**
V	**Profit/(loss) before tax (III - IV)**	(10,799,383)		(10,799,383)
VI	**Tax Expense**			
(1)	Current tax	-	-	-
(2)	Deferred tax	-	-	-
(3)	(Excess) / Short provision for tax of earlier years	-	-	-
	Total tax expense (VI)	(10,799,383)	-	(10,799,383)
VII	**Profit/(loss) after tax (VI - VI)**	(10,799,383)	-	(10,799,383)
VIII	**Other comprehensive income**			
(i)	Items that will not be recycled to profit or loss	-	-	-
(ii)	Items that may be reclassified to profit or loss	-	-	-
(iii)	Income tax on items that may be reclassified to profit or loss	-	-	-
IX	**Total comprehensive income for the period (VII + VIII)**	**(10,799,383)**	-	**(10,799,383)**
X	**Earnings per equity share**			
(1)	Basic	(1,079.94)		(1,079.94)
(2)	Diluted	(1,079.94)		(1,079.94)

Note : 22
Segment Reporting

The Company is predominantly engaged in Real Estate. The operations of the company do not qualify for reporting as business segments as per the criteria set out under Indian Accounting Standard 108 (IND AS-108) on "Segment Reporting". The Company is operating in India hence there is no reportable geographic segment. Accordingly no disclosure is required under IND AS-108.

Note : 23

Related Party Transactions

I Names of related parties

1. Holding Company
- Vascon Engineers Limited

3. Key Management Personnel
- Mr. D.Santhanam
- Mr.M.Krishnamurthi

II Related party transactions

Transactions with related parties :	Nature of Relation	Nature of Transaction	As at March 31, 2017	As at March 31, 2016
Vascon Engineers Limited	Holding Company	Loan repaid	125,559,324.00	211,490,000.00
Vascon Engineers Limited	Holding Company	Loan taken	5,741,707.00	114,587,179
Vascon Engineers Limited	Holding Company	Interest on loan	8,968,126	31,171,142

IV Due from Company

Particulars	Type of transaction	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Vascon Engineers Limited	Creditors	185,535,400	185,535,400	251,110,400
Vascon Engineers Limited	Project Advance	65,853,220	176,702,710	245,551,504

Note No. - 24 Fair Value

Set out below is the comparison by class of the carrying amounts and fair value of the Company's financials instruments

Particulars	Carrying amount			Fair Value		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
FINANCIAL ASSETS						
Financial assets measured at amortised cost						
(a) Loans and Advances	32,327,920	32,337,920	31,337,920	32,327,920	32,337,920	31,337,920
(b) Trade receivable	140,373,968	272,904,471	462,169,855	140,373,968	272,904,471	462,169,855
(c) Interest accrued on deposits	106,115	59,418	-	106,116	59,418	-
(d) Cash in hand	2,048	1,003,954	1,101,666	2,048	1,003,954	1,101,666
(e) Balance with banks in current account	346,853	433,241	68,524,141	346,853	433,241	68,524,141
FINANCIAL LIABILITIES						
Financial liabilities measured at amortised cost						
(a) Non Current Borrowing	65,853,220	176,702,710	245,551,504	65,853,220	176,702,710	245,551,504
(b) Current Borrowing	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
(h) Trade Payable	199,072,489	196,406,580	265,672,082	199,072,489	196,406,580	265,672,082

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short - term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company determines fair values of financial assets and financial liabilities by discounting the contractual cash inflows/outflows using prevailing interest rates of financials instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value. The fair value of investment is determined using quoted net assets value from the fund. Further, the subsequent measurement of all financial assets and liabilities is at amortised cost, using the effective interest method.

Discount rates used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Company and in case of financial assets is the average market rate of similar credit rated instrument.

The Company maintain policies and procedure to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

Fair value of financial assets and liabilities is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The following methods and assumptions were used to estimate fair value:

(a) Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.

(b) Security deposit paid are evaluated by the Company based on parameters such as interest rate non performance risk of the customer. The fair value of the Company's security deposit paid are determined by estimating the incremental borrowing rate of the borrower (primarily the landlords). Such rate has been determined using discount rate that reflects the average interest rate of borrowing taken by similar credit rate companies where the risk of non performance risk is more than significant.

(c) Fair value of quoted mutual funds is based on the net assets value at the reporting date. The fair value of other financial liabilities as well as other non current financial liabilities is estimated by discounting future cash flow using rate currently applicable for debt on similar terms, credit risk and remaining maturities.

(d) The fair value of the Company's interest bearing borrowing received are determined using discount rate that reflects the entity's borrowing rate as at the end of the reporting period. The own non performance risk as at the reporting was assessed to be insignificant.

Note : 25

Specified Bank Notes (SBN) held during and transacted during the period November 8, 2016 to December 30, 2016:

	Particulars	SBN*	Other denomination	Total
	Closing cash in hand as on November 8, 2016			
			100*396	39,600
			50*1	50
			20*1	20
			4	4
	Total			39,674
Add	Permitted receipts			27,414
Add	Petty advance returned back from locations			
Less	Permitted Payments			43,905
Less	Amount Deposited in Bank			-
	Closing cash in hand as on December 30, 2016			**23,183**

Note : 26

In absence of probable certainty of taxable income in subsequent periods no provision for deferred tax assets in respect of carried forward business losses has been made.

Note 26A

Note on Litigation :-A) During the year the company has entered into agreement for sale in respect of plot of land admeasuring 5,016.95 sq mtrs for a consideration of Rs. 3,76,27,125/-.

In respect of the above land one of the original co-owner has filed special civil suit before the Hon'ble Civil Court, Division Nashik against the other co-owners and purchaser of land from whom the company has purchased the said land.

As per the conditional sale the company has to obtain clear enforceable title within 18 months of the execution of the agreement.

In case the company is unable to obtain the permission/clearance the Transferee has right either to terminate the Development Agreement in which case the company will have to refund the sale consideration received amounting to Rs. 87,80,000/- along with interest @ 18% p.a. from the date of disbursement of the amount till the date of refund. Alternatively, the Transferee will have right for specific performance along with interest @ 18% p.a. from the date on which amount has been disbursed till the date of curing the breach of contract and in addition to that penalty of Rs. 3,00,000/- per month from the date of breach till the date of curing the breach.

B) During the year the company has transferred Development rights in respect of plot of land admeasuring 3,940 sq mtrs for a consideration of Rs. 2,95,50,000/-.In respect of the above land one of the original co-owner has filed special civil suit before the Hon'ble Civil Court, Division Nashik against the other co-owners and purchaser of land from whom the company has purchased the said land. As per the conditional sale the company has to obtain clear enforceable title and to obtain certain permission/clearance within 18 months of the execution of the agreement.

In case the company is unable to obtain the permission/clearance the Transferee has right either to terminate the Development Agreement in which case the company will have to refund the sale consideration received amounting to Rs. 68,95,000/- along with interest @ 18% p.a. from the date of disbursement of the amount till the date of refund. Alternatively, the Transferee will have right for specific performance along with interest @ 18% p.a. from the date on which amount has been disbursed till the date of curing the breach of contract and in addition to that penalty of Rs. 2,35,000/- per month from the date of breach till the date of curing the breach.

C) During the year the company has entered into agreement for sale in respect of plot of land admeasuring 11,377 sq mtrs for a consideration of Rs. 8,53,35,000/- .The company is under obligation to obtain tentative layout approval from corporation, which is subject to new Development Plan to be issued by the corporation. In case the company is unable to obtain the permission/clearance the Transferee has right either to terminate the Development Agreement in which case the company will have to refund the sale consideration received amounting to Rs. 1,00,00,000/- along with interest @ 18% p.a. from the date of disbursement of the amount till the date of refund. Alternatively, the Transferee will have right for specific performance along with interest @ 18% p.a. from the date on which amount has been disbursed till the date of curing the breach of contract and right to claim damages. In respect of the above three agreement to sale of plots the company has recognised the sales amounting to Rs.152,512,125 /- and profit of Rs. 65,966,508/-. As on date of the balance sheet the company has not received any notice from the purchaser/transferee for termination of the agreement or claiming any interest/compensation

Note : 27

Based on the information available with the Company, no supplier of the Company is registered under "The Micro, Small and Medium Enterprises Development Act 2006". The same has been relied upon by auditor.

Note : 28

Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached.
For Chandrashekhar Iyer & Co.
Chartered Accountants
Firm Registration No. 114260W

Chandrashekhar Iyer
Proprietor
Membership No. 047723
Pune; Dated

For and on behalf of the Board of Directors

Abhijit Pimple
Director
DIN : 06905810
Pune dated

Dr.Santosh Sundararajan
Director
DIN : 00015229
Pune Dated