GARNET
CONSTRUCTION LTD

CIN: L45200MH1992PLC069044

Date: 19th September, 2018.

To,
Dept. of Corporate Services
Bombay Stock Exchange Ltd.
P. J. Tower,
Dalal Street,
Mumbai – 400 001.

Ref.: Garnet Construction Ltd (Script Code: 526727)

Reg.: Submission of Annual Report – 2017-2018

Dear Sir,

This is with reference to captioned matter, please find enclosed herewith annual report for F.Y. 2017-2018 as per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please find the above submission in order. Kindly acknowledge the same.

This is for your information and record purpose.

Yours faithfully

For Garnet Construction Ltd.

Pavan Gupta

Pavan Gupta
Compliance Officer
Membership No. 34811

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 26th Annual General Meeting of the Members of **GARNET CONSTRUCTION LIMITED** will be held on Saturday the 29th September, 2018 at 10.00 am at Sheetal –1 Banquet, Land Mark Building, Link Road, Mid Chowky, Malad (West), Mumbai - 400 064 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopted

   a) the Audited Financial Statements of the Company for the financial year ended 31st March, 2018, together with the Reports of the Board of Directors and Auditors thereon; and

   b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018, together with the Reports of the Auditors thereon.

2. To appoint a Director in place of Mr. Arun Kedia (DIN No. 00205183), who retires by rotation, and being eligible offers himself for reappointment.

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139(2) and any other applicable provisions of the Companies Act,2013 (including any statutory modifications or re-enactment thereof for the time being in force) read with Companies (Audit and Auditors) Rules, 2014, M/s M M Jhunjhunwala & Associates, Chartered Accountants (FRN117186W) be and are hereby appointed as Statutory Auditors of the Company for a period of the 5 years from conclusion of 26th Annual General Meeting until the conclusion of 31st Annual General Meeting, in place of M/s Shankarlal Jain & Associates LLP, the retiring auditors at such remuneration as may be decided by the Board of Directors from time to time, subject to ratification as to the said appointment at every Annual General Meeting"

   "RESOLVED FURTHER THAT to give effect to above resolution, Board of Directors be and are hereby authorized to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf".

SEPCIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) (subject to any modification and re-enactment thereof), the consent, sanction, permission or approval as the case may

be of the members of the company be and is hereby accorded to the board of directors to enter into any contract or arrangements with related parties Kishan Kumar Kedia, Neelkanth Industrial Estate, Panchdeep Industrial Estate, S.K Investment, Aditya Industrial Estate, Kedia Industrial Development Corporation, and its subsidiary as defined under the Act with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or otherwise disposing of any goods, materials or property or availing or rendering of any services or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate Company or reimbursement of any transaction or any other transaction of whatever nature with related parties.

RESOLVED FURTHER THAT the board of directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to this Resolution."

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (Including any statutory modification(s) or re-enactment thereof for the time being in force) the consent of the Company be and is hereby accorded to Shri Shiromani Chauhan (DIN: 02451817) a Non Executive Director, who will attain age of 90 years in 2019 to continue as an Independent Director of the Company, for the remaining tenure of his term of appointment.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable to give effect to this resolution.

Registered Office:
501/531, Laxmi Mall,
Laxmi Industrial Estate,
New Link Road,
Andheri (West),
Mumbai – 400 053

By Order of the Board

Kishan Kumar Kedia
Managing Director
DIN : 00205146

(Mumbai)
31st August, 2018

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING MAY APPOINT PROXY TO ATTEND AND ON A POLL VOTE, INSTEAD OF HIMSELF/HERSELF. [A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES INORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. A Person shall not act as a Proxy for more than 50 Members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However a single person may act as a Proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a Proxy for any other person.

3. The Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 are annexed hereto.

4. Corporate Members are requested to send to the Company, at its Registered Office a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.

5. Register of Members and the Share Transfer Books of the Company will remain closed from Monday, September 24, 2018 to Friday, September 28, 2018 (both days inclusive).

6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), Mandates, Nomination, Power of Attorney, Change of Address, Change of Name, Email Address, Contact Numbers etc. to their respective Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and its Transfer Agents to provide efficient and better services. Members holding shares in Physical Form are requested to intimate such changes to Transfer Agents M/s. Big Share Services Pvt. Ltd.

8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.

9. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2017-2018 will also be available on the Company's website www.garnetconstructions.com for their download. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11:00 a.m. and 1:00 p.m. on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Annual General Meeting.

10. Notice of the AGM along with Annual Report 2017-18 is being sent by electronic mode to those members whose email addresses are registered with the Company / Depository

Participants unless any member has requested for the physical copy of the same. For Members who have not registered their email addresses, physical copies are being sent by permitted mode. To support the Green Initiative, members (holding shares in electronic form) who have not registered their email addresses, are requested to register the same with their Depository Participants. Members holding shares in physical mode are requested to register their email ID with the Registrar and Share Transfer Agent of the Company.

11. Brief profile of the Directors retiring by rotation and being eligible for re-appointment and the Directors proposed to be re-appointed/appointed at this Annual General Meeting has been furnished in this Annual Report.

12. Members desirous of obtaining any information with regard to accounts are requested to write to the Company Secretary at the Registered Office of the Company, at least 10 days in advance, so as to compile the same.

13. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 are requested to fill up the Form SH-13 and send to the office of the Company's Transfer Agent.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Transfer Agent.

15. Voting Through Electronic Means

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 36th Annual General Meeting of the Company.

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The instructions for shareholders voting electronically are as under :

i. The voting period begins on Wednesday, 26th Day of September, 2018 at 9:00 a.m. and ends on Friday, 28th Day of September, 2018 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 23rd Day of September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii. The shareholders should log on to the e-voting website www.evotingindia.com.

iv. Click on Shareholders.

v. Now Enter your User ID
a. For CDSL : 16 digits beneficiary ID,
b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID
c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

vi. Next enter the Image Verification as displayed and Click on Login.

vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

viii. If you are a first time user follow the steps given below :

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

ix. After entering these details appropriately, click on "SUBMIT" tab.

x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xii. Click on the EVSN for the relevant on which you choose to vote.

xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xviii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xix. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xx. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help or write an email to helpdesk.evoting@cdslindia.com.

General Instructions :

a. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Monday, 24th Day of September, 2018.

b. A copy of this notice has been placed on the website of the Company and the website of CDSL.

c. In case of any other queries/grievances connected with voting by electronic means, you may also contact Company Secretary.

d. Ms. Namrata G Vyas, (CP No. 17283), Practicing Company Secretaries from M/s Namrata Vyas & Associates, Company Secretaries have been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

e. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witness not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutiniser's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

f. The Results declared along with the Scrutinzer's Report shall be placed on the Company's website www.garnetconstructions.com and on the website of CDSL within 48 hrs of conclusion of the General Meeting and communicated to the BSE Limited.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013.

ITEM NO. 4

The provision of Section 188 of the Companies Act, 2013 that govern the related parties transaction require approval from members through special resolution.

Further as per the proviso to Section 188 provides that nothing shall apply to any transaction entered into by the Company in its ordinary course of business other than transaction which are not on arm's length basis.

In the light of said section the Board of Directors of your company has approved the proposed transaction along with annual limits that your company may enter into with its Related Parties for the Financial Year 2018-19 and beyond.

All prescribed disclosures as required to be given under the provisions of the Companies Act, 2013 and the Companies (meetings of Board and its Power) Rules, 2014 are given below in a tabular format for kind perusal of the members.

Maximum Value of Contract / Transaction for the Financial Year 2017-18 (in Lakhs)					
	Transaction defined u/s 188 (1) of the Companies Act, 2013				
	Sale or supply of any good materials	Purchase or otherwise buying materials / property of any kind	Loan (With Interest)	Technical Consultancy Fees	Leasing of Property
Name of Related Parties					
Aditya Industrial Estate	-	100.00	-	-	-

Kishan Kumar Kedia	-	-	551.88	-	-
Jointly Controlled Entity					
Callista Realty Limited			3.47		
Associates					
NIL					
Subsidiaries					
NIL					

The Board of Directors of your Company has approved this in the Board Meeting held on 31st August, 2018 and recommended the Resolution as set out in the accompanying Notice for the approval of members of the Company as a special resolution.

Except Promoter Directors and Key Managerial Personnel of the Company and their relatives, no other director is concerned or interested in the resolution.

ITEM NO. 5

The Securities and Exchange Board of India (SEBI), vide its Notification dated 9th May, 2018 notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, introducing new Sub Regulation 17(A) to be effective from 01st April, 2019, providing that a listed entity shall not appoint a person or continue the directorship of any person as Non-Executive Director who has attained the age of 75 years unless a special resolution is passed to that effect. The Company at the 22nd Annual General Meeting held on 30th September, 2014 had approved the appointment of Shri Shiromani Chauhan, as Non-Executive Directors in the category of Independent Directors for a term of 5 (Five) consecutive years from the said date. He will be attaining age of Ninety (90) years in 2019. As per the aforementioned regulation, approval from the Members by way of a Special Resolution is required to enable them to continue to remain in the office as Directors.

Registered Office:
501/531, Laxmi Mall,
Laxmi Industrial Estate,
New Link Road,
Andheri (West),
Mumbai – 400 053

By Order of the Board

Kishan Kumar Kedia
Managing Director
DIN : 00205146

(Mumbai)
31st August, 2018

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36 (3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015, ARE AS UNDER:

Name of the Director	Arun Kedia
Director Identification Number (DIN)	00205183
Aged	50 Years
Position Held	Director Marketing
Nationality	Indian
Date of Appointment on Board	15/10/1992
Qualification	Under Graduate
Shareholding in Garnet Construction Ltd.	13.15%
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Nil
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	One

Directors Report

Dear Shareholders,

On behalf of the Board of Directors, it is my pleasure to present the 26th Annual Report of Company Name together with the Audited Statement of Accounts for the year ended March 31, 2018.

Highlights of Financial Performance (Standalone)

The Company has recorded the following financial performance, for the year ended March 31, 2018:

Amount in Lacs

	Standalone		Consolidated	
Particulars	**Year Ended 31.03.2018**	**Year Ended 31.03.2017**	**Year Ended 31.03.2018**	**Year Ended 31.03.2017**
Total Income	599.33	1431.28	599.33	1431.28
Total Expenditure	244.87	1112.36	245.19	1112.52
Profit / (loss) Before Interest, Depreciation & Tax (EBITDA)	354.45	318.92	354.14	318.76
Less : Finance Charges	153.97	165.78	153.96	165.78
Depreciation	54.17	62.26	56.19	64.65
Profit / (Loss) before Exceptional Item and Tax	146.32	90.88	143.99	88.33
Add : Exceptional Item	0.00	0.00	0.00	0.00
Minority Share of Profit / (Loss) (net)	0.00	0.00	(0.99)	(0.76)
Profit/(Loss) before Tax	146.32	90.88	144.98	89.09
Provision for Tax	24.92	57.00	24.58	55.97
Profit/(Loss) after Tax	121.40	33.88	120.40	33.12
Other Comprehensive Income / (Loss)	0.40	(1.38)	0.40	(1.38)
Total Comprehensive Income for the year net of tax	121.80	32.50	120.80	31.74

Indian Accounting Standards (Ind AS) :

The Ministry of Corporate Affairs (MCA), vide its notification dated 16th February, 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Being applicable, the Company has adopted Ind AS from April 1, 2017 and accordingly, the transition was carried out, from the Accounting Principles generally accepted in India as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (previous GAAP) to Ind AS 101 "First time adoption of Indian Accounting Standards".

The impact of transition has been recorded in opening reserves as at April 1, 2016 and the periods presented have been restated / reclassified. The reconciliation and descriptions of the effect of the transition from Indian GAAP to Ind AS have been provided in Note 43 of the notes forming part of separate financial statements.

Summary of Operations

During the year under review the total income of the company has decreased and same is Rs. 599.31 lacs as against previous year Rs. 1431.28, the same is on account of low sales. However, company has posted higher net profit of Rs. 121.81 Lacs as against previous year Profit of Rs. 32.50. Further there is no change among the business of the Company.

State of Affairs

The Company is engaged in the business of construction and its allied activity. There has been no change in the business of the Company during the financial year ended 31st March, 2018.

Dividends

Your directors regret to inform you that we do not recommend any dividend for the year to strengthen the position of the company

Reserve

In view of the above losses during the year under review, the Board of Directors of your company does not propose to carry any amount to reserve.

Share Capital

There is no change in the share capital of the Company during the year.

Directors and Key Managerial Personnel

Mr. Arun Kedia, Director Marketing retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment. Pursuant to the recommendation of Nomination and Remuneration Committee the Board of Directors of the Company in their meeting held on 31st August, 2018.

Further during the year under review Ms. Hetal Talreja, CFO left the Company and her place Company has appointed Ms. Falguni Padiya as CFO of the Company.

In view of SEBI Notification dated 09th May, 2018 amending SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 & introducing new Sub Regulation 17(A) to be effective from 01st April, 2019, which provides that a listed entity shall not appoint a person or continue the directorship of any person as Non-Executive Director who has attained the age of 75 years unless a special resolution is passed to that effect. Hence a resolution to this effect has been included in the notice of AGM in respect of Shri Shiromani Chauhan, who have exceeded age of 75 years before coming into effect of said notification.

A separate meeting of Independent Director was held for the purpose of evolution of performance of non-independent directors, performance of board as a whole and of the chairman talking into account the views of the executive and non executive directors.

Statement on Declaration Given By Independent Directors Under Sub-Section (6) of Section 149:-

The company has received a declaration subject to Section 149 (7) of the Companies Act, 2013 from all the Independent Director confirming that they meet the criteria of Independent as provided in Section 149 (6) of the Companies Act, 2013 and Regulation 16 (b) of the Listing Regulations.

Particulars of Employees

In terms of the provisions of Section 197 (12) of the Act read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the details required therein forms part of this report. Having regard to the provisions of Section 136(1) read with the its relevant provision of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered office of the Company during working hours and any member interested in obtaining such information may write to the Company and the same will be furnished without any fee and free of cost. In terms of the requirement of Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided on request.

Number of Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year 6 Board Meetings and Four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Details of Subsidiaries, Joint Ventures or Associate Companies

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is given as **Annexure-III.**

Auditors

M/s M M Jhunjhunwala & Asscoiates, appointed as statutory auditor in place of retiring Auditor M/s Shankarlal Jain & Associates LLP, Chartered Accountants, Mumbai who placed their resignation due to pre-occupation, to hold office for 5 financial year upto 2022-23, subject to rectification of their appointment in every annual general meeting, the members are requested to appointment them as statutory auditor of the Company. The Audit Committee and Board of Directors have recommended to appoint them as Statutory Auditor.

Auditors Reports

The comments in the auditors report are self-explanatory and suitable explained in the Notes to Accounts

Disclosure about Cost Audit

As per the Cost Audit Orders, Cost Audit is not applicable to the Company's packing and its allied business for the FY 2018-19.

Secretarial Audit Report

In terms of Section 204 of the Act and Rules made there under, Ms. Namrata Vyas, Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Annexure III to this report. The report is self-explanatory and do not call for any further comments.

Risk Management policy

The Board of Directors of the Company has formulated a Risk Management Policy which aims at enlarging shareholders value and providing an optimum risk reward trade off. The risk management approach is based on a clear understanding of the risks that the organization faces, disciplined risk monitoring and laid down procedure to inform the Board about risk assessment & minimization procedure. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk management and mitigation measures.

Internal Financial Control and Internal Audit

The Company has in place adequate internal financial control with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was noticed. The Company appoint Mr. Asim Santara as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the board of directors and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in over all operations of the company.

Vigil Mechanism & Whistle Blower Policy

The Purpose of the Whistleblower Policy is to allow employees to raise concern about unacceptable, improper or unethical practices being followed in the organization. They will be protected against any adverse action and / or discrimination, as a result of such reporting, provided it is justified and made in good faith. The Chairman of the Audit Committee has been designated for the purpose of receiving and recording any complaints under this policy. The Vigil Mechanism Policy has been uploaded on the website of the Company i.e. www.garnetconstructions.com

Extract of Annual Return

The extract of Annual Return in Form No.MGT-9 as required under Section 92 of the Companies Act, 2013 for the financial year ending March 31, 2018 is annexed and forms part of this report.

Particulars of loans, guarantees or investments under section 186

The particulars of loans, guarantees and investments give/made during the financial year under review and governed by the provisions of Section 186 of the Companies Act, 2013 have been disclosed in the financial statements.

Related Party Transactions

All contracts/arrangements/transactions entered by the company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The details of material related party transaction are furnished in Annexure II and forms part of this report. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the company's website

Your Directors also draw attention of the members to Note 35 to the financial statement which sets out related party disclosures.

As per the requirement under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), approval of the Audit Committee was received for all the Related Party Transactions. As per the Regulation 23(8) of the SEBI Regulations, the Company has sought approval of shareholders for passing necessary resolution.

Corporate Governance

As per Regulation 27 of the Listing Regulation, a report of the Corporate Governance and the Certificate of the Auditors of the Company in respect of the Compliance thereof are appended hereto and forming part of this report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached in the report on Corporate Governance. The Board of Directors of the Company adopted the Code of Conduct and the same is posted on the Company's website. The Directors and Senior Management personnel have affirmed their compliance with the said code.

Management Discussion and Analysis

The Management Discussion and Analysis of the financial condition and result of operation of the Company under review, is annexed and forms an integral part of the Directors' Report.

Conservation of Energy and Technology Absorption

During the year under review, the Company has not carried out any manufacturing activity and hence the Directors have nothing to report under Section 134 (3) (m) of the Companies Act 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with reference to Conservation of Energy and Technology Absorption. Further, there is no foreign exchange earnings and outgo.

Foreign Exchange Earnings and Outgo

The company had neither consumed nor earned any foreign exchange during the year ended 31st March, 2018.

Deposits

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet or renewed any fixed deposits during the year.

Statement on Declaration Given By Independent Directors Under Sub-Section (6) of Section 149:-

The independent directors have submitted the declaration of independence, as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6).

Material Changes and Commitments

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

Consolidated Financial Statements

The Consolidated Financial Statements, pursuant to Section 129 of the Companies Act, 2013 are attached to the Standalone Financial Statements of the Company.Listing with Stock Exchange.

Significant and Material Orders Passed by Regulators, Courts and Tribunals

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

Corporate Social Responsibility (CSR)

The Disclosure as per Rule 9 of the Companies (Corporate Social responsibility Policy) Rules, 2014 are not applicable to the Company.

Safe & Conducive Workplace

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

2. The Company has no subsidiary and neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

Directors Responsibility Statement

Pursuant to Section 134(3) (c) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

1. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.

2. The have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the loss of the Company for the year ended on that date.

3. The have taken proper and sufficient care for the 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 fraud and other irregularities.

4. The have prepared the annual accounts on a 'going concern' basis.

5. The have laid down internal finance control to be followed by the Company and such internal finance control are adequate and operating effectively;

6. The have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

Acknowledgement

The board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Board of Directors also wish to lace on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers

For and on behalf of the Board

Date: 30th May, 2018
Place: Mumbai

Kishan Kumar Kedia
Managing Director
DIN : 00205146

Annexure – I

Form AOC- 1

(Pursuant to first proviso to sub- section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies / joint ventures Part

"A": Subsidiaries

Rs in Lacs

S. No.	Particulars	Callista Realty Ltd.
1.	Reporting Period	April 17- March 18
2.	Reporting Currency	INR
3.	Share Capital	5.006
4.	Reserve & Surplus	15.62
5.	Total Assets	1795.07
6.	Total Liabilities	1795.07
7.	Investments	-
8.	Turnover (Total Revenue)	-
9.	Profit / (Loss) Before Tax	(2.33)
10.	Provision for Tax	(0.34)
11.	Profit / (Loss) After Tax	(1.99)
12.	Proposed Dividend	-
13.	% of Shareholding	50

Notes: There were no subsidiaries liquidated during the financial year 2017-18.

"B": Associates and Joint Venture

There is no Company fall under this category.

For and on behalf of the Board

Date: 30th May, 2018
Place: Mumbai

Kishan Kumar Kedia
Managing Director
DIN : 00205146

Annexure – II

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION AND OTHER DETAILS:

i. CIN	:-	L25200MH1991PLC059943
ii) Registration Date	:-	15th October, 1992
iii) Name of the Company	:-	Garnet Construction Limited
iv) Category / Sub-Category of the Company	:-	Public Limited
v) Address of the Registered office	:-	501/531, Laxmi Mall, Laxmi Industrial Estate, Link Road, Andheri (West), Mumbai – 400 053
vi) Whether listed company	:-	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	:-	Link Intime India Pvt. Ltd. C-13, Panalal Silk Mill Compound, LBS Marg, Bhandup, Mumbai – 400 078 Tel. : 022-25963838 Fax : 022-25946969 Email :accounts@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Construction	45201 & 45202	100%
2			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name	% of Holding
1	Callista Realty Ltd.	50%

IV. **SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

A. **Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	7628023	100	7628123	54.87	7628023	100	7628123	54.87	0.00
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other									
Total shareholding ofPromoter(A)	7628023	100	7628123	54.87	7628023	100	7628123	54.87	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.	579541	1550700	2130241	15.32	550919	1259700	1810619	13.02	-2.30
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal	2261186	326605	2587791	18.61	2363942	320005	2683947	19.31	0.70

share capital up to Rs. 2 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	983395	29300	1012695	7.28	1055347	190300	1245647	8.96	1.68
c) Others (specify)									
Non Resident Indians	212121	38700	250821	1.81	154365	33700	188065	1.35	-0.46
HUF	146864	0	146864	1.06	195865	0	195865	1.41	0.35
Foreign Nationals									
Clearing Members	145665	0	145665	1.05	149934	0	149934	1.08	0.03
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-	**4328772**	**1945305**	**6274077**	**45.13**	**4470372**	**1803705**	**6274077**	**45.13**	**0.00**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**4328772**	**1945305**	**6274077**	**45.13**	**4470372**	**1803705**	**6274077**	**45.13**	**0.00**
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**11956795**	**3246905**	**13902200**	**100**	**12098395**	**1803805**	**13902200**	**100**	**0.00**

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Kishan Kumar Kedia	1759100	12.65	Nil	1759100	12.65	Nil	Nil
2	Kusumdevi Kedia	1928380	13.87	Nil	1928380	13.87	Nil	Nil
3	Arun Kedia	1864117	13.41	Nil	1864117	13.41	Nil	Nil
4	Sanjay Kedia	2076426	14.94	Nil	2076426	14.94	Nil	Nil
5	Narendra Kedia	100	0.00	Nil	100	0.00	Nil	Nil
	TOTAL	**7628123**	**54.87**	Nil	**7628123**	**54.87**	Nil	Nil

D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Alpha Chemetrade Agency	675000	4.86	675000	4.86
2.	Krishna Mingranite Ltd	675000	4.86	459000	3.30
3.	Garnet Capital Finance Ltd.	414846	2.08	414846	2.08
4.	Jayshree Parihani	236401	1.70	0	-1.70
5.	Deepika Dilip Harpalni	251381	1.83	0	-1.83
6.	Natasha Kewal Lohia	0	0.00	161000	1.16
7.	Lalit Dilip Harpalani	107963	0.78	0	-0.78
8.	Karvy Stock Broking Ltd.	89738	0.65	0	-0.65
9.	Mihir Manoj Singhania	0	0.00	130360	0.94
10.	K S Aghoram	0	0.00	83000	0.60
11.	Ramana Reddy Venna	0	0.00	80000	0.58
12.	Atlantis Developers & Infrastructure Pvt Ltd	79250	0.57	79250	0.57
13.	Buniyad Chemicals Ltd	75000	0.54	75000	0.54
14.	Vakil Ahemd Siddiqui	75000	0.54	70514	0.51

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year		At the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Sanjay Kedia	2076426	14.94	2076426	14.94	2076426	14.94
2.	Arun Kedia	1864117	13.41	1864117	13.41	1864117	13.41
3.	Kishan Kumar Kedia	1759100	12.65	1759100	12.65	1759100	12.65
4.	Shiromani Chauhan	3900	0.03	3900	0.03	3900	0.03
5.	Santosh Ginoria	Nil	Nil	Nil	Nil	Nil	Nil
6.	Seema Bhattar	Nil	Nil	Nil	Nil	Nil	Nil
7.	Hetal Talreja	Nil	Nil	Nil	Nil	Nil	Nil
8.	Pavan Gupta	Nil	Nil	Nil	Nil	Nil	Nil
9.	Falguni Padiya	Nil	Nil	Nil	Nil	Nil	Nil

F) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the year				
i) Principal Amount	3421.84	70.00		4193.28
ii) Interest due but not paid				
iii) Interest accrued but not due	0.00	4.86		4.86
Total (i+ii+iii)	3421.84	74.86		4193.28
Change in Indebtedness during the year				
*** Addition**	603.23	-		1801.78
*** Reduction**	389.62	24.86		2498.35
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	3635.46	50.00		3496.70
ii) Interest due but not paid				
iii) Interest accrued but not due	0.00	2.70		
Total (i+ii+iii)	3635.46	52.70		3496.70

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Rs in Lacs

Sr No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Kishan Kedia	Arun Kedia	Sanjay Kedia	
1	**Gross salary**				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17.20	17.20	17.20	51.60
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	**Stock Option**	-	-	-	-
3	**Sweat Equity**	-	-	-	-
4	**Commission** **- as % of profit** **- others, specify...**	-	-	-	-
5	**Others, please specify**	-	-	-	-
	Total (A)	17.20	17.20	17.20	51.60
	Ceiling as per the Act				84.00

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total
		Shiromani Chauhan	Santosh Ginoria	Seema Bhattar	
1	Independent Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CFO*	CS	CFO#	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5.85	1.44	0.80	8.09
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total	5.85	1.44	0.80	8.09

* Hetal Talreja CFO resigned w.e.f 12th March, 2018.
\# Falguni Padiya CFO appointed w.e.f 12th March, 2018

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offices during the year ended March 31, 2018.

For and on behalf of the Board

Place : Mumbai
Date : 30th May, 2018

Kishan Kumar Kedia
Managing Director
DIN : 00205146

Annexure – III

SECRETARIAL AUDIT REPORT
FORM NO. MR – 3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies(Appointment and Remuneration personnel Rule, 2014]

To,
The Members,
Garnet Construction Limited

I have conducted the secretarial audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by Garnet Construction Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/Statutory compliances and expressing my opinion thereon.

Based on my verification of Garnet Construction Limited's books, papers, minute books, form and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, form and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:-

(1) The Companies Act, 2013 (the Act) and the rules made thereunder;
(2) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
(3) The Depository Act, 1996 and the Regulations and bye-laws framed thereunder;
(4) Foreign Exchange Management Act 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
(5) The following Regulation and Guidelines prescribed under the Securities and Exchange Board of India Act 1992 ('SEBI Act') :-
    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit period)
    d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit period)
    e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period)
    f. The Securities and Exchange Board of India (Registration to an Issue and Share Transfer Agents) Regulation, 1993, regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit period)
h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit period)

(6) Other laws applicable specifically to the Company:
a. Bombay Shops and Establishments Act.
b. Income Tax Act 1961 relating to Tax Deducted at source.

I have also examined Compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii)The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Bombay Stock Exchange Limited (BSE).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above:

I further report that the Board of Directors of the Company is duly constituted with Proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:-
(i) Public/Right/ preferential issue of shares/ debentures/ sweat equity.
(ii) Redemption/ buy-back of securities.
(iii) Merger/ amalgamation/ reconstruction etc.
(iv) Foreign technical collaborations.

For Namrata Vyas & Associates

Place: Mumbai
Date: August 31, 2018

Namrata Vyas
Proprietor
ACS No. - 46184
CP No.- 17283

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
Garnet Construction Limited

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Namrata Vyas & Associates

Place: Mumbai
Date: August 31, 2018

Namrata Vyas
Proprietor
ACS No. – 46184
CP No.– 17283

ANNEXURE – V

PARTICULARS OF EMPLOYEE AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE (5)(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

i. **The ration of the remuneration of each director to the median remuneration of employee for financial year :-**

Executive Directors	Ratio to median remuneration
Kishan Kumar Kedia, Chairman & Managing Director	17.20
Arun Kedia, Director Marketing	17.20
Sanjay Kedia, Finance Director	17.20

ii. **The percentage increase in remuneration in the financial year of following :-**

Executive Directors & KMP	% increase
Kishan Kumar Kedia, Chairman & Managing Director	194%
Arun Kedia, Director Marketing	194%
Sanjay Kedia, Finance Director	194%
Hetal Talreja, Chief Financial Officer	Nil
Pavan Gupta, Company Secretary	Nil

iii. **Percentage increase in median remuneration of employees in the financial year** :- Nil.

iv. **Number of permanent employee on the roll of company** :- 28

v. **Explanation on the relationship between average increase in remuneration and company expenditure** :-
The Profit before Tax for the financial year ended March 31, 2018 Increased by 61% whereas the increase in median remuneration was 60%.

vi. **Comparison of the remuneration of the KMP against the performance of the Company** :-
Average increase in remuneration of key managerial personnel is 194% based upon individual performance, company's performance and as measure to motivate them for better future performance.

vii. **Variation in the market capitalisation of the company, prices earnings ratio as at the closing date of the current financial year and previous financial year :-**

Particulars	31.03.2018	31.03.2017	% Change
Market Capitalization (Rs in Lacs)	3023.73	1722.48	75%
Price Earnings Ratio	0.88	0.97	-9%

viii. **Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies :-**

Name of Exchange	Closing Market Price as of 31.03.2018	Public Offer in 1993	Growth by
BSE	21.75	10	117.5

ix. Average percentile increase already made in the salaries of employees other then the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration :- Increase in Salaries is as per industry standards.

x. Comparison of each Key Managerial Personnel against the performance of the Company .

None

xi. The key parameters for any variable component of remuneration availed by the Directors.

None

xii. Ratio of the remuneration of the highest paid director to that of the employee, who are not director but receive remuneration in excess of the highest paid director during the year.

None

xiii. Affirmation that the remuneration is as per the remuneration policy of the Company.

It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

STATEMENT PURSUANT TO SECTION 197 912) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE SAID FINANCIAL YEAR.

A. Employed throughout the year under review and were in receipt of the remuneration in aggregate of not less than Rs. 60,00,000/- p. a. :- None

B. Employed for the part of the year under review and were in receipt of the remuneration in aggregate of not less than Rs. 5,00,000/- p. m. :- None

For and on behalf of the Board

Place : Mumbai
Date : 30th May, 2018

Kishan Kumar Kedia
Managing Director
DIN : 00205146

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance

Corporate Governance is a value-based framework for managing the affairs of the Company in a fair and transparent manner. As a responsible Company, Garnet Construction Limited ('GCL') uses this framework to maintain accountability in all its affairs, and employ democratic and open processes, which in turn leads to adoption of best governance practices and its adherence in true spirit, at all times. The Company's philosophy is primarily based on the principles of integrity, transparency, fairness, accountability, full disclosure and independent monitoring of the state of affairs. The Board of Directors ('the Board') is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

This governance protects and balances the interests of all the stakeholders thereby enhancing the shareholder value.

2. Board of Directors

A. Board Composition

Present strength of the Board is 8 (Eight) Directors. The Board comprises of three (3) Executive and 3 (three) Non-Executive Director. The board is headed by Mr. Kishan Kumar Kedia, Executive Chairman.

Category	Name of Director
Executive and Non-Independent Director	Mr. Kishan Kumar Kedia Mr. Arun Kedia Mr. Sanjay Kedia
Non Executive and Independent Director	Mr. Shiromani Chauhan Mr. Santosh Ginoria Mrs. Seema Bhattar

B. Board Meetings

Six Board Meetings were held during the financial year 2017 - 18 on 30th May, 2017, 5th September, 2017, 14th November, 2017, 14th December, 2017, 14th February, 2018, and 12th March, 2018.

Details of Composition, Status, Attendance at the Board Meetings and the last Annual General Meeting, Number of other Directorship and other committee position held :-

Name	Category	Attendance		No. of Other Directorship $	Committee (as on March 31, 2018)	
		Board Meeting	Last AGM		Member Ship	Chairman Ship
Mr. Kishan Kumar Kedia	Executive Non Independent	6	Yes	2	-	-
Mr. Arun Kedia	Executive Non Independent	6	Yes	1	1	-
Mr. Sanjay Kedia	Executive Non Independent	6	Yes	2	-	-

Mr. Shriromani Chauhan	Non Executive Independent	4	Yes	-	3	3
Mr. Santosh Ginoria	Non Executive Independent	4	Yes	1	3	-
Mrs. Seema Bhattar	Non Executive Independent	4	No	-	2	-

$ Directorship included in Private Limited Company.

Shri Arun Kedia and Shri Sanjay Kedia and Shri Kishan Kumar Kedia are Promoters and are relatives.

None of the Directors on board is a member of more than nine committee and a Chairman of more than 5 committee across all the committees in which they are directors and the necessary disclosures in this regard have been made by them.

3. Audit Committee :

Brief description of terms of reference

The terms of reference of this Committee are wide enough covering the matters specified for Audit Committee under Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- Overseeing of the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are accurate, complete and reliable;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Review with management the annual financial statements and auditors reports thereon before submission to the board for their approval;
- Review with management quarterly financial statement ensuring compliances with regulatory guidelines before submission to the Board;
- Preparation of various financial statement for better fund planning purpose and based upon the requirement of fund for the Company;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Approval of any subsequent modification of transaction of the company with related parties;
- Valuation of company's projects or assets of the company wherever necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the management performance of statutory and internal auditors, their adequacy of the internal control systems;

- Formulate the scope, functioning, periodicity and methodology for conducting the internal audit on consultation with the internal auditor and discuss with them regarding any significant findings and follows up thereon;

- Discussion with statutory auditors before the audit commence, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- To review the function of the Whistle Blower mechanism;

Committee Composition

The Committee comprises of three members and all are independent Directors, to exercise powers and discharge their function as stipulated under Companies Act, 2013. During the year four meetings were held on 30.05.2017, 14.09.201, 14.12.2017 & 14.02.2018 and all the members attended the meeting. Quorum of the committee is two Independent Directors as Members.

The Composition of Audit Committee is as under:

Sr. No.	Name of the members	Status	Director Status	Meeting Attended
1	Shiromani Chauhan	Chairman	Non-Executive & Independent	4
2	Santosh Ginoria	Member	Non-Executive & Independent	4
3	Seema Bhattar	Member	Non-Executive & Independent	4

4. Nomination & Remuneration Committee

The brief description of terms of reference

The Committee's terms of reference includes :

1. Identifying person who are qualified to become and who may be appointed in senior management in accordance with the criteria laid down and recommended to the board their appointment and removal;

2. Carry on the evaluation of directors performance;

3. Formulation of the criteria for evaluation of independent director and the Board;

4. Recommended to the board a policy relating to the remuneration of the directors, key managerial personnel and other employees;

The members of the Nomination and Remuneration Committee met two times on 14th September, 2017 and 12th March, 2018. All the members were attended the said meetings.

The Composition of Committee is as under:

Sr. No.	Name of the members	Status	Director Status	Meeting Attended
1	Shiromani Chauhan	Chairman	Non-Executive & Independent	2
2	Santosh Ginoria	Member	Non-Executive & Independent	2
3	Seema Bhattar	Member	Non-Executive & Independent	2

Remuneration Policy

Remuneration for the Whole-time Director, KMP and Senior Management Personnel

Managing Directors and Whole-time Director

The remuneration to be paid to the Managing and Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and/or as per the provisions of the Companies Act, 2013 and the rules made thereunder. The Managing Directors and Whole-time Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, and other medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and /or Central Government, wherever required.

Minimum and Excess Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Directors and Whole-time Director in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

If any Managing Director and Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company.

Independent Non- Executive Directors:

There is no provision of remuneration has been made to Independent director. However, committee is proposes to recommended the board for payment of Sitting Fees to Independent Directors from current year onwards.

KMP and Senior Management Personnel:

The KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, and same shall be decided and approved by the Board on the recommendation of the Committee.

Approval of the Remuneration Policy & Amendment in the Policy:

This Remuneration Policy shall apply to all future employment agreements with members of Company's Senior Management including Key Managerial Person and Board of Directors. The Remuneration Policy is binding for the Board of Directors including its provisions on stock options. In other respects, the Remuneration Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Board's minutes. The Nomination & Remuneration Committee shall review the policy from time to time and make necessary recommendations to the Board. Any amendment to this Policy can be made only with the approval of the Board of Directors of the Company.

Disclosure of Information & Dissemination:

Information on the total remuneration of Board of Directors, Key Managerial Personnel and Senior Management may be disclosed in the Company's annual financial statements. The Company's Remuneration Policy shall be published on its website.

5. Stakeholder Relationship Committee

The Committee looks into various issues relating to shareholders / investors including transfer and transmission of shares held by shareholders in physical forms as well as non receipt of annual reports etc. the committee also looks into issue including status of dematerialization / re-materialization of shares and issue of duplicate shares.

The members of the Stakeholders Relationship Committee met two times on 14th September, 2017, and 14th February, 2018. All the members were attended the said meetings.

The Composition of Committee is as under:

Sr. No.	Name of the members	Status	Director Status	Meeting Attended
1	Santosh Ginoria	Chairman	Non-Executive & Independent	2
2	Shiromani Chauhan	Member	Non-Executive & Independent	2
3	Arun Kedia	Member	Executive & Non - Independent	2

During the financial year 2017-2018 the Company did not receive any complaints from the shareholders.

6. General Body Meeting

The details of last there Annual general Meeting

Year	Date	Venue	Time
2017	September 29, 2017	Ashish Banquet, Malad (West), Mumbai – 64	10.00 am
2016	September 29, 2016	Ashish Banquet, Malad (West), Mumbai – 64	10.00 am
2015	September 29, 2015	Ashish Banquet, Malad (West), Mumbai – 64	10.00 am

All special resolution as set out in the notice of Annual General Meeting were passed by the shareholders at respective meeting with requisite majority. Neither any resolution was passed through postal ballot last year nor is any resolution proposed to be passed through postal ballot this year.

7. Disclosures

Disclosures regarding Materially Significant Related Party Transactions:

All transactions with any of the related parties were in the ordinary course of business and at arm's length. Particulars of the Related Party Transaction have been disclosed in Note No. 27 of the accounts.

Disclosure regarding certain Non-Compliances related to Capital Markets :

There are no penalties or strictures imposed on the company by the Stock Exchanges or SEBI or any statutory authorities relating to the above.
There were no instances of non-compliance of any matter related to the capital market during the last three (3) years.

Whistle Blower Policy

The Board of Directors of the Company have framed Whistle Blower Policy for the directors and employees. The policy has been disclosed on the website of the Company.

Compliance of Mandatory requirements

Certificate from the Auditor of the Company confirming compliances with the mandatory requirements under Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this report.

8. Means of Communication

- The quarterly / half yearly financial results are published in English & Marathi newspaper.
- Quarterly, Half Yearly and Annual Financial Results of the Company are sent to the stock exchange immediately after they have been approved by the board. Quarterly and Annual Results are published in the newspaper and also uploaded on company's website.
- Management Discussion and Analysis Report form the part of the Annual Report.

9. General Shareholder Information

Annual General Meeting :

Day & Date& Time : Saturday, 29th September, 2018 at 10.00 am.
Venue : Ashish Banquet, Malad (West), Mumbai – 400 064

Date of Book closure : Monday 24th September, 18 to Friday 28th September, 18. (both days inclusive.)

Dividend payment date : Not applicable since no dividends is recommended by the Board.

Listing on Stock Exchanges: Bombay Stock Exchanges, and Annual Listing fees for the Financial Year 2018-19 has been paid to the stock exchange.

Reporting of Audited / Un-audited Financial Result : In respect of Financial Year 2018-19

a) First quarter : on or before 14th August, 18
b) Second quarter : on or before 14th November, 18
c) Third quarter : on or before 14th February, 19
d) Fourth quarter : with in 60 days from the end of the Financial Year
e) Annual General Meeting (For 18 – 19) : Within statutory time limit

Stock Code : The Stock Exchange, Mumbai - 526727

Market Price Data – High/Low price of the Equity Shares of the Company during the financial year 2017 – 18 on BSE :-

Month	Bombay Stock Exchange Ltd.	
	High	Low
April	18.10	12.00
May	16.80	13.50
June	18.79	12.20
July	30.80	15.00
August	29.80	22.05
September	29.70	23.45
October	41.95	24.00
November	40.10	31.25
December	50.30	31.00
January	50.20	33.05
February	35.50	27.00
March	29.50	21.15

Share Transfer System : The company's equity shares which are in dematerialized form are dealt through the depositories in electronic mode. Transfer of shares in physical from is processed by the Company's Registrar and Transfer Agent (RTA) with in fifteen days from the date of receipt, provided the documents are complete in all respect. All requests for transfer / transmission in physical mode are processed by the RTA.

Distribution of shareholding as on 31.03.2018

Number of Equity Shares		**Share Holders**		**Share Amount**	
		No.	**% to Total**	**In Rs.**	**% to Total**
0	500	4959	82.50	83,68,620	6.02
501	1000	469	7.80	40,29,080	2.90
1001	2000	262	4.36	41,53,890	2.99
2001	3000	85	1.41	22,16,070	1.59
3001	4000	41	0.68	14,69,280	1.06
4001	5000	60	1.00	28,23,320	2.03
5001	10000	70	1.16	51,71,330	3.72
100001 and Above		65	1.08	11,07,90,410	79.69
Total		**6011**	**100.00**	**13,90,22,000**	**100.00**

Shareholding pattern as on 31.03.2018

Category	**No. of Shares**	**% of Shares**
Promoters	76,28,123	54.87
Private Corporate Bodies	18,10,619	13.02
Indian Public	39,29,594	28.27
NRIs/OCBs	1,88,065	1.35
Clearing Member / HUF	3,45,799	2.49
Grand Total	**1,39,02,200**	**100.00**

Reconciliation of Share Capital Audit Report :

As stipulated by SEBI, a qualified practicing Company Secretary carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the

total issued and listed capital. The Audit is carried out every quarter and the report there on is submitted to the Stock Exchanges. The report, inter alia, confirms that the total listed and paid-up share capital of the Company is in agreement with the aggregate of the total dematerialised shares and those in physical mode.

Dematerialization of Shares and Liquidity as on March 31, 2018

Mode of Holding	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Physical	1362	22.66	1803805	12.97
Electronic	4649	77.34	12098395	87.03
TOTAL	**6011**	**100.00**	**13902200**	**100.00**

Details of shares held by Non-executive Director are given in extract of Annual return in Form MGT – 9.

Dematerialization of Shares : As on 31st March, 2018 Appx. 87 % of the total issued, subscribed and paid-up equity share capital of the company were in dematerialized form.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, its date of conversion and likely impact on Equity : There are no outstanding instruments and hence there will be no dilution of the equity.

Address for Correspondence :

Shareholders holding in physical mode are requested to lodge share transfer, transmission and intimate change of address, if any in their registered address quoting their folio no. to the company Share Transfer Agent at :-

M/s Link Intime India Pvt. Ltd.
C-13, Panalal Silk Mill Compound,
LBS Marg, Bhandup, Mumbai – 400 078.

Query on Annual Report be addressed to Company's registered office.

Designated email id : investors@garnetconstructions.com.

Declaration on Compliance of the Company's Code of Conduct

The Company has framed a Code of Conduct for the Members of the Board of Directors and the Senior Management of the Company pursuant to Regulation 17 (5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all the members of the board of directors and senior management have affirmed compliance with said code of conduct for the financial year 2017-18.

For and on behalf of the Board

Place : Mumbai
Dated : 30th May, 2018

Kishan Kumar Kedia
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world in the next 10-15 years, backed by favorable demographics and ongoing structural reforms. India's GDP is estimated to have increased by 6.7% in 2017-18 and is expected to grow 7.3% in 2018-19. Moreover, as the economy has overcome short term disruptions caused by major reforms such as the Goods and Services Tax (GST) and demonetization, the rate of growth could surprise on the upside in 2018-19. The fast pace of growth of Indian economy over the last decade has placed immense pressure on the existing infrastructure of the nation. The government has responded in the right manner by increasing allocation in the infrastructure sector in its budget presentations over the last 2 years. Construction Equipment sector which has experienced growth in the range of 12-15% in last few years, is expected to see heightened business activities on the back of increased thrust on the infrastructure sector by the government and is estimated to grow by 15-18% during 2018-19.

Based on the trend seen over the last three years in infra development, road sector is expected to be the main growth driver for the Construction industry. In its 2018-19 budget, the government accelerated the implementation of its big, ambitious schemes and projects that were announced in the last three years.

The outlook for the infra and construction sectors looks promising and is likely to lead to sustained growth in the Construction industry for the next few years. The government's increased focus on infra and public has catapulted the industry as well as your company in a sweet spot in terms of volume and growth. Barring real estate, most of the other segments like roads, mining, irrigation and ports have started doing well. As the positive impact of smart city projects and affordable housing concept begins to be seen at the ground level, construction industry will witness its next leg of growth story. Some of the recent initiatives and developments undertaken by the government which are positive for the Construction industry are:

i. Construction of 3,21,567 additional houses across 523 cities under the Pradhan Mantri Awas Yojana (Urban).

ii. Investment of ₹ 7 trillion for construction of new roads and highways over the next five years.

iii. Fixing a target of awarding contracts for development of roads for 20,000 kms for 2018-19 which is 25% more than 17,055 kms awarded in 2017-18.

iv. Massive push to the infrastructure sector by allocating 5.97 lakhs crore in the budget for the financial year 2018-19.

Despite the focus on industrialization, agriculture remains a dominant sector of the Indian economy both in terms of contribution to Gross Domestic Product (GDP) as well as a source of employment to millions across the country. Agriculture plays a vital role in the Indian economy. Over 70% of the rural households depend on agriculture as their principal means of livelihood. The government's continued thrust on promoting rural development and farmer welfare in the Union Budget continues to augur well for the farm sector, with the budget laying significant emphasis on the government's endeavour to double the farmers' income by FY22. The agriculture sector in India is expected to witness positive growth momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Additionally, increased haulage demand from usage of tractors

in construction activities, as investments in infrastructure creation picked up across country, coupled with various government's support programmes, has supported demand to an extent.

OPPORTUNITIES

To improve the country's infrastructure and to boost the economy, the Government has taken several steps and your Company is optimistic about capturing the upcoming opportunities. Some of the exciting opportunities that could be addressed include:

i. Housing for all coupled with the government's credit linked subsidy schemes and a rising middle class will drive demand for affordable houses thus leading to increase in demand of tower cranes.

ii. The GST reform should help in streamlining the manufacturing sector and boost investments and growth.

iii. Central government's Smart City Mission for developing smart cities across India.

iv. With both government and private bodies heavily investing to boost infrastructure development across the country, the construction equipment industry stands to benefit immensely. This will positively impact the business for construction equipment manufacturers, rental companies and the resale market for these machines.

v. We believe that our proactive steps in providing innovative solutions to our customers and implementation of our strategies have prepared us for next leg of growth.

vi. Your company continues to focus on various strategies and initiatives to overcome the existing challenges.

THREATS

i. Any change in the government policy or its budgetary allocation towards the infrastructure sector will have an impact on the Company's business.

ii. Increasing trade protectionism globally poses the risk of trade war which can curb the economic momentum.

iii. There is no consistency in the demand owing to the fluctuations in the market thereby achieving targeted sales figures challenging for the Company.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company is engaged in construction and sale of industrial as well residential plots only, hence the segment wise reporting is not applicable. Financial Performance of the Company for the year under review has already covered under the Directors' Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company maintains adequate internal control system and procedures commensurate with its size and nature of operations. The internal control systems are designed to provide a reasonable assurance over reliability in financial reporting, ensure appropriate authorization of transactions, safeguarding the assets of the Company and prevent misuse/ losses and legal compliances. The internal control system includes a well-defined delegation of authority and a comprehensive Management Information System coupled with quarterly reviews of operational and financial performance, a well-structured budgeting process with regular monitoring of

expenses and Internal audit. The Internal Audit reports are periodically reviewed by the Management and the Audit Committee and necessary improvements are undertaken, if required. The Company has a proper and adequate system of internal controls, commensurate with its size and business operations to ensure the following:

i. Timely and accurate financial reporting in accordance with applicable accounting standards;
ii. Optimum utilization and safety of assets;
iii. Compliance with applicable laws, regulations, listing applications and management policies; and
iv. An effective management information system and reviews of other systems.

MATERIAL DEVELOPMENTS IN HUMAN RELATIONS / INDUSTRIAL RELATIONS

The company believes that its policies should be dynamic and therefore takes adequate steps to review and realign them to ensure that they address changing workforce trends, best practices, and legislative requirements to help your organization achieve its evolving objectives. The company is focused on its people strategy to create a high performing work culture and fosters a culture that is performance oriented, promotes rewards for results and helps its people grow. Your company recognizes that its workforce is one of the most critical resources and it is working tirelessly to foster a growth driven culture. The focus is on development of employees at professional and personal levels using a pioneering, integrated approach to all its employees. Industrial relations were harmonious and cordial throughout the year.

RISK MANAGEMENT AND GOVERNANCE

The company recognizes that effective risk management is crucial to its continued profitability and long-term sustainability of its business. The company is committed to adopt good corporate governance, which promotes the long-term interests of all stakeholders, creates self-accountability across its management and helps built trust in the Company. A robust internal financial control system forms the backbone of our risk management and governance. In line with our commitment to provide sustainable returns to our stakeholders, your company has formalized clearly defined systems to manage its risks within acceptable limits by using risk mitigating techniques and have framed policies for timely addressing key business challenges and leveraging of business opportunities.

CAUTIONARY STATEMENT

Management Discussion and Analysis detailing the Company's objectives, outlook and expectations have "forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied depending upon global and Indian demand supply conditions, changes in Government regulations, tax regimes and economic developments within India and overseas.

For and on behalf of the Board

Kishan Kumar Kedia
Managing Director
DIN: 00205146

Place: Mumbai
Date: May 30, 2018

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Garnet Construction Limited

We have examined the compliances of Corporate Governance by **Garnet Construction Limited** for the year ended 31st March, 2018 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) of the said Company with Stock Exchange.

The Compliance of condition of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuing the compliances of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the directors and management, we certify that the company has complied with the conditions of Corporate Governance stipulated in the above mentioned Listing Regulations.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Company and presented to the Stakeholders Relationship Committee of the Company.

We further state that such compliances is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Mumbai
Date : 30th May, 2018

For Shankarlal Jain & Associates LLP
Chartered Accountants
Firm Regn No: 109901W/W100082

Satish Jain
M. No: 048874
Partner

GARNET CONSTRUCTION LIMITED

STANDALONE FINANCIAL STATEMENTS

FINANCIAL YEAR – 2017-2018

INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF
GARNET CONSTRUCTION LIMITED
MUMBAI

Report on the Standalone Ind AS Financial Statements

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

Management's Responsibility for the Standalone Ind AS 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 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") specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone 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 standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material

misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by 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 Cash Flow Statement and 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 Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 A"; 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 of its financial position in its standalone Ind AS financial statements as of March 31, 2018.

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

iii. There has been no delay in transferring amounts, 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 SHANKARLAL JAIN & ASSOCIATES LLP,
CHARTERED ACCOUNTANTS
Firm Registration No. 109901W/W100082

SATISH JAIN
PARTNER
M.No. 048874

Place : MUMBAI
Dated : 30/05/2018

Annexure - A 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 **M/s GARNET CONSTRUCTION LIMITED** ("the Company") as of 31 March 2018 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We 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 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 31 March 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 SHANKARLAL JAIN & ASSOCIATES LLP,
CHARTERED ACCOUNTANTS
Firm Registration No. 109901W/W100082

SATISH JAIN
PARTNER
M.No. 048874

Place : MUMBAI
Dated : 30/05/2018

M/s. GARNET CONSTRUCTION LIMITED
FOR THE YEAR ENDED 31ST MARCH, 2018

ANNEXURE B TO AUDITORS REPORT

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   b) The fixed assets of the Company have been physically verified during the year by the management and no material discrepancies between the book records and the physical inventory have been noticed.

   c) The title deeds of immovable properties held as fixed assets are in the name of the company.

2. The stocks of goods have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable in relation to the size of the company and nature of its business. The discrepancies noticed on verification between the physical and book records were not material.

3. As per the information and explanations given to us, the Company has not granted unsecured loans to a Company covered in the register maintained under section 189 of the Companies Act, 2013. Hence relevant clause is not applicable.

4. As per the information and explanations given to us, the Company has not granted loans, or given guarantee or security for any person specified under section 185 and section 186 of the Companies Act, 2013. The Company has not invested in any Company in contravention of section 186 of the Companies Act, 2013.

5. As per the information and explanations given to us, the Company has not accepted deposits from the public within the meanings of Sections 73 to 76 of the Companies Act and the rules framed there under.

6. In our opinion and according to information and explanations given to us, the Central Government has not prescribed the maintenance of costs records under section 148 of the Companies Act, 2013.

7. a) According to the information and explanation given to us and based on the books and records examined by us the Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Goods and Service tax, cess and other statutory dues, wherever applicable, have been generally deposited regularly during the year with appropriate authorities. There are no outstanding statutory dues as on 31st March, 2018 for a period of more than six months from the date they become payable.

   b) According to the information and explanation given to us and based on the books and records examined by us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other statutory dues, wherever applicable, which have not been deposited on account of any dispute.

8. In our opinion the Company has not defaulted in repayment of dues to a financial institution or Bank during the year.

9. As per the information and explanation given to us the Company has not raised money by way of public offer. The Company has utilized the term loans for the purposes for which they were taken and has not committed any default

10. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.

11. The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

12. As per the information and explanation given to us the Company is not a nidhi Company hence provisions of Nidhi Rules, 2014 are not applicable.

13. All the transactions entered into with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013.

14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

15. The Company has not entered into any non-cash transactions with directors or persons connected with him.

16. In our opinion the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For SHANKARLAL JAIN & ASSOCIATES LLP,
CHARTERED ACCOUNTANTS
Firm Registration No. 109901W/W100082

SATISH JAIN
PARTNER
M.No. 048874

Place : MUMBAI
Dated : 30/05/2018

GARNET CONSTRUCTION LIMITED
Balance Sheet as at 31st March, 2018

Particulars	Notes	INR As at 31st March, 2018	31st March, 2017	01st April, 2016
ASSETS				
I) Non - Current Assets				
a. Property, Plant and Equipment	3	5,56,04,011	6,09,60,556	6,71,47,067
b. Financial Assets				
Investments	4	3,02,50,300	3,02,50,300	3,02,50,300
Non-current loans	5	44,34,069	44,34,069	45,84,069
Other Non - Current Financial Assets	6	4,07,246	2,22,370	2,10,718
c. Deferred tax assets (net)	7	14,20,841	6,60,230	31,44,204
d. Other non-current assets	8	1,24,25,515	54,80,817	67,38,748
		10,45,41,982	**10,20,08,342**	**11,20,75,106**
II) Current Assets				
a. Inventories	9	96,70,69,450	86,29,17,097	86,65,29,699
b. Financial Assets				
Trade Receivables	10	30,31,56,663	58,13,22,277	58,90,48,386
Cash and Cash Equivalents	11	13,25,160	42,31,402	57,83,297
Current Loans	12	38,99,841	1,49,84,395	5,01,18,764
Other Current Financial Assets	13	1,417	1,51,888	1,40,260
c. Other Current assets	14	17,01,07,451	16,15,53,227	16,39,06,836
		1,44,55,59,982	**1,62,51,60,285**	**1,67,55,27,241**
TOTAL ASSETS (I + II)		**1,55,01,01,964**	**1,72,71,68,627**	**1,78,76,02,347**
EQUITY AND LIABILITIES				
I) Equity				
a. Equity Share Capital	15	13,90,22,000	13,90,22,000	13,90,22,000
b. Other Equity	16	57,44,20,318	56,22,40,225	55,89,89,647
		71,34,42,318	**70,12,62,225**	**69,80,11,647**
II) Liabilities				
I) Non - Current Liabilities				
a. Financial Liabilities				
Borrowings	17	27,30,07,164	26,87,21,766	19,62,54,237
Other financial liabilities	18	1,00,000	1,00,000	66,76,829
b. Provisions	19	6,34,133	4,96,444	3,56,278
		27,37,41,297	**26,93,18,210**	**20,32,87,344**
II) Current Liabilities				
a. Financial Liabilities				
Borrowings	20	50,00,000	70,00,000	1,81,09,911
Trade Payables	21	5,04,34,666	5,51,64,854	7,45,07,956
Other financial Liabilities	22	15,35,29,763	7,67,82,519	20,75,15,311
b. Other current liabilities	23	35,01,16,256	61,46,59,478	58,40,09,293
c. Provisions	24	38,37,664	29,81,342	21,60,885
		56,29,18,349	**75,65,88,193**	**88,63,03,356**
TOTAL EQUITY AND LIABILITIES (I+II)		**1,55,01,01,964**	**1,72,71,68,627**	**1,78,76,02,347**

Significant Accounting Policies 1 and 2

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

For Shankarlal Jain & Associates LLP
Chartered Accountants
Firm Reg. No.109901W/W100082

Satish Jain
Partner
M. No. 048874
Place : Mumbai
Date : 30th May, 2018

For and on behalf of the Board of Directors

Kishan Kumar Kedia
Chairman & Managing Director

Arun Kedia
Marketing Director

Sanjay Kumar Kedia
Finance Director

Falguni Padiya
Chief Financial Officer

Pavan Gupta
Company Secretary

GARNET CONSTRUCTION LIMITED

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

Particulars	Notes	INR Year Ended 31st March, 2018	INR Year Ended 31st March, 2017
REVENUE:			
Revenue from operations	25	5,82,35,881	14,24,22,463
Other income	26	16,97,320	7,05,278
Total Revenue (I)		**5,99,33,201**	**14,31,27,741**
EXPENSES			
Land and Construction Cost	27	10,52,76,987	8,89,91,208
Changes in Inventories	28	(10,41,52,353)	36,12,602
Employee benefits expense	29	1,03,18,787	64,65,707
Finance cost	30	1,53,96,665	1,65,78,453
Depreciation and amortisation	3	54,16,818	62,25,501
Other expenses	31	1,30,44,133	1,21,66,003
Total Expenses (II)		**4,53,01,036**	**13,40,39,474**
Profit for the year before tax (I - II)		**1,46,32,165**	**90,88,267**
Tax Expenses :	33		
Current tax		33,00,000	33,00,000
Short/ (Excess) provision of tax in earlier years		(30,848)	(1,38,198)
MAT Utilisation		15,71,640	29,44,730
Deferred tax	7	(23,48,246)	(4,06,397)
		24,92,546	57,00,135
Profit for the year		**1,21,39,619**	**33,88,132**
OTHER COMPREHENSIVE INCOME:	32		
Re - measurement gains / (losses) on defined benefit plans		56,469	(1,91,913)
Income tax effect		(15,995)	54,359
Other Comprehensive Income for the year, net of tax		40,474	(1,37,554)
Total Comprehensive Income for the year net of tax		**1,21,80,093**	**32,50,578**
Basic and Diluted Earning per Equity Share [EPS] [in Rupees]	34	0.88	0.23
Significant Accounting Policies	1 and 2		
The accompanying notes form an integral part of the financial statements			

As per our attached report of even date
For Shankarlal Jain & Associates LLP
Chartered Accountants
Firm Reg. No.109901W/W100082

Satish Jain
Partner
M. No. 048874
Place : Mumbai
Date : 30th May, 2018

For and on behalf of the Board of Directors

Kishan Kumar Kedia
Chairman & Managing Director

Arun Kedia
Marketing Director

Sanjay Kumar Kedia
Finance Director

Falguni Padiya
Chief Financial Officer

Pavan Gupta
Company Secretary

GARNET CONSTRUCTION LIMITED
Cash Flow Statement for the year ended 31st March, 2018

Particulars	INR-Lakhs	
	Year Ended	
	31st March, 2018	31st March, 2017
A Cash flows from operating activities:		
Profit before tax	1,46,32,165	90,88,267
Adjustments for:		
Depreciation, Impairment and Amortisation expenses	54,16,818	62,25,501
Profit on sale of assets [Net]	(1,54,185)	-
Interest income	(15,27,704)	(6,52,698)
Interest expenses	4,83,63,847	5,58,21,060
Relassification of actuarial gain/loss to OCI	56,469	(1,91,913)
Provisions for employee benefits	2,20,857	1,15,589
Total	5,23,76,102	6,13,17,539
Operating profit before working capital changes	6,70,08,266	7,04,05,806
Adjustments for:		
Increase/ [Decrease] in trade Payables	(47,30,188)	(1,93,43,102)
Increase/ [Decrease] in provision	7,73,154	8,45,034
Increase/ [Decrease] in other current liablities	(21,32,14,213)	3,13,67,461
Increase/ [Decrease] in other non current liablities	-	(65,76,829)
[Increase]/ Decrease in Inventories	(10,41,52,353)	36,12,602
[Increase]/ Decrease in loans	1,10,84,554	3,52,84,369
[Increase]/ Decrease in trade receivable	27,81,65,613	77,26,109
[Increase]/ Decrease in other current assets	(84,03,752)	23,41,981
[Increase]/ Decrease in other non current assets	(71,29,574)	12,46,279
Total	(4,76,06,759)	5,65,03,904
Cash generated from operations	1,94,01,507	12,69,09,710
Direct taxes paid [Net of refunds]	(32,69,152)	(31,61,803)
Net cash from operating activities	1,61,32,355	12,37,47,908
B Cash flows from investing activities:		
Purchase of fixed assets	(60,273)	(38,990)
Proceeds from sale of fixed assets	1,54,185	-
Interest received	15,27,704	6,52,698
Net cash used in investing activities	16,21,616	6,13,708
C Cash flows from financing activities:		
Proceeds from Long Term Borrowings	4,84,16,214	11,76,18,455
Proceeds / (repayment) of working capital loans	6,03,23,482	4,90,14,497
Repayment of Long Term Borrowings	(8,93,78,067)	(23,67,25,403)
Interest paid	(4,83,63,847)	(5,58,21,060)

Particulars	INR-Lakhs	
	Year Ended	
	31st March, 2018	31st March, 2017
Net cash used in financing activities	(2,90,02,219)	(12,59,13,511)
Net increase in cash and cash equivalents	(1,12,48,248)	(15,51,895)
Cash and cash equivalents at the beginning of the year	**42,31,402**	**57,83,297**
Cash and cash equivalents at the end of the year	**(70,16,846)**	**42,31,402**

Notes to the Cash Flow Statement

1 Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7.
2 Figures in bracket indicates outflows.
3 The accompanying notes (1 to 43) are an integral part of the financial statements.
4 Cash and cash equivalents comprise of:

	31st March, 2018	As at 31st March, 2017	01st April, 2016
a Cash on Hand	2,92,043	3,68,333	8,15,277
b Balances with Banks	10,33,117	38,63,068	49,68,020
c Book Overdraft	(83,42,006)	-	-
Total	**(70,16,846)**	**42,31,402**	**57,83,297**

5 **Disclosure as required by Ind AS 7**

Reconciliation of liabilities arising from financial activities

31st March, 2018	Opening Balance	Cash Flows	Non cash changes	Closing Balance
Long Term Secured Borrowings	34,21,84,130	2,13,61,628	-	36,35,45,758
Short Term Unsecured Borrowings	70,00,000	(20,00,000)	-	50,00,000
Total Liabilities from Financing Activities	34,91,84,130	1,93,61,628	-	36,85,45,758
31st March, 2017	**Opening Balance**	**Cash Flows**	**Non cash changes**	**Closing Balance**
Long Term Secured Borrowings	40,11,66,670	(5,89,82,540)	-	34,21,84,130
Short Term Unsecured Borrowings	1,81,09,911	(1,11,09,911)	-	70,00,000
Total Liabilities from Financing Activities	41,92,76,581	(7,00,92,451)	-	34,91,84,130

As per our attached report of even date
For Shankarlal Jain & Associates LLP
Chartered Accountants
Firm Reg. No.109901W/W100082

Satish Jain
Partner
M. No. 048874
Place : Mumbai
Date : 30th May, 2018

For and on behalf of the Board of Directors

Kishan Kumar Kedia
Chairman & Managing Director

Arun Kedia
Marketing Director

Falguni Padiya
Chief Financial Officer

Sanjay Kumar Kedia
Finance Director

Pavan Gupta
Company Secretary

GARNET CONSTRUCTION LIMITED

Statement of Change in Equity for the year ended 31st March, 2018

A. Equity Share Capital:

	Note	No. of Shares	INR
Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:	15		
Balance as at 1st April, 2016		1,39,02,200	13,90,22,000
Change in equity share capital during FY 2016-17		-	-
Balance as at 31st March, 2017		1,39,02,200	13,90,22,000
Change in equity share capital during FY 2017-18		-	-
Balance as at 31st March, 2018		1,39,02,200	13,90,22,000

B. Other Equity:

Particulars	Note	INR		
		Reserves and Surplus		Total
		Securities Premium Reserve	Retained Earnings	
Balance as at 1st April, 2016	16	43,30,00,000	12,59,89,647	55,89,89,647
Changes during the year				
Profit for the year		-	33,88,132	33,88,132
Other Comprehensive Income				
Remeasurement of the net defined benefit labilities/ assets , net of taxes		-	(1,37,554)	(1,37,554)
Balance as at 31st March, 2017	16	43,30,00,000	12,92,40,225	56,22,40,225

Particulars	Note	INR		
		Reserves and Surplus		Total
		Securities premium reserve	Retained Earnings	
Balance as at 1st April, 2017	16	43,30,00,000	12,92,40,225	56,22,40,225
Changes during the year				
Profit for the year		-	1,21,39,619	1,21,39,619
Other Comprehensive Income				
Remeasurement of the net defined benefit labilities/ assets , net of taxes		-	40,474	40,474
Balance as at 31st March, 2018	16	43,30,00,000	14,14,20,317	57,44,20,317

As per our attached report of even date
For Shankarlal Jain & Associates LLP
Chartered Accountants
Firm Reg. No.109901W/W100082

Satish Jain
Partner
M. No. 048874
Place : Mumbai
Date : 30th May, 2018

For and on behalf of the Board of Directors

Kishan Kumar Kedia
Chairman & Managing Director

Arun Kedia — **Marketing Director**
Sanjay Kumar Kedia — **Finance Director**

Falguni Padiya — **Chief Financial Officer**
Pavan Gupta — **Company Secretary**

Garnet Construction Limited

Notes to the Standalone Financial Statements for the year ended 31st March 2018

Note 1: COMPANY BACKGROUND:

Garnet Construction Limited (the "Company") is public company domiciled in India and was incorporated under the provisions of the Companies Act, 1956. The Company was incorporated in October 15, 1992 and thereafter listed with National Stock Exchange and Bombay Stock Exchange on December 15, 1994. The addresses of the Registered Office and principal place of business are disclosed in the of the Annual Report.

The Company is a Real Estate Development Company that is focused on residential, commercial, retail and other projects, such as mass housing and cluster redevelopment. Information on related party relationships of the Company is provided in Note 35.

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 30th May 2018. in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the Annual General Meeting.

Note 2: Significant Accounting Policies on Standalone Financial Statements

a) Basis of preparation:

The financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, ("The Act") the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

For all periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). These financial statements for the year ended 31st March 2018 are the first the Company has prepared in accordance with Ind-AS. Refer to Note 42 for information on how the Company adopted Ind AS, including the details of the first time adoption exemptions availed by the Company.

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

Fair value is the price 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal 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.

A 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 identical 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 unobservable.

b) Current and Non-Current Classification of Assets and Liabilities:

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle as indicated in (c) below,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is considered as current when:

- It is expected to be settled in normal operating cycle as indicated in (c) below,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

c) Operating Cycle:

The normal operating cycle in respect of operations relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and realization of

project into cash and cash equivalents. Accordingly Assets and Liabilities have been classified into current and non-current based on the operating cycle of the respective projects.

d) Critical accounting estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind As requires management to make judgements, 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 expenses for the years presented. Actual results may differ from these estimates. 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 in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

- **Revenue and Cost estimates:** The estimates relating to percentage of completion, costs to completion, area available for sale etc., being of a technical nature are reviewed and revised periodically by the management and are considered as change in estimates and accordingly, the effect of such change in estimates is recognised prospectively in the period in which such changes are determined.
- **Useful lives of property plant and equipment:** The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews useful life of property, plant and equipment as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.
- **Impairment testing:** Property, plant and equipment are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value – in –use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk adjusted discount rate, future economic and market conditions.
- **Impairment of investments:** The Company reviews its carrying value of investments carried at cost or amortised 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.
- **Income taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit or Loss. Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits

and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

- **Fair value measurement of financial instruments:** The fair value of financial instruments that are traded in an active market is determined by using valuation techniques. This involves significant judgements in selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible.
- **Litigation:** From time to time, the Company is subject to legal proceedings the ultimate outcome of which being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigations provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.
- **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance sheet date.

e) Property, Plant and Equipment

i) Tangible Assets:

Property, Plant and Equipment are recorded at their cost of acquisition, net of modvat/cenvat, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as on 1st April, 2016 measured as per previous GAAP as its deemed cost on the date of transition.

ii) **Capital Work in Progress and Capital Advances:**

Expenses incurred for acquisition of capital assets outstanding at each balance sheet date are disclosed under capital work-in-progress. Advances given towards the acquisition of fixed assets are shown separately as capital advances under the head Other Non-Current Assets.

iii) **Depreciation:**

Depreciation on Property, Plant and Equipment is provided on a Straight Line basis in accordance with the provisions of Schedule II to the Companies Act, 2013 except depreciation on new sales office, which is considered as a temporary structure and has been amortized over a period of four years on a straight line basis. Structures constructed for purpose of demonstration to prospective buyers (to be demolished before the project completion) are capitalised as buildings and depreciated over the period by which the respective project is expected to be completed.

The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013, are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Impairment of Tangible Assets:

Carrying amount of tangible assets are reviewed at each Balance Sheet date. These are treated as impaired when the carrying cost thereof exceeds its recoverable value. Recoverable value is higher of the asset's net selling price or value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount receivable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

g) INVENTORIES :

a) Construction work in progress

The construction work in progress is valued at lower of cost and net realizable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses. Land cost includes the cost of land, land related development rights and premium.

b) Finished stock of completed projects (ready units)

Finished stock of completed projects and stock in trade of units is valued at lower of cost and net realizable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses.

c) Inventory includes certain land purchased in the name of directors and employees who holds the same in trust for the Company.

h) Revenue Recognition:

(i) Sale of Properties:

Revenue from sale of properties is recognised in accordance with the Guidance Note on Accounting for Real Estate transactions issued by ICAI, as inducted herein.

Revenue from sale of properties under construction is measured at the fair value of the consideration receivable and is recognized on the basis of percentage of completion method, subject to transfer of significant risks and rewards to the buyer, reliable estimate of the outcome of the real estate project and stage of completion of the project reaches a reasonable level of development i.e. at least 25% of total project cost (excluding land and development cost and borrowing costs capitalised under Ind AS-23) should be incurred at the reporting date.
When the outcome of a real estate project can be estimated reliably and the conditions stipulated below are satisfied, 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 each reporting date. Stage of completion is arrived with reference to the entire project cost incurred versus total estimated project cost. Further, the total estimated cost of each project is based upon the judgment of management and certified by Company's technical personnel.

The following specific recognition criteria is also considered before revenue is recognised:

- All critical approvals necessary for commencement of the project have been obtained;
- Atleast 25 % of the construction and development costs (excluding land and development cost and borrowing costs capitalised under Ind AS-23) have been incurred;
- Atleast 25% of the saleable project area is secured by contracts or agreements with buyers; and
- Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

(ii) Interest Income:

For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash flows through the contracted or expected life of the financial instrument, as appropriate, to the net carrying amount of the financial asset.

(iii) Dividend Income:

Dividend income is recognised when the Company 's right to receive the payment is established, which is generally when shareholders approve the dividend.

i) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets:

Initial Recognition and Measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement:

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

- Financial assets at amortised cost
- Equity instruments measured at fair value through other comprehensive income FVTOCI

Financial Assets at Amortised Cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Equity Instruments at FVTOCI:

For equity instruments not held for trading, an irrevocable choice is made on initial recognition to measure it at FVTOCI. All fair value changes on such investments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale or disposal of the investment. However, on sale or disposal the Company may transfer the cumulative gain or loss within equity.

Investments in associates, subsidiaries and joint ventures:

These are carried at cost subject to provision for impairment, if any.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets:

The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposures:

- Financial assets at amortised cost.
- Financial guarantee contracts.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under this approach the Company does not track changes in credit risk but recognises impairment loss allowance based on lifetime ECLs at each reporting date. For this purpose the Company uses a provision matrix to determine the impairment loss allowance on the portfolio of trade receivables. The said matrix is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

For recognition of impairment loss on other financial assets and risk exposures, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the

objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.

ii) Financial Liabilities:

Initial Recognition and Measurement:

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

Subsequent Measurement:

This is dependent upon the classification thereof as under:

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition:

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

(iii) Offsetting of Financial Instruments:

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

(iv) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognised at the amount of the proceeds received net of any issue/ transaction costs.

j) Employee Benefits:

Short term employee benefits are those which are payable wholly within twelve months of rendering service are recognised as an expense at the undiscounted amount in Statement of Profit and Loss of the year in which the related service is rendered.

Company 's Contribution paid/ payable for the year/ period to Defined Contribution Retirement Benefit Plans is charged to Statement of Profit and Loss or Project Work in Progress, if it is directly related to a project.

Company 's liabilities towards Defined Benefit Schemes viz. Gratuity benefits and other long term benefit viz. compensated absences are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Balance Sheet with a corresponding effect in the SOCI. Past service cost is recognised immediately in the Statement of Profit and Loss.

k) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to Statement of Profit and Loss in the year in which they are incurred.

l) Taxes on Income:

Current Income Taxes:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets 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, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred 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 tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ("MAT") credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

m) Provisions and Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

When the Company expects some or all of a provision to be reimbursed, the same is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement. 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 recognised as a finance cost.

A Contingent Liability 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 enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes.

n) Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted retrospectively for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The period during which, number of dilutive potential equity shares change frequently, weighted average number of shares are computed based on a mean date in the quarter, as impact is immaterial on earning per share.

o) Cash and Cash Equivalent:

Cash and cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term highly liquid investments which are subject to insignificant risk of changes in value.

3-Property,Plant & Equipment

	Office Premises	Plant and Machinery	Computers	Office Equipments	Furniture and Fixtures	Vehicles	INR Total
Gross Block:							
As at 1st April, 2016	4,07,42,064	66,13,265	3,46,198	14,13,840	1,09,61,142	70,70,558	6,71,47,067
Additions	-	-	-	38,990			38,990
Disposals				2,19,134			2,19,134
As at 31st March, 2017	4,07,42,064	66,13,265	3,46,198	12,33,696	1,09,61,142	70,70,558	6,69,66,923
Additions	-	-	60,273	-			60,273
Disposals						13,46,280	13,46,280
Other adjustments							-
As at 31st March, 2018	4,07,42,064	66,13,265	4,06,471	12,33,696	1,09,61,142	84,16,838	6,83,73,476
Depreciation and Impairment:							
As at 1st April, 2016	-	-	-	-	-	-	-
Depreciation for the year	7,31,008	5,23,465	2,81,161	6,10,264	17,49,555	23,30,048	62,25,501
Disposals				2,19,134			2,19,134
As at 31st March, 2017	7,31,008	5,23,465	2,81,161	3,91,130	17,49,555	23,30,048	64,44,635
Depreciation for the year	7,31,008	5,23,465	72,039	5,14,005	17,17,968	18,58,332	54,16,818
Disposals						13,46,280	13,46,280
As at 31st March, 2018	14,62,016	10,46,930	3,53,200	9,05,135	34,67,523	55,34,660	1,32,07,733
Net Block:							
As at 1st April, 2016	4,07,42,064	66,13,265	3,46,198	14,13,840	1,09,61,142	70,70,558	6,71,47,067
As at 31st March, 2017	4,00,11,056	60,89,800	65,037	8,42,566	92,11,587	47,40,510	6,09,60,556
As at 31st March, 2018	3,92,80,048	55,66,335	53,271	3,28,561	74,93,619	28,82,178	5,56,04,011

Note: Refer to Note 17 in respect of certain fixed assets which are morgaged against borrowings

Particulars		INR		
		As at		
		31st March, 2018	31st March, 2017	01st April, 2016
4- Investments				
Investment in Equity Instruments [Valued at cost]:	Face Value			
a. Jointly controlled entity [Unquoted]:				
In fully paid-up equity shares of:				
Callista Realty Limited	Rs. 10	2,50,300	2,50,300	2,50,300
(Number of shares as on 31.03.2018 - 25,030, 31.03.2017 - 25,030, 01.04.2016 - 25,030)				
b. Other [Unquoted]:				
In Equity Instruments [at FVTOCI]:	Face Value			
In fully paid-up equity shares of:				
Varaha Infrastructure Limited	Rs. 1,000	3,00,00,000	3,00,00,000	3,00,00,000
(Number of shares as on 31.03.2018 - 30,000 , 31.03.2017 -30,000 , 01.04.2016 -30,000)				
	Total	**3,02,50,300**	**3,02,50,300**	**3,02,50,300**
Aggregate Value of unquoted investment		3,02,50,300	3,02,50,300	3,02,50,300
5- Non-current loans				
Unsecured, considered good unless otherwise stated				
Security Deposits				
With Others		44,34,069	44,34,069	45,84,069
	Total	**44,34,069**	**44,34,069**	**45,84,069**
6- Other Non - Current Financial Assets				
Fixed Deposit		3,39,290	1,90,000	1,90,000
(Having maturity more than 12 months from Balance Sheet date)				
Accrued Interest on Fixed Deposit		67,956	32,370	20,718
	Total	**4,07,246**	**2,22,370**	**2,10,718**

7 Deferred tax assets (net)

Break up of Deferred Tax Liabilities and Assets into major components of the respective balances are as under:

Particulars	As at 1st April 2016	Charge for year	As at 31st March 2017	Charge for year	As at 31st March 2018
Deferred Tax Liabilities					
Total [A]	-	-	-	-	-
Deferred Tax Assets:					
Provision for leave salary/gratuity	(1,40,655)	(87,100)	(2,27,755)	46,563	(1,81,192)
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	(1,25,10,069)	5,47,856	(1,19,62,213)	22,85,688	(96,76,525)
MAT Credit	1,64,52,598	(29,44,730)	1,35,07,868	(15,71,640)	1,19,36,228
Deferred tax - Income/Expenses due to MAT Credit	(6,57,670)	-	(6,57,670)	-	(6,57,670)
Total [B]	**31,44,204**	**(24,83,974)**	**6,60,230**	**7,60,611**	**14,20,841**
Net Deferred Tax Asset/ (Liabilities) [B-A]	**31,44,204**	**(24,83,974)**	**6,60,230**	**7,60,611**	**14,20,841**

Particulars	INR		
	As at		
	31st March, 2018	31st March, 2017	01st April, 2016
8- Other non-current assets			
Advances other than Capital Advances			
With Government Authorities	69,44,698	-	12,57,931
Security Deposits	50,00,000	50,00,000	50,00,000
Other Investment	4,80,817	4,80,817	4,80,817
Total	**1,24,25,515**	**54,80,817**	**67,38,748**
9- Inventories			
Finished goods	17,75,22,944	3,55,52,364	3,56,83,366
Land	70,44,73,156	69,92,77,271	67,80,91,250
Construction Work-in-Process	8,50,73,350	12,80,87,462	15,27,55,083
Total	**96,70,69,450**	**86,29,17,097**	**86,65,29,699**

Valued at cost, unless otherwise stated. In Compliance with IND AS Percentage Completion Method is followed for valuation of Construction Work-in-Progress as at 1st April,2016 i.e. transition date for Ind AS.

1)Inventory comprising of unsold identified 11 offices of Garnet Paladium Project situated at Malad, Mumbai and 17 Bungalow of Magic Hill at Khalapur is mortgaged with Bank and NBFC.

2) Industrial land 12,06,856 square feet (Honad village) at Khalpaur is mortgage to Bank for availing term loan and 56,040 square feet Land of Isambe village at Khalapur is mortgage to Bank for availing dropline overdraft facility from Bank.

10- Trade Receivables			
Unsecured and Considered good	30,31,56,663	58,13,22,277	58,90,48,386
Total	**30,31,56,663**	**58,13,22,277**	**58,90,48,386**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director is a member.
Trade receivables are non-interest bearing and are generally on terms as per the contract / agreement.

11- Cash and Cash Equivalents			
Cash and Cash Equivalents (as per IND AS-7 - "Statement of Cash Flows")			
Cash on Hand	2,92,043	3,68,333	8,15,277
Balances with Banks	10,33,117	38,63,068	49,68,020
Total	**13,25,160**	**42,31,402**	**57,83,297**

Particulars	INR		
	As at		
	31st March, 2018	31st March, 2017	01st April, 2016
12- Current Loans			
[Financial assets stated at amortised cost]			
Unsecured, considered good unless otherwise stated			
Security Deposits	6,00,000	11,00,000	16,00,000
Other Loans and advances	32,99,841	1,38,84,395	4,85,18,764
Total	**38,99,841**	**1,49,84,395**	**5,01,18,764**
13- Other Current Financial Assets (at amortised cost)			
Fixed Deposit	1,000	1,01,000	1,01,000
(FD with maturity Less than12 months from Balance Sheet date)			
Accrued Interest on Fixed Deposit	417	50,888	39,260
Total	**1,417**	**1,51,888**	**1,40,260**
14- Other Current assets			
Advances other than Capital Advances			
Prepaid Expenses	33,32,594	30,77,813	8,13,974
Advance to Employees	2,65,500	3,49,000	10,39,117
Advance to Vendors	6,11,800	6,84,111	3,53,781
Advance against investments/property	15,99,75,391	15,56,75,391	15,95,75,391
With Government Authorities (tax credit receivable)	59,22,166	17,66,913	21,24,573
Total	**17,01,07,451**	**16,15,53,227**	**16,39,06,836**

	INR		
	As at		
	31st March, 2018	31st March, 2017	01st April, 2016
15-Equity Share Capital:			
Authorised:			
5,80,00,000/- (31.03.2017- 5,80,00,000/-) (01.04.2016- 5,80,00,000/-)Equity Shares of Rs. 10/- each fully paid up.	58,00,00,000	58,00,00,000	58,00,00,000
	58,00,00,000	58,00,00,000	58,00,00,000
Issued, **Subscribed and** Paid-up:			
1,39,02,200/- (31.03.2017- 1,39,02,200/-) (01.04.2016- 1,39,02,200/-) Equity Shares of Rs. 10/- each fully paid up.	13,90,22,000	13,90,22,000	13,90,22,000
Total	13,90,22,000	13,90,22,000	13,90,22,000
A The reconciliation in number of shares is as under:			
Number of shares at the beginning of the year	1,39,02,200	1,39,02,200	1,39,02,200
Shares Issued during the year on conversion of fully convertible debenture	-	-	-
Shares Issued during the year on conversion of share warrants	-	-	-
Number of shares at the end of the year	1,39,02,200	1,39,02,200	1,39,02,200

B Rights, Preferences and Restriction of Share holders: The company has only one class of Equity shares having par value of Rs.10/- each. The equity shares have rights, Preferences and restrictions which are in accordance with the provision of law, in particular the Companies Act 2013.
The dividend proposed by the Board of Directors is subject to shareholders approval in the ensuing Annual General Meeting.

C Details of Shareholders holding more than 5% of aggregate Equity Shares of INR 10/- each

	31-Mar-18		31-Mar-17		01-Apr-16	
Name of share holder	Number of Shares	% to total share holding	Number of Shares	% to total share holding	Number of Shares	% to total share holding
Sanjay Kumar Kedia	20,76,426	14.94	20,76,426	14.94	20,76,426	14.94
Kusumdevi Kedia	19,28,380	13.87	19,28,380	13.87	19,28,380	13.87
Arun Kumar Kedia	18,64,117	13.41	18,64,117	13.41	18,64,117	13.41
Kishan Kumar Kedia	17,59,100	12.65	17,59,100	12.65	17,59,100	12.65

D Shares held by Holding Company - NA

E Particulars of shares issued for consideration other than cash, shares bought back and bonus shares in last five years:
i. Shares bought back -- NIL
ii. Issue of bonus shares – NIL.
iii. Shares issued on account of merger -- NIL

F There are no shares reserved for issue under options, contracts / commitments for sale of Shares/ disinvestments other than represented in clause (j) below.

G There are no shares forfeited during the year.

H Particulars of calls in arrears by directors and officers of the company. – NIL

I Security convertible into equity shares: - NIL

Particulars	INR As at 31st March, 2018	31st March, 2017	01st April, 2016
16- Other Equity			
Securities Premium Reserve			
Balance as per last Balance Sheet	43,30,00,000	43,30,00,000	43,30,00,000
Add/Less: During the year	-	-	-
	43,30,00,000	43,30,00,000	43,30,00,000
Retained Earnings:			
Balance as per last Balance Sheet	12,92,40,225	12,59,89,646.72	7,64,83,175
Adjusted from Retained Earnings on transition to Ind AS	-	-	2,78,05,963
Profit for the year	1,21,39,619	33,88,131.79	2,17,00,509
Items of Other comprehensive income recognised directly in retained earnings	-	-	-
- Transfer to retained earning of re-measurement gains/(Losses) on defined benefit plans, net of taxes	40,474	(1,37,554)	-
Adjstment on account of consolidation	-	-	-
Balance as at the end of the year	14,14,20,318	12,92,40,225	12,59,89,647
Total	**57,44,20,318**	**56,22,40,225**	**55,89,89,647**

Securities Premium Reserve
Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

17- Borrowings			
Secured loans (at amortised cost)			
Term loans			
From bank	13,33,48,572	14,85,10,982	16,69,66,628
From financial institution/NBFC	13,96,58,592	12,02,10,784	2,92,87,609
Amount disclosed under Current Borrowings as 'Current maturities of long-term borrowings' (refer note 22)			
Total	**27,30,07,164**	**26,87,21,766**	**19,62,54,237**

a) During the year ended 31st March, 2018 the company has availed working capital credit limit of Rs. 1700 Lakh from State Bank of India for meeting working capital requirements of under construction projects. This credit limit carries a monthly interest of 11.05 % and as on 31st March, 2018 Rs. 603 Lakh was drawn by the company. The said credit limit is for a 35 months from the date of first drawdown.
The Loan is secured by mortage of the identified commercial units in one of the project at Goregaon of the company and land 56,040 square feet Land of Isambe village at Khalapur.

b) During the year ended on 31st March, 2018 and 31st March, 2017 the company has availed Term Loan from
1) Union Bank of India - Facility of Rs. 1367 Lakh , balance amount is repayable in 120 installment starting from 01st April 2014. The loan is secured by Industrial land of 12,06,856 sq ft (Honad village) at Khalpaur.
2) United Bank of India - Facility of Rs. 450 Lakh, balance amount is repayable in 120 equal monthly installments starting from 07th Feb, 2015. The loan is secured by mortage of the identified residential units in one of the project at Magic Hill, Khalapur.

c) During the year ended on 31st March, 2018 and 31st March, 2017 the company has availed Mortgage Loan from
1) India Infoline Housing Finance Ltd - Facilty of Rs. 770 Lakh balance amount is repayable in 120 installment starting from 05th March, 2017. The Loan is secured by mortage of the identified commercial units in one of the project at Goregaon.
2) PNB Housing Finance Ltd - Facilty of Rs. 546 Lakh, balance amount is repayable in 84 equal monthly installments from 30th July, 2016. The Loan is secured by mortage of idenfified commercial offices of Laxmi Industrial Estate- , Andheri (w)
3) Reliance Home Finance Limited - Facility of Rs. 500 Lakh balnce amout is repayble in 144 equal monthly installments from 10th June, 2017. The loan is secured by mortage of the identified residential units in one of the project at Magic Hill, Khalapur.

Particulars	INR As at 31st March, 2018	31st March, 2017	01st April, 2016
18- Other financial liabilities (at amortised cost)			
Security Deposit (Security Deposits received are interest free and are repayable after completion of lease term)	1,00,000	1,00,000	66,76,829
Total	1,00,000	1,00,000	66,76,829
19- Provisions			
Provision for Employee Benefits			
Gratuity	6,34,133	4,96,444	3,56,278
Total	6,34,133	4,96,444	3,56,278
20- Borrowings (at amortised cost)			
UnSecured loans			
From related parties	-	-	1,31,09,911
From Other	50,00,000	70,00,000	50,00,000
Total	50,00,000	70,00,000	1,81,09,911
21- Trade Payables			
Due to others	5,04,34,666	5,51,64,854	7,45,07,956
Total	5,04,34,666	5,51,64,854	7,45,07,956
Amount due to SSI units has not been segregated in view of non-availability of requisite information for the purpose of ascertaining the liability, if any, under the "Interest on Delayed payments to Small Scale & Ancillary Undertaking Act, 1993". However there is no liability towards interest on delay payment to such creditors as these are within the agreed terms of payment.			
22- Other financial Liabilities			
Current maturities of long-term borrowings			
Term loans			
From bank	7,92,49,650	6,49,44,782	1,60,22,149
From financial institution/NBFC	1,12,88,944	85,17,583	18,88,90,284
	9,05,38,594	7,34,62,365	20,49,12,433
Book Overdraft	83,42,006	-	-
Interest Accrued but not due on Borrowings	2,70,000	4,86,000	50,894
Statutory Dues Payable	21,60,742	28,34,154	25,51,984
Other financial liabilities	5,22,18,421	-	-
Total	15,35,29,763	7,67,82,519	20,75,15,311
23- Other current liabilities			
Advance received from customers	34,36,86,256	61,46,59,478	58,40,09,293
Other Current Liability	64,30,000	-	-
Total	35,01,16,256	61,46,59,478	58,40,09,293
24- Provisions			
Development Expenses for Plot Construction at Dhamni (expected cash flow Rs 20,250/-)	5,80,086	6,00,336	6,20,586
Provision for Taxation (Net of Advance Tax)	29,23,244	20,73,371	14,00,000
Provision for Employee Benefit			
Gratuity	3,34,334	3,07,635	1,40,299
Total	38,37,664	29,81,342	21,60,885

Particulars	INR	
	Year Ended	
	31st March, 2018	31st March, 2017
25- Revenue from operations		
Sale of units	5,33,91,762	10,88,53,957
Sale of land / plots	41,64,956	62,54,240
Rent on immovable property	6,79,163	1,04,48,908
Compensation received	-	1,28,65,358
Land Development Work	-	40,00,000
Total	**5,82,35,881**	**14,24,22,463**
26- Other income		
Interest income on amotized cost basis at EIR		
Fixed deposit with bank	37,624	27,307
Others	14,90,080	6,25,391
Miscellaneous Incomes	1,69,616	52,580
Total	**16,97,320**	**7,05,278**
27- Land and Construction Cost		
Land	-	20,30,900
Construction Cost		
Material	2,83,94,596	1,03,14,980
Labour	97,83,974	46,95,768
Approval Cost	44,88,264	13,55,546
Borrowing Cost	3,62,22,305	4,42,89,172
Professional Fee	37,24,605	69,11,606
Salary	30,26,353	44,25,311
Other Administration Cost	1,96,36,890	1,49,67,926
Total	**10,52,76,987**	**8,89,91,208**
28- Changes in Inventories		
a) Inventories at the end of the year:		
Flat	44,56,935	44,56,935
Land	70,47,17,765	69,95,21,880
Completed Units	14,13,12,915	-
Work - In - Progress	11,65,81,835	15,89,38,282
	96,70,69,450	**86,29,17,097**
b) Inventories at the beginning of the year:		
Flat	44,56,935	44,56,935
Land	69,95,21,880	67,83,35,859
Completed Units	-	-
Work - In - Progress	15,89,38,282	18,37,36,905
	86,29,17,097	**86,65,29,699**
Change in Inventories and Work In Progress	**(10,41,52,353)**	**36,12,602**

Particulars	INR	
	Year Ended	
	31st March, 2018	31st March, 2017
29- Employee benefits expense		
Salaries and wages*	98,05,184	59,95,416
Staff welfare expenses	2,92,746	3,54,702
Provision for Gratuity	2,20,857	1,15,589
Total	**1,03,18,787**	**64,65,707**
*Includes Directors Remuneration of Rs. 51,60,000 (Previous year Rs. 17,55,000)		
30- Finance cost		
Interest expenses on amortised cost at EIR	4,83,63,847	5,58,21,060
Other borrowing cost	32,55,123	50,46,565
	5,16,18,970	**6,08,67,625**
Less: allocated to projects / capitalised	3,62,22,305	4,42,89,172
Total	**1,53,96,665**	**1,65,78,453**
31- Other expenses		
Advertisement expenses	1,85,214	1,68,984
Auditors remuneration (Refer Note No. 38)	7,35,725	7,68,000
Bank charges	34,724	1,24,575
Business promotion expenses	3,78,865	-
Commission and Brokerage	3,25,000	25,800
Electricity expenses	8,18,012	8,29,967
Legal and professional fees	13,84,538	7,64,787
Membership fees and entrance fees	4,03,665	3,10,137
Rent	57,00,000	57,00,000
Maintenance charges		
Rates and taxes	5,49,414	11,41,172
Repairs to		
Building	3,31,013	2,13,192
Others	6,40,759	4,51,022
Telephone and communication expenses	2,46,253	3,40,903
Travelling and conveyance expenses	5,66,309	3,71,718
Insurance	4,17,025	2,55,077
Miscellaneous expenses	3,27,617	7,00,668
Total	**1,30,44,133**	**1,21,66,003**
32- Other comprehensive income Not to be reclassified to profit or loss in subsequent periods		
Remeasurements of the defined benefit plans	56,469	(1,91,913)
Tax effects on above	(15,995)	54,359
Net Total	40,474	(1,37,554)
Total Income not to be reclassified	56,469	(1,91,913)

33 - Tax Expenses

a) Tax charge / (credit) recognised in profit or loss

Particulars	31st March 2018	31st March 2017
Current tax:		
Current tax on profit for the year	33,00,000	33,00,000
Charges / (Credit) in respect of current tax for earlier years	(30,848)	(1,38,198)
Minimum alternate tax credit entilement	15,71,640	29,44,730
Total Current Tax	48,40,792	61,06,532
Deferred tax:		
Origination and reversal of temporary differences	(23,48,246)	(4,06,397)
Income Tax expenses reported in the statement of profit and loss	**24,92,546**	**57,00,135**

(b) A reconciliation of income tax expense applicable to accounting profit/ (loss) before tax at the statutory income tax rate to recognised income tax expense/ (credit) for the year indicated are as follows:

Particulars	31st March 2018	31st March 2017
Accounting profit before income tax	1,46,32,165	90,88,267
Statutory income tax rate	27.55%	33.06%
Tax at statutory income tax rate	40,31,161	30,04,581
Tax effect of amounts which are not deductible (Taxable) in calculating taxable income		
allowed	1,13,716	94,410
Earlier Year Tax Adjustment	-	(30,86,189)
Tax Impact of expenses which are allowable	5,98,319	7,89,035
Other	8,26,580	(4,92,811)
	24,92,546	**57,00,135**

34 - Earning Per Shares (EPS)

Particulars	31st March 2018	31st March 2017
Net Profit attributable to equity shareholders		
Net Profit for the year	1,21,80,093	32,50,578
Nominal value of equity shares	10	10
in calculating basic and diluted EPS	1,39,02,200	1,39,02,200
Basic EPS	0.88	0.23
Diluted EPS	0.88	0.23

35 Related Party Disclosure

List of Related Parties only with whom transactions are executed.

a) Key Management Personnel/Relative of Managerial Person	
Kishan Kumar Kedia	Chairman & Managing Director
Arunkumar Kedia	Marketing director
Sanjay Kumar Kedia	Finance Director
Kusumdevi Kedia	Relative of director
b) Associate Company	
Callista Realty Limited	Jointly controlled entity
c) Associate Concern	
Aditya Industrial Estate	Associate Concern
J.S. Realty Private Limited	
Neelkant Industrial Estate	
S K Investment	
Panchdeep Industrial Estate	
Kedia Industrial Development Corporation	

Previous year figures shown in bracket (Amount in Rs. Lakhs)

Particulars of transactions	Relative	Opening balance	Transaction during the year		Closing balance
Purchase of investment	Subsidiary Company	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Remuneration	Key Management Personnel	Nil (Nil)	51.60 (17.55)	Nil (Nil)	Nil (Nil)
Interest		Nil (Nil)	1.77 (21.94)	Nil (Nil)	Nil (Nil)
Loan Received		NIL (131.09 Cr)	551.88 (1026.77)	551.88 Cr. (895.68 Cr.)	Nil (NIL)
	Jointly controlled entity	Nil (Nil)	3.47 (141.98)	3.47 Cr. (141.98 Cr)	Nil (Nil)
Interest	Associate Concerns	Nil (Nil)	NIL (2.45)	Nil (Nil)	Nil (Nil)
Advance Received	Associate Concerns	Nil (Nil)	Nil (NIL)	Nil (NIL)	Nil (Nil)
Advance Given	Associate Concerns	Nil. (NIL)	100 (NIL)	NIL (NIL)	100 Dr (Nil)

Note:1)Related parties are identified by the company & relied upon by the auditor.

2)Figures in bracket pertains to previous year.

36 - Financial Instruments – Fair Values And Risk Management

A The carrying value of financial instruments by categories are as follows:

Amount in Rs.

Financial Assets :	Refer Note	31st March, 2018		31st March, 2017		01st April, 2016	
		Cost / Amortised Cost	FVTOCI	Cost / Amortised Cost	FVTOCI	Cost / Amortised Cost	FVTOCI
Investment in Jointly Owned Entity							
Quoted Investments							
Unquoted Investments	4.a	2,50,300	-	2,50,300	-	2,50,300	-
Investments in Equity Instruments							
Quoted Investments							
Unquoted Investments	4.b	-	3,00,00,000	-	3,00,00,000	-	3,00,00,000
		(Level 3: See note below)					
Cash & Cash Equivalents							
Cash & Bank	11	13,25,160	-	1,49,84,395	-	5,01,18,764	-
Bank balances other than cash and cash equivalents	6 & 13	4,08,663	-	3,74,258	-	3,50,978	-
Trade Receivables	10	30,31,56,663	-	58,13,22,277	-	58,90,48,386	-
Loans and advances	5 & 12	83,33,910	-	1,94,18,464	-	5,47,02,833	-
Other Financial Assets							

Note : 1) The Fair value of Investments in unquoted equity shares of Varaha Infrastructure Limited has been considered at cost since there are range of fair values estimates and hence it is not possible to arrive at a correct fair value

Amount in Rs.

Financial Liabilities :	Refer Note	31st March, 2018		31st March, 2017		01st April, 2016	
		Cost / Amortised Cost	FVTOCI	Cost / Amortised Cost	FVTOCI	Cost / Amortised Cost	FVTOCI
Borrowings							
Long term Borrowings	17	27,80,07,164	-	27,57,21,766	-	21,43,64,148	-
Short Term Borrowings	22	9,91,50,600	-	7,39,48,365	-	20,49,63,327	-
Trade Payables	21	5,04,34,666	-	5,51,64,854	-	7,45,07,956	-
Other Financial Liabilites	18 & 22	22,60,742	-	29,34,154	-	92,28,813	-

B Fair Value Hierarchy

The following table shows the details of financial assets and financial liabilities including their levels in the fair value hierarchy

Financial assets and liabilities measured at fair value

Particulars	31st March, 2018			31st March, 2017			01st April, 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Investment in Jointly Owned Entity									
Quoted Investments	-	-	-	-	-	-	-	-	-
Unquoted Investments	-	-	2,50,300	-	-	2,50,300	-	-	2,50,300
Investments in Equity Instruments	-	-		-	-	-	-	-	-
Quoted Investments	-	-		-	-	-	-	-	-
Unquoted Investments	-	-	3,00,00,000	-	-	3,00,00,000	-	-	3,00,00,000
Cash & Cash Equivalents	-	-		-	-		-	-	
Cash & Bank	-	-	13,25,160	-	-	1,49,84,395	-	-	5,01,18,764
Bank balances other than cash and cash equivalents	-	-	4,08,663	-	-	3,74,258	-	-	3,50,978
Trade Receivables	-	-	30,31,56,663	-	-	58,13,22,277	-	-	58,90,48,386
Loans and advances	-	-	83,33,910	-	-	1,94,18,464	-	-	5,47,02,833
Other Financial Assets	-	-	-	-	-	-	-	-	-

Particulars	31st March, 2018			31st March, 2017			01st April, 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Borrowings									
Long term Borrowings	-	-	27,80,07,164	-	-	27,57,21,766	-	-	21,43,64,148
Short Term Borrowings	-	-	9,91,50,600	-	-	7,39,48,365	-	-	20,49,63,327
Trade Payables	-	-	5,04,34,666	-	-	5,51,64,854	-	-	7,45,07,956
Other Financial Liabilites	-	-	22,60,742	-	-	29,34,154	-	-	92,28,813

Level 1: Level 1 hierarchy includes financial instruments valued using market quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. Mutual funds are valued using the closing NAV.

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

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

In respect of Financial Assets at amortised cost , the carrying value approximates fair value .

In respect of Financial Liabilities at amortised cost , the carrying value approximates fair value .

C **Financial Instruments : Financial Risk Management**

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

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

Risk management framework

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

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

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in bank deposits .

The carrying amount of the financial assets which represents the maximum credit exposure is as follows:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is almost negligible in case of its residential sale and lease rental business as the same is due to the fact that in case of its residential sell business it does not handover possession till entire outstanding is received. Similarly in case of lease rental business, the Company keeps 3 to 12 months rental as deposit from the occupants.

No impairment is observed on the carrying value of trade receivable.

Cash and cash equivalents

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Investment committee comprising of Mr. Sanjay Kedia (Chairperson), Mr. Arun Kedia (Non-Independent Director), and Mr. Santosh Ginoria (Independent Directors) on an annual basis, and may be updated throughout the year subject to approval of the Investment Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

ii. Liquidity risk

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

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans, debentures and inter-corporate loans.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company's has access to a sufficient variety of sources of funding.

Exposure to liquidity risk

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

	Contractual Cash Flows				
31st March, 2018	Carrying Amount	Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings :					
Long term Borrowings	36,85,45,758	9,05,38,594	3,52,15,112	8,70,91,333	15,57,00,719
Trade Payables	5,04,34,666	5,04,34,666	-	-	-
Other Financial Liabilities	6,30,91,169	6,30,91,169	-	-	-

	Contractual Cash Flows				
31st March, 2017	Carrying Amount	Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings :					
Long term Borrowings	34,91,84,130	7,34,62,365	2,44,47,868	7,33,43,603	17,79,30,295
Trade Payables	5,51,64,854	5,51,64,854	-	-	-
Other Financial Liabilities	34,20,154	34,20,154	-	-	-

	Contractual Cash Flows				
01st April, 2016	Carrying Amount	Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings :					
Long term Borrowings	41,92,76,581	20,49,12,433	2,39,58,763	7,18,76,289	11,85,29,096
Trade Payables	7,45,07,956	7,45,07,956	-	-	-
Other Financial Liabilities	92,79,707	92,79,707	-	-	-

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. We are exposed to market risk primarily related to interest rate risk and the market value of certain commodities. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities. The objective of market risk management is to avoid excessive exposure in our revenues and costs.

Interest rate risk

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

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

Particulars	31st March, 2018	31st March, 2017	01st April, 2016
Floating rate Borrowings	36,35,45,758	34,21,84,130	40,11,66,670

Fair value sensitivity analysis for floating-rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings , is as follws:

31st March, 2018	Increase / decrease in basis points	Effect on profit before tax
INR- Increase	100	36,35,458
INR- Decrease	100	(36,35,458)
31st March, 2017		
INR- Increase	100	34,21,841
INR- Decrease	100	(34,21,841)
01st April, 2016		
INR- Increase	100	40,11,667
INR- Decrease	100	(40,11,667)

D Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Company is not subject to any externally imposed minimum statutory capital requirements.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, 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 and non interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations.

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

Particulars	31st March, 2018	31st March, 2017	01st April, 2016
Total Liabilities *	36,88,15,758	34,96,70,130	41,93,27,475
Less: Cash and cash equivalents	13,25,160	42,31,402	57,83,297
Adjusted net debt	36,74,90,598	34,54,38,729	41,35,44,178
Total equity	71,34,42,317	70,12,62,225	69,80,11,647
Adjusted equity	71,34,42,317	70,12,62,225	69,80,11,647
Adjsuted net debt to adjusted equity ratio	0.52	0.49	0.59

* Total Liabilities = non-current borrowings + current borrowings + current maturities of non - Current borrowings + Interest accured

37 - Retirement Benefit Obligation

Retirement Benefits

As per Ind AS 19 the Company has recognized " Employees Benefits" in the finacial statements in respect of Employee Benefits Schemes as per Acturial Valuation.

A) Defined Benefit Plans

The Gratuity fund is maintained with the LIC of India under Group Gratuity Scheme
Valuation in respect of Gratuity have been carried out by indepndent actuary, as at the Balancesheet date, based on the following assumptions and sensitivity

Particulars		GRATUITY	
	31.03.18	31.03.17	01.04.16
Discount Rate (per annum)	7.60%	7.15%	7.70%
Expected rate of return of plan assets	0.00%	0.00%	0.00%
Rate of salary increase	7.00%	7.00%	7.00%
Rate of employee turnover	10.00%	10.00%	10.00%

I) Change in Defined Benefit Obligation (DBO)

Particulars	GRATUITY		
	31.03.18	31.03.17	01.04.16
Opening Balance of Present Value of Obligation	8,04,079	4,96,577	-
Interest cost	46,494	32,835	-
Current Service Cost	1,31,093	82,754	4,96,577
Liabilities transfer in/Acquisitions			
Past Service Cost	43,297	-	-
Benefit Paid	-	-	-
Actuarial (Gain) / Losses on Obligation -Due to change in Financial Assumptions	(32,336)	29,096	-
Actuarial (Gain) / Losses on Obligation -Due to Experience	(24,160)	1,62,817	-
Closing Balance of Present Value of Obligation	9,68,467	8,04,079	4,96,577

II) Change in the Fair Value of Plan Assets

Particulars	GRATUITY		
	31.03.18	31.03.17	01.04.16
Opening Balance of Present Value of plan assets	-	-	-
Interest Income	-	-	-
Contribution by Employer	-	-	-
Assets tranfer in/Acquisitions	-	-	-
Benefit Paid (-)	-	-	-
Expected Return of Plan Assets	-	-	-
Fair Value of Plan Assets as at 31st March	-	-	-

III) Net Assets/(Liability) recognised in Balance Sheet

Particulars	GRATUITY		
	31.03.18	31.03.17	01.04.16
Present value of Funded Obligation	9,68,467	8,04,079	4,96,577
Fair Value of Plan Assets	-	-	-
Assets/(Liability) recognised in the Balance Sheet	**(9,68,467)**	**(8,04,079)**	**(4,96,577)**

IV) Expenses Recognised in Statement of Profit & Loss Account

Particulars	GRATUITY		
	31.03.18	31.03.17	01.04.16
Current Service Cost	1,31,093	82,754	4,96,577
Net Interest cost	46,494	32,835	-
Actuarial (Gain)/Loss	43,297	-	-
Total Expenses/(Gain) recognised in the Profit & Loss Account	**2,20,884**	**1,15,589**	**4,96,577**

V) Expenses Recognised in Other Comprehensive Income (OCI)

Particulars	GRATUITY		
	31.03.18	31.03.17	01.04.16
Acturial (Gain) / Losses on obligation for the year	(56,496)	1,91,913	-
Return on plan assets excluding interest income	-	-	-
Net (Income) Expenses for the year Recognised in OCI	**(56,496)**	**1,91,913**	**-**

VI) Balance Sheet Reconciliation

Particulars	GRATUITY		
	31.03.18	31.03.17	01.04.16
Opening Net Liability	8,04,079	4,96,577	-
Expenses Recongnised in statement of Profit & Loss Account	2,20,884	1,15,589	4,96,577
Expenses Recongnized in OCI	(56,496)	1,91,913	-
Employer's Contribution	-	-	
Net Liability/ (Asset) Recognised in the Balance Sheet	**9,68,467**	**8,04,079**	**4,96,577**

Gratuity - Sensitivity Analysis :

The sensitivity of the defined benefit obligation to change in the weighted principal assumptions is :

Particulars	31.03.18		31.03.17	
	Increase	Decrease	Increase	Decrease
Change in Discounting rate (delta effect of +/- 0.5%)	9,35,296	10,04,552	7,77,522	8,32,911
Change in rate of Salary increase Rate (delta effect of +/- 0.5%)	9,99,990	9,38,830	8,21,591	7,84,929
Change in rate of Employee Turnover (delta effect of +/- 10%)	9,72,046	9,64,365	8,07,356	8,00,169

38- Payments to Auditors

Particulars	31st March 2018	31st March 2017
As auditor		
Audit fee	3,00,000	3,00,000
Tax audit fee	50,000	50,000
In other capacity	3,85,725	4,18,000
Total	**7,35,725**	**7,68,000**

39- Contingent Liabilities, Capital Commitments And Other Commitments

Refer note no 2.n for accouting policy on Contingent Liabilities

Particulars	31st March 2018	31st March 2017	1st April 2016
Contingent Liabilities Claims against the Company not acknowledge as debts *	-	-	-
Commitments Advance against Property	2,85,83,234	2,34,13,234	2,26,81,534

* Interest and claims by customers/ suppliers may be payable as and when the outcom of the related matters are finally determined and hence not been included above. Management based on legal advice and historical trends, belives that no material liability will devolve on the company in respect of these matters.

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with the various forums/authorities.

40- The Company has identified real estate as the only operating segment in terms of Ind AS 108 which is also reviewed by Board of Directors who are considered Chief Operating Decision Maker (CODM). Since the entire operations of the Company are in India, there are no geographical segments . There is no single customer to whom sales are in excess of 10% of the total revenue.

41- Leases

The lease expenses for cancellable and non-cancellable operating leases was Rs. 57,00,000/- (Rs. 57,00,000/-) for the year ended 31st March, 2018.

There is no future minimum lease payments under non-cancellable operating lease.

42- First Time Adoption Of IND AS

These are the Company's first Standalone financial statements prepared in accordance with Ind AS. The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Generally Accepted Accounting Principles in India (Indian GAAP) as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the "Previous GAAP".

The Significant Accounting Policies set out in Note No. 1 have been applied in preparing the financial statements for the year ended 31st March 2018, 31st March 2017 and the opening Ind AS balance sheet on the date of transition i.e. 1st April 2016. In preparing its Ind AS Balance Sheet as at 1st April 2016 and in presenting the comparative information for the year ended 31st March 2017, the Group has adjusted amounts previously reported in the financial statements prepared in accordance with Previous GAAP. This note explains the principal adjustments made by the Group in restating its Standalone financial statements prepared in accordance with Previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

I. Explanation of transition to Ind AS

In preparing the Standalone financial statement, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

Estimates

Estimates in accordance with Ind AS at the transition date will be consistent with estimates made for the same date in accordance with IGAAP (after adjustments to reflect any difference in Accounting Policies) unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with IGAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under IGAAP:

1. Investment in equity instruments carried at FVPL or FVOCI;
2. Impairment of financial assets based on expected credit loss model.

Property, Plant and Equipment; exemption

The Company has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2016).

Investment in equity shares other than Subsidiaries, Joint Ventures and Associates

2016 as Fair Value through Other Comprehensive Income based on facts and circumstances at the date of transition to Ind AS (1st April 2016)

Investments in Joint Ventures

The Company has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its Investments in Joint Ventures as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2016).

De-recognition of financial assets and financial liabilities

The Company has elected to use the exemption for derecognition of financial assets and liabilities prospectively i.e. after 1st April 2016.

Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortized cost has been done retrospectively except where the same is impracticable.

II. Reconciliation of Equity as on 31st March 2017 and 1st April 2016

Particulars	31st March, 2017	1st April, 2016
Total Equity (Shareholder's funds) as per Previous GAAP	**68,37,03,869**	**67,02,05,684**
Adjustments:		
Impact on accounts of change in measurement of revenue from real estate development (net of cost)	71,39,992	1,40,48,267
Other miscellaneous adjustments	(10,31,834)	(6,37,232)
Tax impact of above adjustments	1,14,50,198	1,43,94,928
Total adjustments	**1,75,58,356**	**2,78,05,963**
Total Equity as per Ind AS	**70,12,62,225**	**69,80,11,647**

III. Reconciliation of Profit and Loss for the year ended 31st March 2017

Particulars	2016-2017
Profit and Loss as per Previous GAAP	**1,34,98,185**
Increase in Sales due to proportionate completion method	2,89,02,831
Decrease in Inventory	(3,58,11,106)
Increase in Employee benefit expenses	(1,15,589)
Increase in MAT Utilisation	(29,44,730)
Deferred Tax	(1,41,459)
Other Comprehensive Income	(1,37,554)
Profit and Loss as per IND AS	**32,50,578**

Notes to Reconciliation of Equity and Profit and Loss

1 Under previous GAAP, the Company used to account for the revenue from real estate under the Completed Contract Method. However the Company is now requried to account for the same under Proportionate Completion Method as per the Guidance Note on Accounting for Real Estate Transactions.

2 **Remeasurement of defined benefit liabilities**
Under previous GAAP, the Group recognised remeasurement of defined benefit plans under Statement of profit and loss. Under Ind AS, remeasurement of defined benefit plans are recognised in Other Comprehensive Income.

43- Previous year figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current year's classification.

As Per our report of even date
For Shankarlal Jain & Associates LLP
Chartered Accountants
Firm Reg. No.109901W/W100082

Satish Jain
Partner
M. No. 048874
Place : Mumbai
Date : 30th May, 2018

For and on behalf of the Board of Directors

Kishan Kumar Kedia
Chairman & Managing Director

Arun Kedia
Marketing Director

Sanjay Kumar Kedia
Finance Director

Falguni Padiya
Chief Financial Officer

Pavan Gupta
Company Secretary

GARNET CONSTRUCTION LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL YEAR – 2017-2018

INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF
GARNET CONSTRUCTION LIMITED
MUMBAI

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of **GARNET CONSTRUCTION LIMITED** ("the Holding Company") and its jointly owned entity (the Holding Company and its jointly owned entity together referred as 'the Group'), which comprise the consolidated Balance Sheet as at 31st March, 2018, the Statement of consolidated Profit and Loss (including Other Comprehensive income), the consolidated Cash Flow Statement for the year then ended, the consolidated statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding 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 consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income) consolidated statement of cash flows and the consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical

requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated 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 consolidated 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 Consolidated 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, of the consolidated state of affairs of the Group as at 31st March, 2018, and its consolidated profit , consolidated total comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 relating to preparation of the consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Statement of consolidated Profit and Loss (including other comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of changes in Equity dealt with by this Report are in agreement with the books of accounts maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors of the group companies is disqualified as on 31st March, 2018 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 and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; 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 Group has disclosed the impact of pending litigations of its consolidated financial position in its consolidated financial statements as of March 31, 2018.

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For SHANKARLAL JAIN & ASSOCIATES LLP,
CHARTERED ACCOUNTANTS
Firm Registration No. 109901W/W100082

SATISH JAIN
PARTNER
M.No. 048874

Place : MUMBAI
Dated : 30/05/2018

Annexure - A 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 **M/s GARNET CONSTRUCTION LIMITED** ("hereinafter referred to as the " the Holding Company") and its jointly owned entity as of 31st March 2018 in conjunction with our audit of the consolidated Ind AS financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its jointly owned entity are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding 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 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 Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its jointly controlled entity 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 31 March 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 SHANKARLAL JAIN & ASSOCIATES LLP,
CHARTERED ACCOUNTANTS
Firm Registration No. 109901W/W100082

SATISH JAIN
PARTNER
M. No. 048874

Place : MUMBAI
Dated : 30/05/2018

GARNET CONSTRUCTION LIMITED

Consolidated Balance Sheet at 31st March, 2018

Particulars	Notes	INR As at 31st March, 2018	31st March, 2017	01st April, 2016
ASSETS				
I) Non - Current Assets				
a. Property, Plant and Equipment	3	5,62,31,775	6,17,90,240	6,82,16,600
b. Financial Assets				
Investments	4	3,00,00,000	3,00,00,000	3,00,00,000
Non-current loans	5	44,34,069	44,34,069	45,84,069
Other Non - Current Financial Assets	6	4,07,246	2,22,370	2,10,718
c. Deferred tax assets (net)	7	14,20,841	6,60,230	31,44,204
d. Other non-current assets	8	1,27,98,265	58,53,567	71,36,498
		10,52,92,196	**10,29,60,476**	**11,32,92,089**
II) Current Assets				
a. Inventories	9	1,03,28,96,923	92,64,76,934	92,75,25,229
b. Financial Assets				
Trade Receivables	10	30,31,56,663	58,13,22,277	58,90,48,386
Cash and Cash Equivalents	11	14,51,463	72,14,305	58,56,180
Current Loans	12	38,99,841	1,49,84,395	5,01,18,764
Other Current Financial Assets	13	1,417	1,51,888	1,40,260
c. Other Current assets	14	28,26,59,862	28,29,00,617	29,98,67,429
		1,62,40,66,169	**1,81,30,50,415**	**1,87,25,56,247**
TOTAL ASSETS (I + II)		**1,72,93,58,365**	**1,91,60,10,891**	**1,98,58,48,336**
EQUITY AND LIABILITIES				
I) Equity				
a. Equity Share Capital	15	13,90,22,000	13,90,22,000	13,90,22,000
b. Other Equity	16	57,52,01,262	56,31,20,605	55,99,46,208
c. Minority Interest		10,31,243	11,30,678	12,06,860
		71,52,54,505	**70,32,73,283**	**70,01,75,068**
II) Liabilities				
i) Non - Current Liabilities				
a. Financial Liabilities				
Borrowings	17	27,30,07,164	26,87,21,766	19,62,54,237
Other financial liabilities	18	1,00,000	1,00,000	66,76,829
b. Provisions	19	6,34,133	4,96,444	3,56,278
		27,37,41,297	**26,93,18,210**	**20,32,87,344**
ii) Current Liabilities				
a. Financial Liabilities				
Borrowings	20	50,00,000	70,00,000	1,81,09,911
Trade Payables	21	5,14,40,404	5,61,17,200	7,54,88,486
Other financial Liabilities	22	15,35,41,378	7,68,03,785	20,75,22,127
b. Other current liabilities	23	52,65,43,117	80,04,82,612	77,88,83,801
c. Provisions	24	38,37,664	30,15,801	23,81,598
		74,03,62,563	**94,34,19,398**	**1,08,23,85,923**
TOTAL EQUITY AND LIABILITIES (I+II)		**1,72,93,58,365**	**1,91,60,10,891**	**1,98,58,48,336**

Significant Accounting Policies 1 and 2

The accompanying notes form an integral part of the financial statements.

As per our attached report of even date

For Shankarlal Jain & Associates LLP
Chartered Accountants
Firm Reg. No.109901W/W100082

Satish Jain
Partner
M. No. 048874
Place : Mumbai
Date : 30th May, 2018

For and on behalf of the Board of Directors

Kishan Kumar Kedia
Chairman & Managing Director

Arun Kedia
Marketing Director

Sanjay Kumar Kedia
Finance Director

Falguni Padiya
Chief Financial Officer

Pavan Gupta
Company Secretary

GARNET CONSTRUCTION LIMITED

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

Particulars	Notes	INR	
		Year Ended	
		31st March, 2018	31st March, 2017
REVENUE:			
Revenue from operations	25	5,82,35,881	14,24,22,463
Other income	26	16,97,320	7,05,278
Total Revenue (I)		**5,99,33,201**	**14,31,27,741**
EXPENSES			
Land and Construction Cost	27	10,75,44,623	9,15,55,516
Changes in Inventories	28	(10,64,19,989)	10,48,295
Employee benefits expense	29	1,03,18,787	64,65,707
Finance cost	30	1,53,96,665	1,65,78,453
Depreciation and amortisation	3	56,18,738	64,65,349
Other expenses	31	1,30,75,544	1,21,81,902
Total Expenses (II)		**4,55,34,367**	**13,42,95,221**
Profit(Loss) before share of profit of Associates (net)		**1,43,98,834**	**88,32,519**
Minority Share of Profit / (Loss) (net)		(99,436)	(76,182)
Profit for the year before tax (I - II)		**1,44,98,270**	**89,08,702**
Tax Expenses :	33		
Current tax		33,00,000	33,00,000
Short/ (Excess) provision of tax in earlier years		(65,307)	(2,41,582)
MAT Utilisation		15,71,640	29,44,730
Deferred tax		(23,48,246)	(4,06,397)
		24,58,087	55,96,751
Profit for the year		**1,20,40,183**	**33,11,950**
OTHER COMPREHENSIVE INCOME:	32		
Re - measurement gains / (losses) on defined benefit plans		56,469	(1,91,913)
Income tax effect		(15,995)	54,359
Other Comprehensive Income for the year, net of tax		40,474	(1,37,554)
Total Comprehensive Income for the year net of tax		**1,20,80,657**	**31,74,397**
Basic and Diluted Earning per Equity Share [EPS] [In Rupees]	34	0.87	0.23

Significant Accounting Policies 1 and 2

The accompanying notes form an integral part of the financial statements.

As per our attached report of even date
For Shankarlal Jain & Associates LLP
Chartered Accountants
Firm Reg. No.109901W/W100082

Satish Jain
Partner
M. No. 048874
Place : Mumbai
Date : 30th May, 2018

For and on behalf of the Board of Directors

Kishan Kumar Kedia
Chairman & Managing Director

Arun Kedia
Marketing Director

Sanjay Kumar Kedia
Finance Director

Falguni Padiya
Chief Financial Officer

Pavan Gupta
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2018		
Particulars	INR-Lakhs	
	Year Ended	
	31st March, 2018	31st March, 2017
A Cash flows from operating activities:		
Profit before tax	1,43,98,834	88,32,519
Adjustments for:		
Depreciation, Impairment and Amortisation expenses	56,18,738	64,65,349
Profit on sale of assets [Net]	(1,54,185)	-
Interest income	(15,27,704)	(6,52,698)
Interest expenses	4,83,63,847	5,58,21,060
Relassification of actuarial gain/loss to OCI	56,469	(1,91,913)
Provisions for employee benefits	2,20,857	1,15,589
Total	5,25,78,022	6,15,57,387
Operating profit before working capital changes	6,69,76,855	7,03,89,907
Adjustments for:		
Increase/ [Decrease] in trade Payables	(46,76,796)	(1,93,71,286)
Increase/ [Decrease] in provision	7,38,695	6,58,780
Increase/ [Decrease] in other current liablities	(22,26,20,137)	2,23,30,537
Increase/ [Decrease] in other non current liablities	-	(65,76,829)
[Increase]/ Decrease in Inventories	(10,64,19,989)	10,48,295
[Increase]/ Decrease in loans	1,10,84,554	3,52,84,369
[Increase]/ Decrease in trade receivable	27,81,65,613	77,26,109
[Increase]/ Decrease in other current assets	3,91,226	1,69,55,185
[Increase]/ Decrease in other non current assets	(71,29,574)	12,71,279
Total	(5,04,66,409)	5,93,26,439
Cash generated from operations	1,65,10,447	12,97,16,345
Direct taxes paid [Net of refunds]	(32,34,693)	(30,58,417)
Net cash from operating activities	1,32,75,754	12,66,57,928
B Cash flows from investing activities:		
Purchase of fixed assets	(60,273)	(38,990)
Proceeds from sale of fixed assets	1,54,185	-
Interest received	15,27,704	6,52,698
Net cash used in investing activities	16,21,616	6,13,708
C Cash flows from financing activities:		
Proceeds from Long Term Borrowings	4,84,16,214	11,76,18,455
Proceeds / (repayment) of working capital loans	6,03,23,482	4,90,14,497
Repayment of Long Term Borrowings	(8,93,78,067)	(23,67,25,403)
Interest paid	(4,83,63,847)	(5,58,21,060)
Net cash used in financing activities	(2,90,02,219)	(12,59,13,511)

Particulars	INR-Lakhs	
	Year Ended	
	31st March, 2018	31st March, 2017
Net increase in cash and cash equivalents	(1,41,04,849)	13,58,126
Cash and cash equivalents at the beginning of the year	72,14,305	58,56,180
Cash and cash equivalents at the end of the year	(68,90,543)	72,14,305

Notes to the Cash Flow Statement

1 Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7.
2 Figures in bracket indicates outflows.
3 The accompanying notes (1 to 44) are an integral part of the financial statements.
4 Cash and cash equivalents comprise of:

	As at		
	31st March, 2018	31st March, 2017	01st April, 2016
a Cash on Hand	3,32,662	3,71,381	8,54,168
b Balances with Banks	11,18,800	68,42,924	50,02,012
c Book Overdraft	(83,42,006)	-	-
Total	(68,90,543)	72,14,305	58,56,180

5 **Disclosure as required by Ind AS 7**

Reconciliation of liabilities arising from financial activities

31st March, 2018	Opening Balance	Cash Flows	Non cash changes	Closing Balance
Long Term Secured Borrowings	34,21,84,130	2,13,61,628	-	36,35,45,758
Short Term Unsecured Borrowings	70,00,000	(20,00,000)	-	50,00,000
Total Liabilities from Financing Activities	34,91,84,130	1,93,61,628	-	36,85,45,758

31st March, 2017	Opening Balance	Cash Flows	Non cash changes	Closing Balance
Long Term Secured Borrowings	40,11,66,670	(5,89,82,540)	-	34,21,84,130
Short Term Unsecured Borrowings	1,81,09,911	(1,11,09,911)	-	70,00,000
Total Liabilities from Financing Activities	41,92,76,581	(7,00,92,451)	-	34,91,84,130

As per our attached report of even date
For Shankarlal Jain & Associates LLP
Chartered Accountants
Firm Reg. No.109901W/W100082

Satish Jain
Partner
M. No. 048874
Place : Mumbai
Date : 30th May, 2018

For and on behalf of the Board of Directors

Kishan Kumar Kedia
Chairman & Managing Director

Arun Kedia
Marketing Director

Sanjay Kumar Kedia
Finance Director

Falguni Padiya
Chief Financial Officer

Pavan Gupta
Company Secretary

GARNET CONSTRUCTION LIMITED

Consolidated Statement of Change in Equity for the year ended 31st March, 2018

A. Equity Share Capital:

	Note		No. of Shares	INR
Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:	15			
Balance as at 1st April, 2016			1,39,02,200	13,90,22,000
Change in equity share capital during FY 2016-17			-	-
Balance as at 31st March, 2017			1,39,02,200	13,90,22,000
Change in equity share capital during FY 2017-18			-	-
Balance as at 31st March, 2018			1,39,02,200	13,90,22,000

B. Other Equity:

Particulars	Note	INR		
		Reserves and Surplus		Total
		Securities premium reserve	Retained Earnings	
Balance as at 1st April, 2016	16	43,30,00,000	12,69,46,208	55,99,46,208
Changes during the year				
Profit for the year		-	33,11,950	33,11,950
Other Comprehensive Income				
Remeasurement of the net defined benefit labilities/ assets , net of taxes		-	(1,37,554)	(1,37,554)
Balance as at 31st March, 2017	16	43,30,00,000	13,01,20,605	56,31,20,605

Particulars	Note	INR		
		Reserves and Surplus		Total
		Securities premium reserve	Retained Earnings	
Balance as at 1st April, 2017	16	43,30,00,000	13,01,20,605	56,31,20,605
Changes during the year				
Profit for the year		-	1,20,40,183	1,20,40,183
Other Comprehensive Income				
Remeasurement of the net defined benefit labilities/ assets , net of taxes		-	40,474	40,474
Balance as at 31st March, 2018	16	43,30,00,000	14,22,01,261	57,52,01,261

As per our attached report of even date
For Shankarlal Jain & Associates LLP
Chartered Accountants
Firm Reg. No.109901W/W100082

Satish Jain
Partner
M. No. 048874
Place : Mumbai
Date : 30th May, 2018

For and on behalf of the Board of Directors

Kishan Kumar Kedia
Chairman & Managing Director

Arun Kedia — **Marketing Director**
Sanjay Kumar Kedia — **Finance Director**

Falguni Padiya — **Chief Financial Officer**
Pavan Gupta — **Company Secretary**

Garnet Construction Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2018

Note 1: COMPANY BACKGROUND:

Garnet Construction Limited (the "Company") is public company domiciled in India and was incorporated under the provisions of the Companies Act, 1956. The Company was incorporated in October 15, 1992 and thereafter listed with National Stock Exchange and Bombay Stock Exchange on December 15, 1994. The addresses of the Registered Office and principal place of business are disclosed in the Annual Report.

The Company is a Real Estate Development Company that is focused on residential, commercial, retail and other projects, such as mass housing and cluster redevelopment. Information on related party relationships of the Company is provided in Note 35.

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 30th May 2018. in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the Annual General Meeting.

Note 2: Significant Accounting Policies on Consolidated Financial Statements

a) Basis of preparation:

The financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013 ("The Act"), the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). These financial statements for the year ended 31 March 2018 are the first the Company has prepared in accordance with Ind-AS. Refer to Note 43 for information on how the Company adopted Ind AS, including the details of the first time adoption exemptions availed by the Company.

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

Fair value is the price 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal 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.

A 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 identical 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 unobservable.

b) Basis of consolidation

The consolidated financial statements comprise of financial statements of the Company and its subsidiaries and joint arrangements for which the Company fulfils the criteria pursuant to Ind AS 110 and joint arrangements within the scope of Ind AS 111.

- Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists if and only if all of the following conditions are satisfied –

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights to variable returns from its involvement with the investee; and

(iii) The ability to use its power over the investee to affect the amount of the investors' returns

Subsidiaries are consolidated from the date control commences until the date control ceases. The financial statements of the subsidiaries are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain / loss from such transactions are eliminated upon consolidation. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Details of Jointly controlled entity are as under:

Name of Company	Country of Operation	% of Ownership	Principal Activity
Callista Realty Limited	India	50%	Real Estate

c) Current and Non-Current Classification of Assets and Liabilities:

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle as indicated in (c) below,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is considered as current when:

- It is expected to be settled in normal operating cycle as indicated in (c) below,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

d) Operating Cycle:

The normal operating cycle in respect of operations relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and realization of project into cash and cash equivalents. Accordingly Assets and Liabilities have been classified into current and non-current based on the operating cycle of the respective projects.

e) Critical accounting estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind As requires management to make judgements, 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 expenses for the years presented. Actual results may differ from these estimates. 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 in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

- **Revenue and Cost estimates**: The estimates relating to percentage of completion, costs to completion, area available for sale etc., being of a technical nature are reviewed and revised periodically by the management and are considered as change in estimates and accordingly, the effect of such change in estimates is recognised prospectively in the period in which such changes are determined.

- **Useful lives of property plant and equipment:** The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews useful life of property, plant and equipment as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.
- **Impairment testing:** Property, plant and equipment are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value – in –use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk adjusted discount rate, future economic and market conditions.
- **Impairment of investments:** The Company reviews its carrying value of investments carried at cost or amortised 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.
- **Income taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit or Loss. Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.
- **Fair value measurement of financial instruments:** The fair value of financial instruments that are traded in an active market is determined by using valuation techniques. This involves significant judgements in selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible.
- **Litigation:** From time to time, the Company is subject to legal proceedings the ultimate outcome of which being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigations provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.
- **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the

complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance sheet date.

f) Property, Plant and Equipment

i) Tangible Assets:

Property, Plant and Equipment are recorded at their cost of acquisition, net of modvat/cenvat, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as on 1st April, 2015 measured as per previous GAAP as its deemed cost on the date of transition.

ii) Capital Work in Progress and Capital Advances:

Expenses incurred for acquisition of capital assets outstanding at each balance sheet date are disclosed under capital work-in-progress. Advances given towards the acquisition of fixed assets are shown separately as capital advances under the head Other Non-Current Assets.

iii) Depreciation:

Depreciation on Property, Plant and Equipment is provided on a Straight Line basis in accordance with the provisions of Schedule II to the Companies Act, 2013 except depreciation on new sales office, which is considered as a temporary structure and has been amortized over a period of four years on a straight line basis. Structures constructed for purpose of demonstration to prospective buyers (to be demolished before the project completion) are capitalised as buildings and depreciated over the period by which the respective project is expected to be completed.

The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013, are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g) Impairment of Tangible Assets:

Carrying amount of tangible assets are reviewed at each Balance Sheet date. These are treated as impaired when the carrying cost thereof exceeds its recoverable value. Recoverable value is higher of the asset's net selling price or value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an

asset and from its disposal at the end of its useful life. Net selling price is the amount receivable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

h) INVENTORIES :

a) Construction work in progress

The construction work in progress is valued at lower of cost and net realizable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses. Land cost includes the cost of land, land related development rights and premium.

b) Finished stock of completed projects (ready units)

Finished stock of completed projects and stock in trade of units is valued at lower of cost and net realizable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses.

c) Inventory includes certain land purchased in the name of directors and employees who holds the same in trust for the Company.

i) Revenue Recognition:

(i) Sale of Properties:

Revenue from sale of properties is recognised in accordance with the Guidance Note on Accounting for Real Estate transactions issued by ICAI, as inducted herein. Revenue from sale of properties under construction is measured at the fair value of the consideration receivable and is recognized on the basis of percentage of completion method, subject to transfer of significant risks and rewards to the buyer, reliable estimate of the outcome of the real estate project and stage of completion of the project reaches a reasonable level of development i.e. at least 25% of total project cost (excluding land and development cost and borrowing costs capitalised under Ind AS-23) should be incurred at the reporting date.

When the outcome of a real estate project can be estimated reliably and the conditions stipulated below are satisfied, 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 each reporting date. Stage of completion is arrived with reference to the entire project cost incurred versus total estimated project cost. Further, the total estimated cost of each project is based upon the judgment of management and certified by Company 's technical personnel.

The following specific recognition criteria is also considered before revenue is recognised:

- All critical approvals necessary for commencement of the project have been obtained;

- Atleast 25 % of the construction and development costs (excluding land and development cost and borrowing costs capitalised under Ind AS-23) have been incurred;

- Atleast 25% of the saleable project area is secured by contracts or agreements with buyers; and

- Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

(ii) Interest Income:

For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash flows through the contracted or expected life of the financial instrument, as appropriate, to the net carrying amount of the financial asset.

(iii) Dividend Income:

Dividend income is recognised when the Company 's right to receive the payment is established, which is generally when shareholders approve the dividend.

j) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets:

Initial Recognition and Measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement:

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

- Financial assets at amortised cost
- Equity instruments measured at fair value through other comprehensive income FVTOCI

Financial Assets at Amortised Cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Equity Instruments at FVTOCI:

For equity instruments not held for trading, an irrevocable choice is made on initial recognition to measure it at FVTOCI. All fair value changes on such investments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale or disposal of the investment. However, on sale or disposal the Company may transfer the cumulative gain or loss within equity.

Investments in associates, subsidiaries and joint ventures:

These are carried at cost subject to provision for impairment, if any.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets:

The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposures:

- Financial assets at amortised cost.
- Financial guarantee contracts.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under this approach the Company does not track changes in credit risk but recognises impairment loss allowance based on lifetime ECLs at each reporting date. For this purpose the Company uses a provision matrix to determine the impairment loss allowance on the portfolio of trade receivables. The said matrix is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

For recognition of impairment loss on other financial assets and risk exposures, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is

used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.

ii) Financial Liabilities:

Initial Recognition and Measurement:

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

Subsequent Measurement:

This is dependent upon the classification thereof as under:

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition:

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

(iii) **Offsetting of Financial Instruments:**

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

(iv) **Equity Instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognised at the amount of the proceeds received net of issue/ transaction costs.

k) Employee Benefits:

Short term employee benefits are those which are payable wholly within twelve months of rendering service are recognised as an expense at the undiscounted amount in Statement of Profit and Loss of the year in which the related service is rendered.

Company 's Contribution paid/ payable for the year/ period to Defined Contribution Retirement Benefit Plans is charged to Statement of Profit and Loss or Project Work in Progress, if it is directly related to a project.

Company 's liabilities towards Defined Benefit Schemes viz. Gratuity benefits and other long term benefit viz. compensated absences are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Balance Sheet with a corresponding effect in the SOCI. Past service cost is recognised immediately in the Statement of Profit and Loss.

l) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to Statement of Profit and Loss in the year in which they are incurred.

m) Taxes on Income:

Current Income Taxes:
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets 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, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred 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 tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ("MAT") credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

n) Provisions and Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

When the Company expects some or all of a provision to be reimbursed, the same is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. 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 recognised as a finance cost.

A Contingent Liability 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 enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes.

o) Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted retrospectively for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The period during which, number of dilutive potential equity shares change frequently, weighted average number of shares are computed based on a mean date in the quarter, as impact is immaterial on earning per share.

p) Cash and Cash Equivalent:

Cash and cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term highly liquid investments which are subject to insignificant risk of changes in value.

3-Property,Plant & Equipment

	Office Premises	Plant and Machinery	Computers	Office Equipments	Furniture and Fixtures	Vehicles	INR Total
Gross Block:							
As at 1st April, 2016	4,07,77,143	66,13,265	3,49,048	14,52,223	1,11,37,348	78,87,572	6,82,16,599
Additions	-	-	-	38,990			38,990
Disposals				2,19,134			2,19,134
As at 31st March, 2017	4,07,77,143	66,13,265	3,49,048	12,72,079	1,11,37,348	78,87,572	6,80,36,455
Additions	-	-	60,273	-			60,273
Disposals						13,46,280	13,46,280
Other adjustments							-
As at 31st March, 2018	4,07,77,143	66,13,265	4,09,321	12,72,079	1,11,37,348	92,33,852	6,94,43,008
Depreciation and Impairment:							
As at 1st April, 2016	-	-	-	-	-	-	-
Depreciation for the year	7,66,087	5,23,465	2,84,011	6,27,830	17,74,182	24,89,775	64,65,349
Disposals				2,19,134			2,19,134
As at 31st March, 2017	7,66,087	5,23,465	2,84,011	4,08,696	17,74,182	24,89,775	66,84,483
Depreciation for the year	7,31,008	5,23,465	72,039	5,31,571	17,42,595	20,18,059	56,18,738
Disposals						13,46,280	13,46,280
As at 31st March, 2018	14,97,095	10,46,930	3,56,050	9,40,267	35,16,777	58,54,114	1,36,49,501
Net Block:							
As at 1st April, 2016	4,07,77,143	66,13,265	3,49,048	14,52,223	1,11,37,348	78,87,572	6,82,16,600
As at 31st March, 2017	4,00,11,056	60,89,800	65,037	8,63,383	93,63,166	53,97,797	6,17,90,240
As at 31st March, 2018	3,92,80,048	55,66,335	53,271	3,31,812	76,20,571	33,79,738	5,62,31,775

Note: Refer to note 17 in respect of certain fixed assets which are morgaged against borrowings

Particulars	INR As at 31st March, 2018	31st March, 2017	01st April, 2016
4- Investments			
Investment in Equity Instruments a. Other [Unquoted]: In Equity Instruments [at FVTOCI]: Face Value In fully paid-up equity shares of: Varaha Infrastructure Limited Rs. 1,000 (Number of shares as on 31.03.2018 - 30,000 , 31.03.2017 -30,000 , 01.04.2016 -30,000)	3,00,00,000	3,00,00,000	3,00,00,000
Total	**3,00,00,000**	**3,00,00,000**	**3,00,00,000**
Aggregate Value of unquoted investment	3,00,00,000	3,00,00,000	3,00,00,000
5- Non-current loans			
Unsecured, considered good unless otherwise stated Security Deposits With Others	44,34,069	44,34,069	45,84,069
Total	**44,34,069**	**44,34,069**	**45,84,069**
6- Other Non - Current Financial Assets			
Fixed Deposit (Having maturity more than12 months from Balance Sheet date)	3,39,290	1,90,000	1,90,000
Accrued Interest on Fixed Deposit	67,956	32,370	20,718
Total	**4,07,246**	**2,22,370**	**2,10,718**

7 Deferred tax assets (net)

Break up of Deferred Tax Liabilities and Assets into major components of the respective balances are as under:

Particulars	As at April 1 2016	Charge for year	As at March 31 2017	Charge for year	As at March 31 2018
Deferred Tax Liabilities					
Total [A]	-	-	-	-	-
Deferred Tax Assets:					
Provision for leave salary/gratuity	(1,40,655)	(87,100)	(2,27,755)	46,563	(1,81,192)
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	(1,25,10,069)	5,47,856	(1,19,62,213)	22,85,688	(96,76,525)
MAT Credit	1,64,52,598	(29,44,730)	1,35,07,868	(15,71,640)	1,19,36,228
Deferred tax - Income/Expenses due to MAT Credit	(6,57,670)	-	(6,57,670)	-	(6,57,670)
Total [B]	**31,44,204**	**(24,83,974)**	**6,60,230**	**7,60,611**	**14,20,841**
Net Deferred Tax Asset/ (Liabilities) [B-A]	**31,44,204**	**(24,83,974)**	**6,60,230**	**7,60,611**	**14,20,841**

Particulars	INR As at 31st March, 2018	31st March, 2017	01st April, 2016
8- Other non-current assets			
Advances other than Capital Advances			
With Government Authorities	69,44,698	-	12,57,931
Security Deposits	53,72,750	53,72,750	53,97,750
Other Investment	4,80,817	4,80,817	4,80,817
Total	**1,27,98,265**	**58,53,567**	**71,36,498**
9- Inventories			
Finished goods	17,75,22,944	3,55,52,364	3,56,83,366
Land	70,44,73,156	69,92,77,271	67,80,91,250
Construction Work-in-Process	15,09,00,823	19,16,47,299	21,37,50,613
Total	**1,03,28,96,923**	**92,64,76,934**	**92,75,25,229**
Valued at cost, unless otherwise stated. In Compliance with IND AS Percentage Completion Method is followed for valuation of Construction Work-in-Progress as at 1st April,2016 i.e. transition date for Ind AS.			
1)Inventory comprising of unsold identified 11 offices of Garnet Paladium Project situated at Malad, Mumbai and 17 Bungalow of Magic Hill at Khalapur is mortgaged with Bank and NBFC.			
2) Industrial land 12,06,856 square feet (Honad village) at Khalpaur is mortgage to Bank for availing term loan and 56,040 square feet Land of Isambe village at Khalapur is mortgage to Bank for availing dropline overdraft facility from Bank.			
10- Trade Receivables			
Unsecured and Considered good	30,31,56,663	58,13,22,277	58,90,48,386
Total	**30,31,56,663**	**58,13,22,277**	**58,90,48,386**
No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director is a member.			
Trade receivables are non-interest bearing and are generally on terms as per the contract / agreement.			
11- Cash and Cash Equivalents			
Cash and Cash Equivalents (as per IND AS-7 - "Statement of Cash Flows")			
Cash on Hand	3,32,662	3,71,381	8,54,168
Balances with Banks	11,18,800	68,42,924	50,02,012
Total	**14,51,463**	**72,14,305**	**58,56,180**

Particulars	INR As at 31st March, 2018	31st March, 2017	01st April, 2016
12- Current Loans			
[Financial assets stated at amortised cost]			
Unsecured, considered good unless otherwise stated			
Security Deposits	6,00,000	11,00,000	16,00,000
Other Loans and advances	32,99,841	1,38,84,395	4,85,18,764
Total	**38,99,841**	**1,49,84,395**	**5,01,18,764**
13- Other Current Financial Assets (at amortised cost)			
Fixed Deposit (FD with maturity Less than12 months from Balance Sheet date)	1,000	1,01,000	1,01,000
Accrued Interest on Fixed Deposit	417	50,888	39,260
Total	**1,417**	**1,51,888**	**1,40,260**
14- Other Current assets			
Advances other than Capital Advances			
Prepaid Expenses	33,32,594	30,77,813	8,27,489
Advance to Employees	2,65,500	3,49,000	10,39,117
Advance to Vendors	6,11,800	6,84,111	3,53,781
Advance against investments/property	27,12,43,191	27,61,52,391	29,46,60,391
With Government Authorities (tax credit receivable)	69,06,777	17,66,913	21,24,573
Other Advances	3,00,000	8,70,389	8,62,078
Total	**28,26,59,862**	**28,29,00,617**	**29,98,67,429**

Particulars	INR As at 31st March, 2018	31st March, 2017	01st April, 2016
15-Equity Share Capital:			
Authorised:			
5,80,00,000/- (31.03.2017- 5,80,00,000/-) (01.04.2016- 5,80,00,000/-)Equity Shares of Rs. 10/- each fully paid up.	58,00,00,000	58,00,00,000	58,00,00,000
	58,00,00,000	58,00,00,000	58,00,00,000
Issued, Subscribed and Paid-up:			
1,39,02,200/- (31.03.2017- 1,39,02,200/-) (01.04.2016- 1,39,02,200/-) Equity Shares of Rs. 10/- each fully paid up.	13,90,22,000	13,90,22,000	13,90,22,000
Total	13,90,22,000	13,90,22,000	13,90,22,000
A The reconciliation in number of shares is as under:			
Number of shares at the beginning of the year	1,39,02,200	1,39,02,200	1,39,02,200
Shares Issued during the year on conversion of fully convertible debenture	-	-	-
Shares Issued during the year on conversion of share warrants	-	-	-
Number of shares at the end of the year	1,39,02,200	1,39,02,200	1,39,02,200

B Rights, Preferences and Restriction of Share holders: The company has only one class of Equity shares having par value of Rs.10/- each. The equity shares have rights, Preferences and restrictions which are in accordance with the provision of law, in particular the Companies Act 2013.
The dividend proposed by the Board of Directors is subject to shareholders approval in the ensuing Annual General Meeting.

C Details of Shareholders holding more than 5% of aggregate Equity Shares of INR 10/- each

	31-Mar-18		31-Mar-17		01-Apr-16	
Name of share holder	Number of Shares	% to total share holding	Number of Shares	% to total share holding	Number of Shares	% to total share holding
Sanjay Kumar Kedia	20,76,426	14.94	20,76,426	14.94	20,76,426	14.94
Kusumdevi Kedia	19,28,380	13.87	19,28,380	13.87	19,28,380	13.87
Arun Kumar Kedia	18,64,117	13.41	18,64,117	13.41	18,64,117	13.41
Kishan Kumar Kedia	17,59,100	12.65	17,59,100	12.65	17,59,100	12.65

D Shares held by Holding Company - NA

E Particulars of shares issued for consideration other than cash, shares bought back and bonus shares in last five years:
i. Shares bought back -- NIL
ii. Issue of bonus shares – NIL.
iii. Shares issued on account of merger -- NIL

F There are no shares reserved for issue under options, contracts / commitments for sale of Shares/ disinvestments other than represented in clause (j) below.

G There are no shares forfeited during the year.

H Particulars of calls in arrears by directors and officers of the company. – NIL

I Security convertible into equity shares: - NIL

Particulars	INR As at 31st March, 2018	31st March, 2017	01st April, 2016
16- Other Equity			
Securities Premium Reserve			
Balance as per last Balance Sheet	43,30,00,000	43,30,00,000	43,30,00,000
Add/Less: During the year	-	-	-
	43,30,00,000	43,30,00,000	43,30,00,000
Retained Earnings:			
Balance as per last Balance Sheet	13,01,20,605	12,69,46,208	7,74,39,737
Adjusted from Retained Earnings on transition to Ind AS	-	-	2,78,05,963
Profit for the year	1,20,40,183	33,11,950	2,17,00,509
Items of Other comprehensive income recognised directly in retained earnings		-	-
- Transfer to retained earning of re-measurement gains/(Losses) on defined benefit plans, net of taxes	40,474	(1,37,554)	-
Adjstment on account of consolidation	-	-	-
Tax Impact of Ind AS adjustments	-	-	-
Balance as at the end of the year	14,22,01,262	13,01,20,605	12,69,46,208
Total	**57,52,01,262**	**56,31,20,605**	**55,99,46,208**

Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

17- Borrowings			
Secured loans (at amortised cost)			
Term loans			
From bank	13,33,48,572	14,85,10,982	16,69,66,628
From financial institution/NBFC	13,96,58,592	12,02,10,784	2,92,87,609
Amount disclosed under Current Borrowings as 'Current maturities of long-term borrowings' (refer note 22)			
Total	27,30,07,164	26,87,21,766	19,62,54,237

a) During the year ended 31st March, 2018 the company has availed working capital credit limit of Rs. 1700 Lakh from State Bank of India for meeting working capital requirements of under construction projects. This credit limit carries a monthly interest of 11.05 % and as on 31st March, 2018 Rs. 603 Lakh was drawn by the company. The said credit limit is for a 35 months from the date of first drawdown. The Loan is secured by mortage of the identified commercial units in one of the project at Goregaon of the company and land 56,040 square feet Land of Isambe village at Khalapur.

b) During the year ended on 31st March, 2018 and 31st March, 2017 the company has availed Term Loan from
   1) Union Bank of India - Facility of Rs. 1367 Lakh , balance amount is repayable in 120 installment starting from 01st April 2014. The loan is secured by Industrial land of 12,06,856 sq ft (Honad village) at Khalpaur.
   2) United Bank of India - Facility of Rs. 450 Lakh, balance amount is repayable in 120 equal monthly installments starting from 07th Feb, 2015. The loan is secured by mortage of the identified residential units in one of the project at Magic Hill, Khalapur.

c) During the year ended on 31st March, 2018 and 31st March, 2017 the company has availed Mortgage Loan from
   1) India Infoline Housing Finance Ltd - Facilty of Rs. 770 Lakh balance amount is repayable in 120 installment starting from 05th March, 2017. The Loan is secured by mortage of the identified commercial units in one of the project at Goregaon.
   2) PNB Housing Finance Ltd - Facilty of Rs. 546 Lakh, balance amount is repayable in 84 equal monthly installments from 30th July, 2016. The Loan is secured by mortage of idenfified commercial offices of Laxmi Industrial Estate- , Andheri (w)
   3) Reliance Home Finance Limited - Facility of Rs. 500 Lakh balnce amout is repayble in 144 equal monthly installments from 10th June, 2017. The loan is secured by mortage of the identified residential units in one of the project at Magic Hill, Khalapur.

Particulars	INR As at 31st March, 2018	31st March, 2017	01st April, 2016
18- Other financial liabilities (at amortised cost)			
Security Deposit (Security Deposits received are interest free and are repayable after completion of lease term)	1,00,000	1,00,000	66,76,829
Total	1,00,000	1,00,000	66,76,829
19- Provisions			
Provision for Employee Benefit			
Gratuity	6,34,133	4,96,444	3,56,278
Total	6,34,133	4,96,444	3,56,278
20- Borrowings (at amortised cost)			
UnSecured loans			
From related parties	-	-	1,31,09,911
From Other	50,00,000	70,00,000	50,00,000
Total	50,00,000	70,00,000	1,81,09,911
21- Trade Payables			
Due to others	5,14,40,404	5,61,17,200	7,54,88,486
Total	5,14,40,404	5,61,17,200	7,54,88,486
Amount due to SSI units has not been segregated in view of non-availability of requisite information for the purpose of ascertaining the liability, if any, under the "Interest on Delayed payments to Small Scale & Ancillary Undertaking Act, 1993". However there is no liability towards interest on delay payment to such creditors as these are within the agreed terms of payment.			
22- Other financial Liabilities			
Current maturities of long-term borrowings			
Term loans			
From bank	7,92,49,650	6,49,44,782	1,60,22,149
From financial institution/NBFC	1,12,88,944	85,17,583	18,88,90,284
	9,05,38,594	7,34,62,365	20,49,12,433
Book Overdraft	83,42,006	-	-
Interest Accrued but not due on Borrowings	2,70,000	4,86,000	50,894
Statutory Dues Payable	21,72,357	28,55,420	25,58,800
Other financial liabilities	5,22,18,421	-	-
Total	15,35,41,378	7,68,03,785	20,75,22,127
23- Other current liabilities			
Advance received from customers	52,01,13,117	80,04,82,612	77,88,83,801
Other Current Liability	64,30,000	-	-
Total	52,65,43,117	80,04,82,612	77,88,83,801
24- Provisions			
Development Expenses for Plot Construction at Dhamni (Expected Cash flow Rs 20,250/-)	5,80,086	6,00,336	6,20,586
Provision for Taxation (Net of Advance Tax)	29,23,244	21,07,830	16,20,713
Provision for Employee Benefit			
Gratuity	3,34,334	3,07,635	1,40,299
Total	38,37,664	30,15,801	23,81,598

Particulars	INR	
	Year Ended	
	31st March, 2018	31st March, 2017
25- Revenue from operations		
Sale of units	5,33,91,762	10,88,53,957
Sale of land / plots	41,64,956	62,54,240
Rent on immovable property	6,79,163	1,04,48,908
Compensation received	-	1,28,65,358
Land Development Work	-	40,00,000
Total	**5,82,35,881**	**14,24,22,463**
26- Other income		
Interest income on		
Fixed deposit with bank	37,624	27,307
Others	14,90,080	6,25,391
Miscellaneous Incomes	1,69,616	52,580
Total	**16,97,320**	**7,05,278**
27- Land and Construction Cost		
Land	-	20,30,900
Construction Cost		
Material	2,83,94,596	1,03,14,980
Labour	97,83,974	46,95,768
Approval Cost	49,97,367	24,16,034
Borrowing Cost	3,62,22,305	4,42,89,172
Professional Fee	41,47,305	70,36,606
Salary	36,12,611	51,34,150
Other Administration Cost	2,03,86,465	1,56,37,906
Total	**10,75,44,623**	**9,15,55,516**
28- Changes in Inventories		
a) Inventories at the end of the year:		
Flat	44,56,935	44,56,935
Land	70,47,17,765	69,95,21,880
Completed Units	14,13,12,915	-
Work - In - Progress	18,24,09,308	22,24,98,119
	1,03,28,96,923	**92,64,76,934**
b) Inventories at the beginning of the year:		
Flat	44,56,935	44,56,935
Land	69,95,21,880	67,83,35,859
Completed Units	-	-
Work - In - Progress	22,24,98,119	24,47,32,435
	92,64,76,934	**92,75,25,229**
Change in Inventories and Work In Progress	**(10,64,19,989)**	**10,48,295**

Particulars	INR	
	Year Ended	
	31st March, 2018	31st March, 2017
29- Employee benefits expense		
Salaries and wages*	98,05,184	59,95,416
Staff welfare expenses	2,92,746	3,54,702
Provision for Gratuity	2,20,857	1,15,589
Total	**1,03,18,787**	**64,65,707**
*Includes Directors Remuneration of Rs. 51,60,000 (Previous year Rs. 17,55,000)		
30- Finance cost		
Interest expenses	4,83,63,847	5,58,21,060
Other borrowing cost	32,55,123	50,46,565
	5,16,18,970	**6,08,67,625**
Less: allocated to projects / capitalised	3,62,22,305	4,42,89,172
Total	**1,53,96,665**	**1,65,78,453**
31- Other expenses		
Advertisement expenses	1,85,214	1,68,984
Auditors remuneration (Refer Note No.39)	7,60,725	7,68,000
Bank charges	34,724	1,24,575
Business promotion expenses	3,78,865	-
Commission and Brokerage	3,25,000	25,800
Electricity expenses	8,18,012	8,29,967
Legal and professional fees	13,84,538	7,64,787
Membership fees and entrance fees	4,03,665	3,10,137
Rent	57,00,000	57,00,000
Maintenance charges		
Rates and taxes	5,49,414	11,41,172
Repairs to		
Building	3,31,013	2,13,192
Others	6,40,759	4,51,022
Telephone and communication expenses	2,46,253	3,40,903
Travelling and conveyance expenses	5,66,309	3,71,718
Insurance	4,17,025	2,55,077
Miscellaneous expenses	3,34,028	7,16,567
Total	**1,30,75,544**	**1,21,81,902**
32 Other comprehensive income Not to be reclassified to profit or loss in subsequent periods		
Remeasurements of the defined benefit plans	56,469	(1,91,913)
Tax effects on above	(15,995)	54,359
Net Total	40,474	(1,37,554)
Total Income not to be reclassified	56,469	(1,91,913)

33 - Tax Expenses

(a) Tax charge / (credit) recognised in profit or loss

Particulars	31st March 2018	31st March 2017
Current tax:		
Current tax on profit for the year	33,00,000	33,00,000
Charges / (Credit) in respect of current tax for earlier years	(65,307)	(2,41,582)
Minimum alternate tax credit entitlement	15,71,640	29,44,730
Total Current Tax	48,06,333	60,03,148
Deferred tax:		
Origination and reversal of temporary differences	(23,48,246)	(4,06,397)
Income Tax expenses reported in the statement of profit and loss	**24,58,087**	**55,96,751**

(b) A reconciliation of income tax expense applicable to accounting profit/ (loss) before tax at the statutory income tax rate to recognised income tax expense/ (credit) for the year indicated are as follows:

Particulars	**31st March 2018**	**31st March 2017**
Accounting profit before income tax	1,43,98,834	88,32,519
Statutory income tax rate	27.55%	33.06%
Tax at statutory income tax rate	39,66,879	29,20,031
Tax effect of amounts which are not deductible (Taxable) in calculating taxable income		
Tax impact of expenses which will be not allowed	1,13,716	94,410
Earlier Year Tax Adjustment	-	(30,86,189)
Tax Impact of expenses which are allowable	5,98,319	7,89,035
Other	7,96,756	(4,73,977)
	24,58,087	55,96,751

34 - Earning Per Shares (EPS)

Particulars	**31st March 2018**	**31st March 2017**
Net Profit attributable to equity shareholders		
Net Profit for the year	1,20,80,657	31,74,397
Nominal value of equity shares	10	10
Weighted average number of equity shares in calculating basic and diluted EPS	1,39,02,200	1,39,02,200
Basic EPS	0.87	0.23
Diluted EPS	0.87	0.23

35. Related Party Disclosure

List of Related Parties only with whom transactions are executed.

a) Key Management Personnel/Relative of Managerial Person	
Kishan Kumar Kedia	Chairman & Managing Director
Arun kumar Kedia	Marketing director
Sanjay Kumar Kedia	Finance Director
Kusumdevi Kedia	Relative of director
b) Associate Concern	
S.K. Investment	Associate Concern
J.S. Realty Private Limited	
Neelkanth Industrial Estate	
Aditya Industrial Estate	
Panchdeep Industrial Estate	
Kedia Industrial Development Corporation	
Shree Siddhivinayak Enterprises Pvt Ltd	

Previous year figures shown in bracket (Amount in Rs. Lakhs)

Particulars of transactions	Relative	Opening balance	Transaction during the year	Transaction during the year	Closing balance
Purchase of investment	Subsidiary Company	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Remuneration	Key Management Personnel	Nil (Nil)	51.60. (17.55)	Nil (Nil)	Nil (Nil)
Interest		Nil (Nil)	1.77 (21.94)	Nil (Nil)	Nil (Nil)
Loan Received		Nil cr. (131.09)	555.34 (1029.37)	555.34 Cr. (898.28 Cr.)	Nil (Nil.)
	Associate Concerns	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Interest	Associate Concerns	Nil (Nil)	Nil (2.45)	Nil (Nil)	Nil (Nil)
Advance Given Against Property	Associate Concerns	528.00 (528.00)	Nil (Nil)	Nil (Nil)	528.00 (528.00)
Advance Received	Associate Concerns	Nil (Nil)	Nil (NIL)	Nil (NIL)	Nil (Nil)
Advance Given	Associate Concerns	Nil. (NIL)	100 (NIL)	NIL (NIL)	100 (Nil)

Note: 1) Related parties are identified by the company and relied upon by the auditor.

2) Figures in bracket pertains to the previous year.

36 - Financial Instruments – Fair Values And Risk Management

A The carrying value of financial instruments by categories are as follows:

Amount in Rs.

Financial Assets :	Refer Note	31st March, 2018		31st March, 2017		01st April, 2016	
		Cost / Amortised Cost	FVTOCI	Cost / Amortised Cost	FVTOCI	Cost / Amortised Cost	FVTOCI
Investments in Equity Instruments							
Quoted Investments		-	-	-	-	-	-
Unquoted Investments	4	-	3,00,00,000	-	3,00,00,000	-	3,00,00,000
		(Level 3: See note below)					
Cash & Cash Equivalents							
Cash & Bank	11	14,51,463	-	72,14,305	-	58,56,180	-
Bank balances other than cash and cash equivalents	6 & 13	4,08,663	-	3,74,258	-	3,50,978	-
Trade Receivables	10	30,31,56,663	-	58,13,22,277	-	58,90,48,386	-
Loans and advances	5 & 12	83,33,910	-	1,94,18,464	-	5,47,02,833	-
Other Financial Assets							

Note : The Fair value of Investments in unquoted equity shares of Varaha Infrastructure Limited has been considered at cost since there are range of fair values estimates and hence it is not possible to arrive at a correct fair value

Amount in Rs.

Financial Liabilities :	Refer Note	31st March, 2018		31st March, 2017		01st April, 2016	
		Cost / Amortised Cost	FVTOCI	Cost / Amortised Cost	FVTOCI	Cost / Amortised Cost	FVTOCI
Borrowings							
Long term Borrowings	17	27,80,07,164	-	27,57,21,766	-	21,43,64,148	-
Short Term Borrowings	22	15,35,41,378	-	7,68,03,785	-	20,75,22,127	-
Trade Payables	21	5,14,40,404	-	5,61,17,200	-	7,54,88,486	-
Other Financial Liabilites	18 & 22	22,72,357	-	29,55,420	-	92,35,629	-

8. **Fair Value Hierarchy**

The following table shows the details of financial assets and financial liabilities including their levels in the fair value hierarchy

Financial assets and liabilities measured at fair value

Particulars	31st March, 2018			31st March, 2017			01st April, 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Investment in Jointly Owned Entity									
Quoted Investments	-	-	-	-	-	-	-	-	-
Unquoted Investments	-	-	-	-	-	-	-	-	-
Investments in Equity Instruments	-	-		-	-	-	-	-	-
Quoted Investments	-	-		-	-	-	-	-	-
Unquoted Investments	-	-	3,00,00,000	-	-	3,00,00,000	-	-	3,00,00,000
Cash & Cash Equivalents	-	-		-	-		-	-	
Cash & Bank	-	-	14,51,463	-	-	72,14,305	-	-	58,56,180
Bank balances other than cash and cash equivalents	-	-	4,08,663	-	-	3,74,258	-	-	3,50,978
Trade Receivables	-	-	30,31,56,663	-	-	58,13,22,277	-	-	58,90,48,386
Loans and advances	-	-	83,33,910	-	-	58,13,22,277	-	-	58,90,48,386
Other Financial Assets	-	-	-	-	-	-	-	-	-

Particulars	31st March, 2018			31st March, 2017			01st April, 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Borrowings									
Long term Borrowings	-	-	27,80,07,164	-	-	27,57,21,766	-	-	21,43,64,148
Short Term Borrowings	-	-	15,35,41,378	-	-	7,68,03,785	-	-	20,75,22,127
Trade Payables	-	-	5,14,40,404	-	-	5,61,17,200	-	-	7,54,88,486
Other Financial Liabilites	-	-	22,72,357	-	-	29,55,420	-	-	92,35,629

Level 1: Level 1 hierarchy includes financial instruments valued using market quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. Mutual funds are valued using the closing NAV.

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

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

In respect of Financial Assets at amortised cost, the carrying value approximates fair value.

In respect of Financial Liabilities at amortised cost, the carrying value approximates fair value.

C **Financial Instruments : Financial Risk Management**

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

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

Risk management framework

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

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

i. **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in bank deposits.

The carrying amount of the financial assets which represents the maximum credit exposure is as follows:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is almost negligible in case of its residential sale and lease rental business as the same is due to the fact that in case of its residential sell business it does not handover possession till entire outstanding is received. Similarly in case of lease rental business, the Company keep 3 to 12 months rental as deposit from the occupants.

No impairment is observed on the carrying value of trade receivable.

Investment in debt securities

The Company has investment only in redeemable optionally convertible debentures and the settlement of such instruments is linked to the completion of the respective underlying projects. No impairment has been recognised on such investments till date.

Cash and cash equivalents

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Investment committee comprising of Mr. Sanjay Kedia (Chairperson), Mr. Arun Kedia (Non-Independent Director), and Mr. Santosh Ginoria (Independent Directors) on an annual basis, and may be updated throughout the year subject to approval of the Investment Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

ii. **Liquidity risk**

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

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans, debentures and inter-corporate loans.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company's has access to a sufficient variety of sources of funding.

Exposure to liquidity risk

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

31st March, 2018	Contractual Cash Flows				
	Carrying Amount	Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings :					
Long term Borrowings	36,85,45,758	9,05,38,594	3,52,15,112	9,06,45,337	15,21,46,714
Trade Payables	5,04,34,666	5,04,34,666	-	-	-
Other Financial Liabilities	6,30,91,169	6,30,91,169	-	-	-

31st March, 2017	Contractual Cash Flows				
	Carrying Amount	Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings :					
Long term Borrowings	34,91,84,130	7,34,62,365	2,44,47,868	7,33,43,603	17,79,30,295
Trade Payables	5,51,64,854	5,51,64,854	-	-	-
Other Financial Liabilities	34,20,154	34,20,154	-	-	-

01st April, 2016	Contractual Cash Flows				
	Carrying Amount	Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings :					
Long term Borrowings	41,92,76,581	20,49,12,433	2,39,58,763	7,18,76,289	11,85,29,096
Trade Payables	7,45,07,956	7,45,07,956	-	-	-
Other Financial Liabilities	92,79,707	92,79,707	-	-	-

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. We are exposed to market risk primarily related to interest rate risk and the market value of certain commodities. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities. The objective of market risk management is to avoid excessive exposure in our revenues and costs.

Interest rate risk

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

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Floating rate Borrowings	36,35,45,758	34,21,84,130	40,11,66,670

Fair value sensitivity analysis for floating-rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings , is as follws:

31st March, 2018	Increase / decrease in basis points	Effect on profit before tax
INR- Increase	100	36,35,458
INR- Decrease	100	(36,35,458)
31st March, 2017		
INR- Increase	100	34,21,841
INR- Decrease	100	(34,21,841)
01st April, 2016		
INR- Increase	100	40,11,667
INR- Decrease	100	(40,11,667)

D Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Company is not subject to any externally imposed minimum shareholding capital requirements.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, 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 and non interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations.

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

Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Total Liabilities *	36,88,15,758	34,96,70,130	41,93,27,475
Less: Cash and cash equivalents	14,51,463	72,14,305	58,56,180
Adjusted net debt	36,73,64,295	34,24,55,825	41,34,71,295
Total equity	71,52,54,504	70,32,73,283	70,01,75,068
Adjusted equity	71,52,54,504	70,32,73,283	70,01,75,068
Adjsuted net debt to adjusted equity ratio	0.51	0.49	0.59

* Total Liabilities = non-current borrowings + current borrowings + current maturities of non - Current borrowings + Interest accured

37 Statement of Net Assets and Profit or Loss attributable to owners and Minority Interest

Name of the entity	% of voting Power	Net Assets i.e, total assets minus total liabilities		Share in profit or loss	
		% of Consolidated net assets	Amount	% of Consolidated Profit or Loss	Amount
Garnet Construction Limited	-	99.75%	71,34,42,317	101.66%	1,21,80,093
Callista Realty Limited	50%	0.25%	18,12,187	-1.66%	(1,98,872)
Total		100.00%	71,52,54,504	100.00%	1,19,81,221
Less: Minority Interest					
Callista Realty Limited			10,31,243		(99,436)
consolidated Net Assets			71,42,23,261		
consolidated Profit After Tax					1,20,80,657

38 - Retirement Benefit Obligation

Retirement Benefits

As per Ind AS 19 the Company has recognized " Employees Benefits" in the finacial statements in respect of Employee Benefits Schemes as per Acturial Valuation

A) Defined Benefit Plans

The Gratuity fund is maintained with the LIC of India under Group Gratuity Scheme Valuation in respect of Gratuity have been carried out by indepndent actuary, as at the Balance Sheet date, based on the following assumptions and sensitivity

Particulars		GRATUITY	
	31.03.18	31.03.17	01.04.16
Discount Rate (per annum)	7.60%	7.15%	7.70%
Expected rate of return of plan assets	0.00%	0.00%	0.00%
Rate of salary increase	7.00%	7.00%	7.00%
Rate of employee turnover	10.00%	10.00%	10.00%

I) Change in Defined Benefit Obligation (DBO)

Particulars	GRATUITY		
	31.03.18	31.03.17	01.04.16
Opening Balance of Present Value of Obligation	8,04,079	4,96,577	-
Interest cost	46,494	32,835	-
Current Service Cost	1,31,093	82,754	4,96,577
Liabilities transfer in/Acquisitions			
Past Service Cost	43,297	-	-
Benefit Paid			
Actuarial (Gain) / Losses on Obligation -Due to change in Financial Assumptions	(32,336)	29,096	-
Actuarial (Gain) / Losses on Obligation -Due to Experience	(24,160)	1,62,817	-
Closing Balance of Present Value of Obligation	**9,68,467**	**8,04,079**	**4,96,577**

II) Change in the Fair Value of Plan Assets

Particulars	GRATUITY		
	31.03.18	31.03.17	01.04.16
Opening Balance of Present Value of plan assets	-	-	-
Interest Income	-	-	-
Contribution by Employer	-	-	-
Assets tranfer in/Acquisitions	-	-	-
Benefit Paid (-)	-	-	-
Expected Return of Plan Assets	-	-	-
Fair Value of Plan Assets as at 31st March	-	-	-

III) Net Assets/(Liability) recognised in Balance Sheet

Particulars	GRATUITY		
	31.03.18	31.03.17	01.04.16
Present value of Funded Obligation	9,68,467	8,04,079	4,96,577
Fair Value of Plan Assets	-	-	
Assets/(Liability) recognized in the Balance Sheet	**(9,68,467)**	**(8,04,079)**	**(4,96,577)**

IV) Expenses Recognised in Statement of Profit & Loss Account

Particulars	GRATUITY		
	31.03.18	31.03.17	01.04.16
Current Service Cost	1,31,093	82,754	4,96,577
Net Interest cost	46,494	32,835	-
Actuarial (Gain)/Loss	43,297	-	-
Total Expenses/(Gain) recognized in the Profit & Loss Account	**2,20,884**	**1,15,589**	**4,96,577**

V) Expenses Recognised in Other Comprehensive Income (OCI)

Particulars	GRATUITY		
	31.03.18	31.03.17	01.04.16
Acturial (Gain) / Losses on obligation for the year	(56,496)	1,91,913	-
Return on plan assets excluding interest income	-	-	-
Net (Income) Expenses for the year Recognised in OCI	**(56,496)**	**1,91,913**	-

VI) Balance Sheet Reconciliation

Particulars	GRATUITY		
	31.03.18	31.03.17	01.04.16
Opening Net Liability	8,04,079	4,96,577	-
Expenses Recongnized in statement of Profit & Loss Account	2,20,884	1,15,589	4,96,577
Expenses Recongnized in OCI	(56,496)	1,91,913	-
Employer's Contribution	-	-	
Net Liability/ (Asset) Recognized in the Balance Sheet	**9,68,467**	**8,04,079**	**4,96,577**

Gratuity - Sensitivity Analysis :

The sensitivity of the defined benefit obligation to change in the weighted principal assumptions is :

Particulars	31.03.18		31.03.17	
	Increase	Decrease	Increase	Decrease
Change in Discounting rate (delta effect of +/- 0.5%)	9,35,296	10,04,552	7,77,522	8,32,911
Change in rate of Salary increase Rate (delta effect of +/- 0.5%)	9,99,990	9,38,830	8,21,591	7,84,929
Change in rate of Employee Turnover (delta effect of +/- 10%)	9,72,046	9,64,365	8,07,356	8,00,169

39- Payments to Auditors

Particulars	31st March 2018	31st March 2017
As auditor		
Audit fee	3,25,000	3,00,000
Tax audit fee	50,000	50,000
In other capacity	3,85,725	4,18,000
Total	**7,60,725**	**7,68,000**

40- Contingent Liabilities, Capital Commitments And Other Commitments

Refer note no 2.n for accouting policy on Contingent Liabilities

Particulars	31st March 2018	31st March 2017	1st April 2016
Contingent Liabilities Claims against the Company not acknowledge as debts *	-	-	-
Commitments Advance against Property	2,85,83,234	2,34,13,234	2,26,81,534

* Interest and claims by customers/ suppliers may be payable as and when the outcom of the related matters are finally determined and hence not been included above. Management based on legal advice and historical trends, belives that no material liability will devolve on the company in respect of these matters.

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with the various forums/authorities.

41- The Company has identified real estate as the only operating segment in terms of Ind AS 108 which is also reviewed by Board of Directors who are considered Chief Operating Decision Maker (CODM). Since the entire operations of the Company are in India, there are no geographical segments . There is no single customer to whom sales are in excess of 10% of the total revenue.

42- Leases

The lease expenses for cancellable and non-cancellable operating leases was Rs. 57,00,000/- (Rs. 57,00,000/-) for the year ended 31st March, 2018.

There is no future minimum lease payments under non-cancellable operating lease.

43- First Time Adoption Of IND AS

These are the Company's first Consolidated financial statements prepared in accordance with Ind AS. The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Generally Accepted Accounting Principles in India (Indian GAAP) as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the "Previous GAAP".

The Significant Accounting Policies set out in Note No. 1 have been applied in preparing the financial statements for the year ended 31st March 2018, 31st March 2017 and the opening Ind AS balance sheet on the date of transition i.e. 1st April 2016. In preparing its Ind AS Balance Sheet as at 1st April 2016 and in presenting the comparative information for the year ended 31st March 2017, the Group has adjusted amounts previously reported in the financial statements prepared in accordance with Previous GAAP. This note explains the principal adjustments made by the Group in restating its Consolidated financial statements prepared in accordance with Previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

I. Explanation of transition to Ind AS

In preparing the Consolidated financial statement, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

Estimates

Estimates in accordance with Ind AS at the transition date will be consistent with estimates made for the same date in accordance with IGAAP (after adjustments to reflect any difference in Accounting Policies) unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with IGAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under IGAAP:

1. Investment in equity instruments carried at FVPL or FVOCI;
2. Impairment of financial assets based on expected credit loss model.

Property, Plant and Equipment; exemption

The Company has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2016).

Investment in equity shares other than Subsidiaries, Joint Ventures and Associates

Fair Value through Other Comprehensive Income based on facts and circumstances at the date of transition to Ind AS (1st April 2016).

Investments in Subsidiaries and Joint Ventures

The Company has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its investments in joint ventures as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2016).

De-recognition of financial assets and financial liabilities

The Company has elected to use the exemption for derecognition of financial assets and liabilities prospectively i.e. after 1st April 2016

Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortized cost has been done retrospectively except where the same is impracticable.

I. Reconciliation of Equity as on 31st March 2017 and 1st April 2016

Particulars	31st March, 2017	1st April, 2016
Total Equity (Shareholder's funds) as per Previous GAAP	**68,57,14,928**	**67,23,69,106**
Adjustments:		
Impact on accounts of change in measurement of	71,39,992	1,40,48,267
Other miscellaneous adjustments	(10,31,834)	(6,37,232)
Tax impact of above adjustments	1,14,50,198	1,43,94,928
Total adjustments	**1,75,58,356**	**2,78,05,963**
Total Equity as per Ind AS	**70,32,73,283**	**70,01,75,068**

II. Reconciliation of Profit and Loss for the year ended 31st March 2017

Particulars	2016-17
Profit and Loss as per Previous GAAP	1,34,22,003
Increase in Sales due to proportionate completion method	2,89,02,831
Decrease in Inventory	(3,58,11,106)
Increase in Employee benefit expenses	(1,15,589)
Increase in MAT Utilisation	(29,44,730)
Deferred Tax	(1,41,459)
Other Comprehensive Income	(1,37,554)
Profit and Loss as per IND AS	31,74,396

Notes to Reconciliation of Equity and Profit and Loss

1 Under previous GAAP, the Group used to account for the revenue from real estate under the Completed Contract Method. However the Group is now requried to account for the same under Proportionate Completion Method as per the Guidance Note on Accounting for Real Estate Transactions.

2 **Remeasurement of defined benefit liabilities**
Under previous GAAP, the Group recognised remeasurement of defined benefit plans under Statement of profit and loss. Under Ind AS, remeasurement of defined benefit plans are recognised in Other Comprehensive Income.

44- Previous year figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current year's classification.

As Per our report of even date
For Shankarlal Jain & Associates LLP
Chartered Accountants
Firm Reg. No.109901W/W100082

Satish Jain
Partner
M. No. 048874
Place : Mumbai
Date : 30th May, 2018

For and on behalf of the Board of Directors

Kishan Kumar Kedia
Chairman & Managing Director

Arun Kedia
Marketing Director

Sanjay Kumar Kedia
Finance Director

Falguni Padiya
Chief Financial Officer

Pavan Gupta
Company Secretary

CIN: L45200MH1992PLC069044

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

26th Annual General Meeting on 29th September, 2018

Full name of the members attending _____
(In block capitals)

Ledger Folio No./Client ID No. _____

No. of shares held: _____

Name of Proxy _____
(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 26th Annual General Meeting of the Garnet Construction Limited, Ashish –1 Banquet, Land Mark Building, Link Road, Mid Chowky, Malad (West), Mumbai - 400 064, on Saturday, the 29th September, 2018.

(Member's /Proxy's Signature)

Note:

1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.

2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.

3) A Proxy need not be a member of the Company.

4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.

5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

Form No. MGT-11
Proxy form
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID

I/We, being the member(s) of _____ shares of the above named company. Hereby appoint

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the company, to be held on the 29th day of September, 2018 at 10 a.m. at Ashish -1 Banquet, Land Mark Building, Link Road, Mid Chowky, Malad (West), Mumbai - 400 064 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	Adoption of the Audited Standalone / Consolidated Financial Statement for the financial year ended March 31, 2018 along with the reports of the Directors and Auditors thereon		
2.	To re-appoint Mr. Arun Kedia, Director Marketing who retire by rotation and being eligible for reappointment.		
3.	Appointment of M/s M M Jhunjhunwala & Associates, Chartered Accountants as the Statutory Auditor		
4.	Related Party Transaction		
5.	Special Resolution for Mr. Shiromani Chauhan to continue with company as Non Executive Independent Director		

* Applicable for investors holding shares in Electronic form.

Signed this _____day of _____20____

Affix Revenue

Signature of Shareholder Signature of Proxy holder Signature of the shareholder across Revenue Stamp

Note:
1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2) The proxy need not be a member of the company.