



May 10, 2018

To,  
**BSE Limited**  
Listing Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400 001,

**Script Code: 503349**

**SUBJECT: DISCREPANCIES IN THE FINANCIAL RESULTS OF THE  
COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018**

**Dear Sir,**

With reference to your email dated May 09, 2018 with respect to subject captioned above please find enclosed herewith following document-

1. Declaration or Statement of Impact of Audit Qualifications - for Standalone Financial Statement and for Consolidated Financial Statement.

Kindly take above information in your record.

Thanking You,

Yours faithfully,

For The Victoria Mills Ltd

  
Nikunj Kanabar  
Company Secretary



**The Victoria Mills Limited**

Registered Office: Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai - 400 013.  
Phone: +91-22-2497 1192/93 Fax: +91-22-2497 1194 Email : vicmill@vsnl.com / vicmill2013@gmail.com  
Website : www.victoriamills.in CIN : L17110MH1913PLC000357



May 10, 2018

To,  
**BSE Limited**  
Listing Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400 001,

**Script Code: 503349**

**Subject: Declaration of Impact of Audit Qualification by the Listed Entities under Regulation 33 of SEBI (LODR), Regulations 2015.**

We respect to above we hereby confirm that M/s. Vasani & Thakkar, Statutory Auditors of the Company, have provided un-qualified audit opinion on the Standalone financial statement and Consolidated Financial statement of the Company for the year ended March 31, 2018.

Kindly take the same on record and oblige.

Thanking You,

Yours faithfully,

For The Victoria Mills Ltd

*N. M. Kanabar*

Nikunj Kanabar  
Company Secretary



## **The Victoria Mills Limited**

Registered Office: Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai - 400 013.  
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May 02, 2018

To,  
**BSE Limited**  
Listing Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400 001

**Script Code: 503349**

**Subject: Audited Standalone and Consolidated Financial Results for the Financial Year Ended March 31, 2018**

Dear Sir(s),

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please be informed that the Board of Directors of the Company has approved Audited Standalone and Consolidated Financial Results along with Auditors Report thereon for the Financial Year Ended March 31, 2018.

Copy of the said Financial Results of the Company for the Financial Year ended March 31, 2018 alongwith the Auditors Report and Form A (for Audit report with unmodified opinion) is enclosed herewith.

Kindly make note of the same.

Thanking You,

Yours faithfully,

For **The Victoria Mills Ltd**

Nikunj Kanabar  
Company Secretary



## **The Victoria Mills Limited**

Registered Office: Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai - 400 013.  
Phone: +91-22-2497 1192/93 Fax: +91-22-2497 1194 Email : vicmill@vsnl.com / vicmill2013@gmail.com  
Website : www.victoriamills.in CIN : L17110MH1913PLC000357

**THE VICTORIA MILLS LIMITED, MUMBAI**  
**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31.3.2018**

(Rs.in lacs)

Sr.No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended	12 months ended	12 months ended
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Audited	Unaudited	Audited	Audited	Audited
I)	Revenue from Operation	875.00	0.00	525.00	875.00	525.00
II)	Other Income	49.39	29.54	21.93	130.21	108.78
III)	<b>TOTAL REVENUE(I+II)</b>	<b>924.39</b>	<b>29.54</b>	<b>546.93</b>	<b>1005.21</b>	<b>633.78</b>
IV)	<b>EXPENSES</b>					
	Cost of materials consumed	711.03	0.00	392.74	711.03	392.74
	Purchases of stock-in-trade	685.80	28.86	232.76	428.48	386.25
	Changes in inventories of finished goods	(685.80)	(28.86)	(232.76)	(428.48)	(386.25)
	Stock in-Trade and work -in-progress					
	Employee benefits expense	17.99	17.37	29.75	70.06	73.54
	Finance Cost	0.00	0.00	0.00	0.00	0.00
	Depreciation and amortisation expenses	0.01	0.77	0.39	2.33	1.56
	Other Expenses	29.89	16.52	13.00	78.54	62.72
	<b>TOTAL EXPENSES (IV)</b>	<b>758.92</b>	<b>34.66</b>	<b>435.88</b>	<b>861.96</b>	<b>530.56</b>
V)	<b>Profit/(Loss) Before Exceptional items and Tax (III-IV)</b>	<b>165.47</b>	<b>(5.12)</b>	<b>111.05</b>	<b>143.25</b>	<b>103.22</b>
VI)	Exceptional items	0.00	0.00	0.00	0.00	0.00
VII)	<b>Profit /(Loss) Before Tax (V-VI)</b>	<b>165.47</b>	<b>(5.12)</b>	<b>111.05</b>	<b>143.25</b>	<b>103.22</b>
VIII)	Tax Expenses					
	(1) Current Tax	33.28	0.54	21.25	36.14	32.50
	(2) Deferred Tax					
IX)	<b>Profit /(Loss) for the period from Continuing operations ( VII-VIII)</b>	<b>132.19</b>	<b>(5.66)</b>	<b>89.80</b>	<b>107.11</b>	<b>70.72</b>
X)	Profit /(Loss) from Discontinuing operations	0.00	0.00	0.00	0.00	0.00

Sr.No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended	12 months ended	12 months ended
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Audited	Unaudited	Audited	Audited	Audited
XI)	Tax expenses of Discontinuing operations	0.00	0.00	0.00	0.00	0.00
XII)	Profit /(Loss) from Discontinuing operations (after tax) ( X-XI)	0.00	0.00	0.00	0.00	0.00
XIII)	Profit /(Loss) for the period (IX+XII)	132.19	(5.66)	89.80	107.11	70.72
XIV)	Other Comprehensive Income					
	A(i) Items that will not be reclassified to Profit or Loss	(337.44)	94.52	87.99	98.96	138.71
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss	-	-	-	-	-
	B(i) Items that will be reclassified to Profit or Loss	-	-	-	-	-
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss	-	-	-	-	-
XV)	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit/Loss and Other Comprehensive Income for the period)	(205.25)	88.86	177.79	206.07	209.43
XVI)	Earnings per equity share ( for Continuing operations);					
	(1) Basic	134.12	(5.74)	91.10	108.68	71.75
	(2) Diluted	134.12	(5.74)	91.10	108.68	71.75
XVII)	Earnings per equity share ( for Discontinued operations);					
	(1) Basic	-	-	-	-	-
	(2) Diluted	-	-	-	-	-
XVIII)	Earnings per equity share ( for Discontinued & Continuing operations);					
	(1) Basic	134.12	(5.74)	91.10	108.68	71.75
	(2) Diluted	134.12	(5.74)	91.10	108.68	71.75

**THE VICTORIA MILLS LTD MUMBAI**

**STANDALONE STATEMENT OF ASSETS & LIABILITIES**

	Notes No	As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016 Rupees
<b>I ASSETS</b>				
1) <b>Non-Current assets</b>				
a) Property, Plant and Equipment	1	4,453,197	2,542,885	2,699,234
b) Financial Assets				
i) Investments	2	152,037,521	113,555,856	151,199,670
c) Other non-current assets	3	3,192,259	3,336,485	5,281,425
<b>Total Non-Current assets</b>		<u>159,682,977</u>	<u>119,435,226</u>	<u>159,180,329</u>
2) <b>Current Assets</b>				
a) Inventories	4	130,548,215	173,396,577	134,771,630
b) Financial Assets				
i) Investments	5	93,827,318	75,540,645	51,460,680
ii) Trade Receivable	6	-	-	-
iii) Cash and cash equivalents	7	3,311,451	2,413,591	3,236,627
iv) Loans	8	9,000,000	8,000,000	6,500,000
c) Other Current Assets	9	1,029,267	947,763	2,864,839
<b>Total Current assets</b>		<u>237,716,251</u>	<u>260,298,576</u>	<u>198,833,776</u>
<b>TOTAL- ASSETS</b>		<u><u>397,399,229</u></u>	<u><u>379,733,802</u></u>	<u><u>358,014,105</u></u>
<b>II EQUITY AND LIABILITIES</b>				
1) <b>Equity</b>				
a) Equity Share Capital	10	9,856,000	9,856,000	9,856,000
b) Other Equity	11	362,785,221	348,108,599	327,165,666
<b>Total Equity</b>		<u>372,641,221</u>	<u>357,964,599</u>	<u>337,021,666</u>
2) <b>Liabilities</b>				
<b>Non-current Liabilities</b>				
a) Provisions	12	5,997,520	5,490,325	6,506,708
b) Deferred Tax Liabilities (Net)	13	75,000	75,000	75,000
c) Other Non current liabilities	14	2,018,768	2,018,768	2,018,768
		<u>8,091,288</u>	<u>7,584,093</u>	<u>8,600,476</u>
3) <b>Current Liabilities</b>				
a) Financial Liabilities				
i) Other financial liabilities	15	15,686,422	11,810,154	12,391,963
c) Provisions	16	980,298	2,374,956	-
		<u>16,666,720</u>	<u>14,185,110</u>	<u>12,391,963</u>
<b>TOTAL-EQUITY AND LIABILITIES</b>		<u><u>397,399,229</u></u>	<u><u>379,733,802</u></u>	<u><u>358,014,105</u></u>

**NOTES**

- 1 The above results were reviewed by the Audit Committee and thereafter taken on record by the Board of Directors at its meeting held on 2nd May 2018.
- 2 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rule, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning 1st April, 2017, the company has adopted IND AS.
- 3 The reconciliation of net profit reported for quarter ended 31st March, 2017 in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Particulars	Rs.
Net Profit / loss as per previous GAPP (Indian)	70.72
Other Comprehensive Income (Difference between fair value of Investment and cost of Investment and remeasurement of defined benefit obligation)	138.71
Total Comprehensive income (Profit/loss)	209.43

- 4 Reconciliation of Equity as previously reported under erstwhile Indian GAAP and as per Ind AS is summarised below:

Particulars	31.3.2017 Rs.
As reported under previous GAAP	31,78,99,676
Adjusted Equity:-	
Changes in fair value of investments	3,02,08,923
Equity under Ind AS	34,81,08,599

- 5 Since the Company's business activities primarily falls within a single business and geographical segment no additional disclosure is to be provided.
- 6 The figures for the quarter ended March 31,2018 & March 31 2017 are the balancing figures between audited figures in respect of full financial year and unaudited published year to date figures upto the third quarter December 31, 2017 & December 31, 2016 respectively.
- 7 Figures of the previous periods/year have been regrouped /reclassified wherever necessary.
- 8 Board of Directors has recommended a Dividened of Rs 50/- per equity share for the year ended March 31,2018.

Date: 2.05.2018  
Place: Mumbai

FOR THE VICTORIA MILLS LTD.,

(ADITYA MANGALDAS)  
MANAGING DIRECTOR

(A. S. BENGALI)  
CHIEF FINANCIAL OFFICER

**FORM A**

**Covering letter of the Annual Audit Report**

1	Name of the Company	The Victoria Mills Ltd.
2.	Annual financial statements for the year ended	31 <sup>st</sup> March 2018
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Since Audit Report of 31.3.2009
5.	To be signed by-	
	Managing Director	<p style="text-align: center;">Sd/- ..... Aditya Mangaldas Managing Director (DIN No.00032233)</p>
	CFO	<p style="text-align: center;">Sd/- ..... Asgar S. Bengali CFO</p>
	Auditor of the Company	<p>For M/s. Vasani &amp; Thakkar Chartered Accountants Firm Regn. No. 111296W</p> <p style="text-align: center;">Sd/- ..... CA R. N. Vasani Partner (Membership No. 12217)</p>
	Audit Committee Chairperson	<p style="text-align: center;">Sd/- ..... Gargi Mashruwala (DIN No.00032543 ) Chairperson Audit Committee Chairperson</p>



Partners :

**R. N. Vasani**

**B. T. Thakkar**

**V. H. Vasani**

**Vasani & Thakkar (Regd.)**  
**Chartered Accountants**

3, Radha Apartments, Teli Galli, Andheri (East), Mumbai - 400 069.

Tel.: (+91 22) 2683 6439 / 2682 3359

e-mail : vnt@vasanithakkarca.com, vasani.thakkar@gmail.com

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of THE VICTORIA MILLS LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **THE VICTORIA MILLS LIMITED** ('the Company'), which comprises Balance Sheet as at 31<sup>st</sup> 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 significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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. This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 financial Statements that give a true and fair view and are free from materials misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. 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 financial statements are free from material misstatement.

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act of the state of affairs of the Company (financial position) as at 31<sup>st</sup> March 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### **Other Matter**

The comparative financial information for the year ended 31<sup>st</sup> March, 2017 and the transition date opening balance sheet as at 1<sup>st</sup> April 2016 prepared in accordance with Ind AS and included in these standalone financial statements, are based on the previously issued statutory financial statements for the year ended 31<sup>st</sup> March 2017 and 31<sup>st</sup> March 2016, respectively, prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), which were audited by the previous auditors, whose reports dated 5<sup>th</sup> May 2017 and 24<sup>th</sup> May 2016, respectively, expressed unmodified opinion on those standalone financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

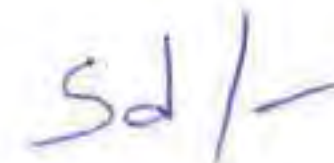
### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143 (11) of the Act, we enclose in the Annexure A, a statement on matters specified in paragraph 3 & 4 of the said order.

2. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 stand alone financial statements dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;
  - e) In our opinion, there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company
  - f) On the basis of the written representations received from the directors as on 31<sup>st</sup> Mar 2018 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2018 from being appointed as a directors in terms of section 164(2) of the Act.
  - g) We have also audited the internal financial controls over financial reporting of the Company as on 31<sup>st</sup> March 2018, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 02<sup>nd</sup> May 2018 as per Annexure B expressed unmodified opinion;
  - h) 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. As informed to us the Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Mumbai  
Date : 02<sup>nd</sup> May, 2018

For VASANI & THAKKAR  
CHARTERED ACCOUNTANTS  
FRN: 111296W



R. N. Vasani  
(Partner)  
Membership No. 012217

Partners :

**R. N. Vasani**

**B. T. Thakkar**

**V. H. Vasani**

**Vasani & Thakkar (Regd.)**  
**Chartered Accountants**

3, Radha Apartments, Teli Galli, Andheri (East), Mumbai - 400 069.

Tel.: (+91 22) 2683 6439 / 2682 3359

e-mail : vnt@vasanithakkarca.com, vasani.thakkar@gmail.com

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

(Referred to in paragraph 1 under the section 'Report on Other Legal and Regulatory Requirements' of our report of even date)

**Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of THE VICTORIA MILLS LIMITED ('the Company') on the standalone financial statements for the year ended 31<sup>st</sup> March, 2018, we report that:**

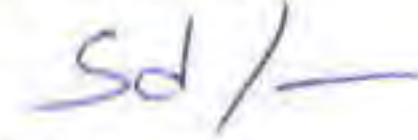
- i. In respect of the Company's fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) Major part of fixed assets has been physically verified by the management at reasonable intervals; In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - c) The Company has sufficient evidence that it is the owner of the immovable property since 1937.
- ii. Inventory of the Company comprises of work in progress of Real Estate Development, which comprises of purchase of land and direct expenses on the project. Due to reasons stated above there is no question of physical verification and discrepancies notices on such verification.
- iii. The Company has granted a demand loan to the wholly owned subsidiary at the rate of 9% on the outstanding balance. In respect of the said loan, the maximum balance outstanding at anytime during the year is Rs.90,00,000/- and the yearend balance is Rs. 90,00,000/-. The Company has recovered the entire interest on the loan amounting to Rs. 7,55,185/-.
- iv. The company has neither given any loans, guarantees, and security as mentioned in section 185 nor has made any investment as mentioned in section 186.
- v. The company has not accepted any deposit from the public.
- vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- vii. According to the information and explanation given to us and on the basis of our examination of records in respect of statutory dues:
  - a) The company is regular in depositing undisputed statutory dues including income tax, sales tax, service tax, GST, profession tax and other material statutory dues applicable to it.

- b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Service Tax, Cess and other material statutory dues in arrears /were outstanding as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they became payable.
- viii. The Company has not taken any loan from banks, financial institutions, Government or debenture holder.
- ix. The company has not raised moneys by initial public offer or further public offer (including debt instrument) or term loans during the year. Accordingly paragraph 3(ix) of the order is not applicable
- x. Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The company is not a Nidhi Company hence this clause is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the company has complied with the section 177 and 188 of the Act in respect of related party transactions, where applicable and details have been disclosed in the standalone financial statements based on applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence reporting under paragraph 3(xiv) is not applicable.
- xv. In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, reporting under paragraph 3(xv) is not applicable.

xvi. According to the information and explanations given to us and based on our examination of the records of the company, The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Mumbai  
Date: 02<sup>nd</sup> May, 2018

For VASANI & THAKKAR  
CHARTERED ACCOUNTANTS  
FRN: 111296W



R. N. Vasani  
(Partner)  
Membership No. 012217

Partners :

**R. N. Vasani**

**B. T. Thakkar**

**V. H. Vasani**

**Vasani & Thakkar (Regd.)  
Chartered Accountants**

3, Radha Apartments, Teli Galli, Andheri (East), Mumbai - 400 069.

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

### **Report on 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 The Victoria Mills Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the 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 Act.

#### **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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 ICAI.

Place: Mumbai  
Date: 02<sup>nd</sup> May, 2018

For VASANI & THAKKAR  
CHARTERED ACCOUNTANTS  
FRN: 111296W



R. N. Vasani  
(Partner)  
Membership No. 012217



**THE VICTORIA MILLS LTD**

One Hundred Fifth Annual Report 2017-2018

**BALANCE SHEET AS AT 31ST MARCH 2018**

	Notes No	As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016 Rupees
<b>I ASSETS</b>				
<b>1) Non-Current assets</b>				
a) Property, Plant and Equipment	1	44,53,197	25,42,885	26,99,234
<b>b) Financial Assets</b>				
i) Investments	2	15,20,37,521	11,35,55,856	15,11,99,670
c) Other non-current assets	3	31,92,259	33,36,485	52,81,425
<b>Total Non-Current assets</b>		<b>15,96,82,977</b>	<b>11,94,35,226</b>	<b>15,91,80,329</b>
<b>2) Current Assets</b>				
a) Inventories	4	13,05,48,215	17,33,96,577	13,47,71,630
<b>b) Financial Assets</b>				
i) Investments	5	9,38,27,318	7,55,40,645	5,14,60,680
ii) Trade Receivable	6	-	-	-
iii) Cash and cash equivalents	7	33,11,451	24,13,591	32,36,627
iv) Loans	8	90,00,000	80,00,000	65,00,000
c) Other Current Assets	9	10,29,267	9,47,763	28,64,839
<b>Total Current assets</b>		<b>23,77,16,251</b>	<b>26,02,98,576</b>	<b>19,88,33,776</b>
<b>TOTAL</b>		<b>39,73,99,229</b>	<b>37,97,33,802</b>	<b>35,80,14,105</b>
<b>II EQUITY AND LIABILITIES</b>				
<b>1) Equity</b>				
a) Equity Share Capital	10	98,56,000	98,56,000	98,56,000
b) Other Equity	11	36,27,85,221	34,81,08,599	32,71,65,666
<b>Total Equity</b>		<b>37,26,41,221</b>	<b>35,79,64,599</b>	<b>33,70,21,666</b>
<b>2) Liabilities</b>				
<b>Non-current Liabilities</b>				
a) Provisions	12	59,97,520	54,90,325	65,06,708
b) Deferred Tax Liabilities (Net)	13	75,000	75,000	75,000
c) Other Non current liabilities	14	20,18,768	20,18,768	20,18,768
		<b>80,91,288</b>	<b>75,84,093</b>	<b>86,00,476</b>
<b>3) Current Liabilities</b>				
<b>a) Financial Liabilities</b>				
i) Other financial liabilities	15	1,56,86,422	1,18,10,154	1,23,91,963
c) Provisions	16	9,80,298	23,74,956	-
		<b>1,66,66,720</b>	<b>1,41,85,110</b>	<b>1,23,91,963</b>
<b>TOTAL</b>		<b>39,73,99,229</b>	<b>37,97,33,802</b>	<b>35,80,14,105</b>
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	A-C			

As per our report of even date  
For Vasani & Thakkar  
Chartered Accountants  
Firm Registration No 111296W

Sd/-

R. N. Vasani  
Partner  
Membership No 12217

For The Victoria Mills Ltd

Sd/-

A. S. BENGALI  
Chief Financial officer

For The Victoria Mills Ltd

Sd/-

Nikunj Kanabar  
Company Secretary

Mumbai  
Dated: 2nd May 2018

Chairman

Sd/-  
R. K. Shah  
DIN NO 07111006

Managing Director

Sd/-  
ADITYA MANGALDAS  
DIN NO 00032233

Directors 1

Sd/-  
S.G.VAIDYA  
DIN NO 00220956

Directors 2

Sd/-  
MAMTA MANGALDAS  
DIN NO 00021078

Directors 3

Sd/-  
GARGI MASHRUWALA  
DIN NO 00032543

**THE VICTORIA MILLS LTD**

One Hundred Fifth Annual Report 2017-2018


**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2018**

	Notes No	2017-2018 Rupees	2016-2017 Rupees
I)Revenue from Operations	17	8,75,00,000	5,25,00,000
II)Other Income	18	1,30,21,673	1,08,77,765
III)TOTAL REVENUE(I+II)		<u>10,05,21,673</u>	<u>6,33,77,765</u>
<b>IV)EXPENSES</b>			
Cost of Materials Consumed		7,11,02,769	3,92,73,877
Purchases of Stocks-in-Trade		4,28,48,363	3,86,24,948
Changes in Inventories of Finished Goods			
Stock in trade & Work in Progress		(4,28,48,363)	(3,86,24,948)
Employee Benefits Expenses	19	70,06,037	73,54,547
Depreciation and Amortization Expenses		2,32,652	1,56,349
Other Expenses	20	78,54,927	62,71,467
<b>TOTAL EXPENSES</b>		<u>8,61,96,385</u>	<u>5,30,56,240</u>
V) Profit before tax (III-IV)		1,43,25,288	1,03,21,525
VI) Tax Expenses			
(1) Current Tax		(40,00,000)	(32,50,000)
(2)Deferred Tax		-	-
(3)Tax liability earlier period		3,86,108	
VII) Profit for the period (V-VI)		<u>1,07,11,396</u>	<u>70,71,525</u>
VIII) Other Comprehensive Income			
Items that will not bereclassified to profit or loss			
Remeasurement of defined benefit obligation		(4,86,214)	(12,33,573)
Change in fair value of equity instruments designated as Fair Value Through Other Comprehensive Income (net)		1,03,82,664	1,51,04,979
Total other comprehensive income for the year		<u>98,96,450</u>	<u>1,38,71,406</u>
VIII) Earnings per equity share:			
(1) Basic		108.68	71.75
(2) Diluted		108.68	71.75

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

A-C

As per our report annexed herewith  
For Vasani & Thakkar  
Chartered Accountants  
Firm Registration No 111296W

  
R. N. Vasani,  
Partner  
Membership No 12217

For The Victoria Mills Ltd

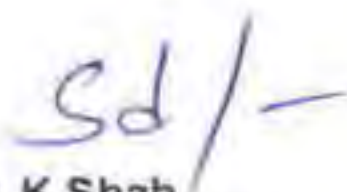
  
A. S. BENGALI  
Chief Financial officer

For The Victoria Mills Ltd

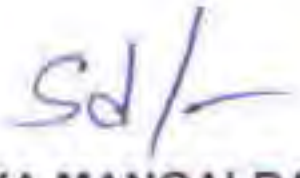
  
Nikunj Kanabar  
Company Secretary

Mumbai  
Dated: 2nd May 2018

Chairman

  
R. K. Shah  
DIN NO 07111006

Managing Directors

  
ADITYA MANGALDAS  
DIN NO 00032233

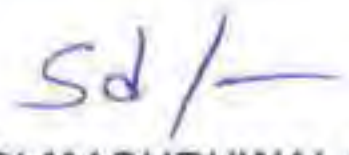
Directors 1

  
S.G. VAIDYA  
DIN NO 00220956

Directors 2

  
MAMTA MANGALDAS  
DIN NO 00021078

Directors 3

  
GARGI MASHRUWALA  
DIN NO 00032543

THE VICTORIA MILLS LTD

One Hundred Fifth Annual Report 2017-2018

NOTES ANNEXED TO & FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2018

NOTE 1: PROPERTY, PLANT & EQUIPMENT

Sr. No.	Description	(Amt in Rs)									
		Gross Block on 1.4.2017	Addition	Deductions	Gross Block on 31.3.2018	Total Depr. upto 1.4.2017	Curr. Year Depr.	Depr Wr Back	Total Depr. upto 31.3.2018	Net Block on 31.3.2018	Net Block on 31.3.2017
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1	Land	118	-	-	118	-	-	-	118	118	
2	Building	39,10,831	-	-	39,10,831	15,11,351	45,915	15,57,266	23,53,565	23,99,480	
3	Plant & Machinery (Computers)	9,19,115	-	-	9,19,115	9,19,114	-	9,19,114	1	1	
4	Electric Installation	18,06,898	-	-	18,06,898	18,06,897	-	18,06,897	1	1	
5	Furniture & Fixture	9,75,370	-	-	9,75,370	9,75,369	-	9,75,369	1	1	
6	Vehicles	28,65,592	22,16,098	14,62,682	36,19,008	27,22,308	1,86,737	13,89,548	15,19,497	20,99,511	1,43,284
	<b>Total</b>	<b>1,04,77,924</b>	<b>22,16,098</b>	<b>14,62,682</b>	<b>1,12,31,340</b>	<b>79,35,039</b>	<b>2,32,652</b>	<b>13,89,548</b>	<b>67,78,143</b>	<b>44,53,197</b>	<b>25,42,885</b>
	As at 31-03-2017	10477924	0	0	10477924	7778690	156349	0	7935039	2542885	2699234
	As at 01-04-2016	10985971	0	508047	10477924	7966924	253835	442069	7778690	2699234	3019047

THE VICTORIA MILLS LTD

One Hundred Fifth Annual Report 2017-2018

NOTE 2: INVESTMENTS - NON CURRENT

		As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016 Rupees
<b>INVESTMENT CARRIED AT COST</b>				
<b>1 INVESTMENTS IN SHARES (UNQUOTED)</b>				
	Shares			
Victoria Land Private Ltd Rs 100/- each Fully Paid ( A Subsidiary Company)	1,000	1,00,000	1,00,000	1,00,000
<b>INVESTMENT CARRIED AT FAIR VALUE THROUGH PROFIT &amp; LOSS</b>				
<b>2 INVESTMENT IN MUTUAL FUNDS</b>				
	Units			
Liquid Bees	16,952.7250	1,69,52,326	3,250	58,471
Ambit Alpha Fund-Scheme 1	-	1,29,74,127	-	-
Birla Sun Life Cash Manager	7,240.4882	30,23,299	12,21,363	87,95,858
Birla Sun Life Short Term Opportunity Fund	79,411.8980	22,91,454	21,54,731	19,69,050
Canara Robeco Floating Rate Fund	-	-	20,49,120	18,96,077
DSP Blackrock India Enhanced Equity Fund	2,00,000.0000	2,27,48,000	2,12,96,000	-
HDFC Cash Management Fund	75,920.7810	8,08,18,871	6,42,01,261	7,51,84,164
HDFC Short Term Opportunities Fund	1,16,155.5820	22,27,248	20,89,407	19,18,879
ICICI Prudential Income Opportunities Fund	1,81,880.7130	44,15,845	41,84,748	37,97,033
Kotak Bond Regular Plan	-	-	39,82,436	36,18,817
SBI Dynamic Bond Fund	2,00,527.9350	42,65,871	41,30,454	36,35,331
SBI Savings Fund	-	-	20,43,700	18,94,909
Sundaram Banking & PSU Debt Fund	-	-	39,95,217	37,23,245
UTI Short Term Fund	72,893.8870	22,20,479	21,04,170	19,23,473
ICICI Prudential Equity Arbitrage Fund	-	-	-	2,08,36,484
IDFC Arbitrage Fund	-	-	-	2,08,26,339
J.M. Arbitrage Advance Fund (Bonus)	-	-	-	10,21,541
		<u>15,19,37,521</u>	<u>11,34,55,856</u>	<u>15,10,99,670</u>
<b>TOTAL RUPEES</b>		<u><b>15,20,37,521</b></u>	<u><b>11,35,55,856</b></u>	<u><b>15,11,99,670</b></u>

NOTE 3: OTHER NON-CURRENT ASSETS

(Unsecured, Considered Good)				
a) Security Deposits ( Petrol , Telephone Etc)		31,000	31,000	31,000
b) Advance income-tax including tax deducted at source (Net Of Provision of Rs 50250000/- Current year, Rs 50150000/- Previous year)		31,61,259	33,05,485	38,52,614
c) Other deposits		-	-	13,97,811
		<u>31,92,259</u>	<u>33,36,485</u>	<u>52,81,425</u>

NOTE 4: INVENTORIES

(As taken, valued & certified by the Management)

Property held as stock-in-trade		3,05,48,000	4,32,11,600	5,84,85,600
Work In Progress		10,00,00,215	13,01,84,977	7,62,86,030
		<u>13,05,48,215</u>	<u>17,33,96,577</u>	<u>13,47,71,630</u>

THE VICTORIA MILLS LTD

One Hundred Fifth Annual Report 2017-2018

NOTE 5: INVESTMENT CURRENT

		As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016 Rupees
<b>1 INVESTMENTS IN SHARES (QUOTED)</b>				
<b>NAME OF THE SECURITY</b>	<b>QUANTITY</b>	<b>FMV</b>	<b>FMV</b>	<b>FMV</b>
Aditya Birla Fashion & Retail Ltd	-	-	2,75,302	3,36,258
Aditya Birla Nuvo Ltd	-	-	-	3,71,138
Ador Fontech Ltd	2185	2,31,064	1,84,305	1,96,213
Bajaj Corp Ltd	2953	13,94,407	11,65,254	11,38,824
Bajaj Fiancne Limited	-	-	-	48,01,936
Bayer Cropscience Ltd	342	14,37,426	13,31,712	13,22,814
Centum Electronics Ltd	2404	12,19,429	13,22,289	11,77,959
Colgate-Palmolive (India) Ltd	914	9,66,007	-	-
Coromandel International Ltd	1721	9,03,783	5,36,694	-
Credit Rating Information Services Of India Ltd	498	9,38,456	-	-
Cyient Ltd	2066	14,35,560	-	-
Divis Laboratories Ltd	4289	46,73,598	19,40,169	19,09,027
EID Parry (I) Ltd	6356	17,42,101	-	-
Fortis Healthcare Ltd	10484	12,93,201	-	-
Glenmark Pharma Ltd	1043	5,48,931	-	-
Gatway Distriparks Ltd	-	-	-	10,19,116
Globus Spirits Ltd	-	-	15,15,776	-
Goldman Sachs Mutual Fund	-	-	29,52,264	20,78,720
Gujarat Pipavav Port Ltd	20943	30,23,122	16,51,131	17,52,323
HDFC Bank Ltd	3651	68,97,814	52,66,205	39,10,878
Hero Motocorp Ltd	368	13,04,744	11,86,377	9,38,945
ICICI Bank Ltd	19254	53,60,070	36,21,697	22,83,890
IDFC Bank Ltd	11538	5,46,324	6,84,203	1,57,102
IIFL Holdings Ltd	1653	11,66,522	-	1,31,542
Infosys Technologies Ltd	-	-	15,57,741	18,58,592
Intellect Design Arena Ltd	9178	15,17,123	3,45,000	6,77,550
Jubilant Foodworks Ltd	1892	44,00,508	20,95,106	-
KEC International Ltd	2688	10,47,648	-	-
Karur Vysya Bank Ltd	-	-	-	1,39,648
Kwality Ltd	22530	13,30,397	-	-
L&T Finance Holding Ltd	27274	42,83,382	33,66,975	-
LIC Housing Finance Ltd	4344	23,24,692	18,53,722	14,76,594
Linde India Ltd	2469	10,79,570	-	-
Lupin Ltd	719	5,29,076	-	-
Laxmi Machine Works Ltd	-	-	-	7,10,398
MCX Of India Ltd	2838	18,93,939	34,19,932	23,74,413
Mahindra & Mahindra Ltd	4304	31,85,821	22,76,488	11,63,038
Mahindra Holidays & Resort India Ltd	7834	22,89,878	22,43,801	7,55,131
NMDC Ltd	6425	7,61,684	17,10,335	12,59,300
National Aluminium Company Ltd	18867	12,53,712	28,86,651	14,90,493
Nestle India Ltd	287	23,54,419	19,17,347	16,52,359
Nesco Ltd	6860	37,86,034	32,26,670	-
Oracle Financial Services Software Ltd	38	1,42,323	1,44,999	-
Power Grid Corporation Of India Ltd	18368	35,60,637	36,22,170	16,59,185
PTC India Ltd	19560	17,03,676	18,17,124	12,47,928
Pfizer Ltd	-	-	-	5,73,483
Praj Industries Ltd	-	-	-	5,41,748
Sanofi India Ltd	122	6,33,137	5,73,760	-
Sundaram Fasteners Ltd	14544	80,26,106	56,84,522	24,84,842
T. D. Power System Ltd	4586	8,69,964	10,60,513	9,55,722
Take Solutions Ltd	4155	6,79,966	5,24,361	-
Talwalkars Better Value Fitness Ltd	3702	8,96,254	-	-
Talwalkars Lifestyles Ltd	3702	-	-	-
Tata Motors Ltd	6912	22,60,091	19,05,477	15,80,742
Tech Mahindra Ltd	-	-	7,74,426	8,01,133
The Great Eastern Shipping Co Ltd	1347	4,44,779	5,61,699	-
United Spirits Ltd	1029	32,20,410	22,37,766	6,29,849
VRL Logistics Ltd	7628	29,31,822	23,73,834	-
Wipro Ltd	4758	13,37,712	12,26,850	13,81,846
		<b>9,38,27,318</b>	<b>7,30,40,645</b>	<b>4,89,60,680</b>
Less : Provision for fall in Value		-	-	-
		<b>9,38,27,318</b>	<b>7,30,40,645</b>	<b>4,89,60,680</b>
<b>2 INVESTMENT IN DEBENTURE &amp; BONDS (UNQUOTED)</b>				
Zero Coupon Trent Ltd	-	-	25,00,000	25,00,000
		-	25,00,000	25,00,000
<b>TOTAL RUPEES</b>		<b>9,38,27,318</b>	<b>7,55,40,645</b>	<b>5,14,60,680</b>

**THE VICTORIA MILLS LTD**

One Hundred Fifth Annual Report 2017-2018

	Rupees	As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016 Rupees
<b>NOTE 6: TRADE RECEIVABLE</b>				
Considered Doubtful	<u>1,28,51,328</u>		<u>1,36,51,328</u>	<u>1,44,51,328</u>
	<u>1,28,51,328</u>		<u>1,36,51,328</u>	<u>1,44,51,328</u>
Less: Provision for doubtful debts	<u>1,28,51,328</u>		<u>1,36,51,328</u>	<u>1,44,51,328</u>
	-	-	-	-
		-	-	-
<b>NOTE 7: CASH AND CASH EQUIVALENTS</b>				
Cash on hand		602	2680	7,853
With scheduled Bank in : Current Account	18,98,649		10,75,111	12,92,574
Unclaimed Dividend A/c	<u>14,12,200</u>		<u>13,35,800</u>	<u>19,36,200</u>
		<u>33,10,849</u>	<u>24,10,911</u>	<u>32,28,774</u>
		<u>33,11,451</u>	<u>24,13,591</u>	<u>32,36,627</u>
<b>NOTE 8: LOANS</b>				
(Unsecured, Considered Good) To a Subsidiary Company	<u>90,00,000</u>		<u>80,00,000</u>	<u>65,00,000</u>
		<u>90,00,000</u>	<u>80,00,000</u>	<u>65,00,000</u>
<b>NOTE 9: OTHER CURRENT ASSETS</b>				
Prepaid Expenses	3,04,939		3,87,435	3,49,839
Advance against expenses	4,32,500		2,68,500	
Accrued Leave & Licence Income	2,91,828		2,91,828	17,40,000
Advance to staff	-		-	7,75,000
		<u>10,29,267</u>	<u>9,47,763</u>	<u>28,64,839</u>
Advances Considered Doubtful	9,00,000		9,00,000	10,00,000
Less: Provision	<u>9,00,000</u>		<u>9,00,000</u>	<u>10,00,000</u>
		-	-	-



**THE VICTORIA MILLS LTD**

One Hundred Fifth Annual Report 2017-2018

**NOTE 10: EQUITY SHARE CAPITAL**

	As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016
<b>AUTHORISED</b>			
2,00,000 Equity Shares of Rs.100/- each	2,00,00,000	2,00,00,000	2,00,00,000
	<u>2,00,00,000</u>	<u>2,00,00,000</u>	<u>2,00,00,000</u>
<b>ISSUED &amp; SUBSCRIBED</b>			
98,560 Equity Shares of Rs.100/- each fully paid up.	98,56,000	98,56,000	98,56,000
	<u>98,56,000</u>	<u>98,56,000</u>	<u>98,56,000</u>
<b>a) Reconciliation of number of shares</b>			
<b>Equity Shares</b>	Nos.	Nos.	Nos.
Opening Balance	98,560	98,560	98,560
Issued during the year	-	-	-
Closing balance	<u>98,560</u>	<u>98,560</u>	<u>98,560</u>

**b) Terms/rights attached to equity shares:**

The Company has only one class of share capital, i.e., equity shares having face value of Rs. 100 per share. Each holder of equity share is entitled to one vote per share.

The Board of Directors of the Company has proposed dividend of Rs. 50/- per equity share for the financial year 2017-18. The payment of dividend is subject to approval of the shareholders in the ensuing Annual General Meeting of the Company.

**c) Details of Shareholders holding more than 5% of equity share in the Company**

Name of the Shareholder	No of Shares	No of Shares	No of Shares
Shri Aditya Mangaldas	43,317	43,317	43,317
	43.95%	43.95%	43.95%
Bromelia Trading LLP (Formerly Known As Bromelia Trading Pvt Ltd)	6,100	6,100	6,100
	6.19%	6.19%	6.19%

**NOTE 11: OTHER EQUITY**

<b>RESERVES &amp; SURPLUS</b>			
<b>A : General Reserve</b>	4,27,35,000	4,15,35,000	2,92,85,000
Transfer from Profit & Loss A/c	15,00,000	12,00,000	1,22,50,000
<b>TOTAL</b>	<u>4,42,35,000</u>	<u>4,27,35,000</u>	<u>4,15,35,000</u>
<b>B : Retained Earnings</b>	30,53,73,599	28,56,30,668	16,01,25,588
Add: Profit for the year	1,07,11,396	70,71,525	12,25,06,436
	<u>31,60,84,995</u>	<u>29,27,02,193</u>	<u>28,26,32,024</u>
Add: Transfer from OCI	98,96,450	1,38,71,406	-
Add: Impact of Ind AS	-	-	2,11,79,867
Less: Transfer To General Reserve	15,00,000	12,00,000	1,22,50,000
Less: Dividend	49,28,000	-	49,28,000
Less: Tax On Dividend	10,03,225	-	10,03,225
	<u>24,65,225</u>	<u>1,26,71,406</u>	<u>29,98,642</u>
	<u>31,85,50,221</u>	<u>30,53,73,599</u>	<u>28,56,30,668</u>
<b>C: Other Comprehensive Income (OCI)</b>			
Remeasurement of defined benefit obligation	(4,86,214)	(12,33,573)	
Change in fair value of equity instruments designated as Fair Value Through Other Comprehensive Income	1,03,82,664	98,96,450	1,51,04,979
Less: transferred to retained earning	<u>(98,96,450)</u>	<u>(1,38,71,406)</u>	
<b>TOTAL</b>	<u>36,27,85,221</u>	<u>34,81,08,599</u>	<u>32,71,65,666</u>

**THE VICTORIA MILLS LTD**

One Hundred Fifth Annual Report 2017-2018

**NOTE 12: PROVISIONS**

	As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016 Rupees
a) Provision for Retirement Benefits			
Gratuity	36,05,013	32,72,516	39,53,912
Leave Encashment	<u>23,92,507</u>	<u>22,17,809</u>	<u>25,52,796</u>
	<b>59,97,520</b>	<b>54,90,325</b>	<b>65,06,708</b>
	<u><b>59,97,520</b></u>	<u><b>54,90,325</b></u>	<u><b>65,06,708</b></u>

**NOTE 13: DEFERRED TAX LIABILITY**

a) Deffered Tax Liabilities (Net)	75,000	75,000	75,000
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**NOTE 14: OTHER NON CURRENT LIABILITIES**

a) Other Long Term Liabilities (Deposits etc)	20,18,768	20,18,768	20,18,768
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**NOTE 15: OTHER FINANCIAL LIABILITIES**

a) Unpaid expenses	51,89,293	13,89,425	13,70,834
b) Unpaid Dividened	14,12,200	13,35,800	19,36,200
c) Short term deposits	90,84,929	90,84,929	90,84,929
	<u>1,56,86,422</u>	<u>1,18,10,154</u>	<u>1,23,91,963</u>

**NOTE 16: PROVISIONS**

a) Provision for Retirement Benefits			
Gratuity	6,50,526.00	15,38,148	-
Leave Encashment	<u>3,29,772.00</u>	<u>8,36,808</u>	<u>-</u>
	<b>9,80,298</b>	<b>23,74,956</b>	<b>-</b>
	<u><b>9,80,298</b></u>	<u><b>23,74,956</b></u>	<u><b>-</b></u>

**THE VICTORIA MILLS LTD**

One Hundred Fifth Annual Report 2017-2018

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT AS ON 31ST MARCH 2018

**NOTE 17: REVENUE FROM OPERATIONS**

	2017-2018 Rupees	2016-2017 Rupees
<b>Operating revenue</b>		
Revenue from sale of constructed property	8,75,00,000	5,25,00,000
	<u>8,75,00,000</u>	<u>5,25,00,000</u>

**NOTE 18: OTHER INCOME**

	2017-2018 Rupees	2016-2017 Rupees
<b>Interest</b>		
On Others (TAX DEDUCTED Rs 0/-Previous year Rs 2041/-)	-	17,339
On Loan to Subsidiary (TAX DEDUCTED Rs 75520/-Previous year Rs 67732/-)	755185	677318
<b>Dividend</b>	26,95,868	30,37,636
<b>Other non operating income</b>		
Royalty Received	9,903	17,100
Profit on disposal of Property, plant and equipment (Net)	1,81,866	-
Income from investment in bond	13,25,574	-
Profit on Redemption of Mutual Funds Units	3,79,903	13,37,230
Gain on Mutual Fund Investment carried at Fair Value	28,73,190	37,60,431
Excess Provisions Written Back	8,00,000	9,00,000
Miscellaneous Income	40,00,183	11,30,712
<b>TOTAL RUPEES</b>	<u>1,30,21,673</u>	<u>1,08,77,765</u>

**THE VICTORIA MILLS LTD**

One Hundred Fifth Annual Report 2017-2018

**NOTE 19: EMPLOYEE BENEFITS EXPENSES**

	2017-2018 Rupees	2016-2017 Rupees
Salaries, Wages, & Bonus	70,06,037	72,32,776
Contribution to provident and other funds	-	1,21,771
	<u>70,06,037</u>	<u>73,54,547</u>

**NOTE 20: OTHER EXPENSES**

	2017-2018 Rupees	2016-2017 Rupees
Motor car Expenses	4,51,908	5,46,386
Stationery & Printing	1,46,269	1,00,940
Travelling Expenses	3,63,141	4,54,677
Telephone Expenses	1,79,853	1,78,464
Legal & Professional	29,38,060	24,56,919
Insurance	30,958	27,196
Auditor's Remuneration		
i) Audit Fees	1,50,000	1,50,000
ii) For taxation and other matters	3,24,400	4,99,600
iii) Out of Pocket expenses	26,427	26,175
Electricity	2,81,747	2,41,615
Directors' Fees	2,60,000	2,65,000
Building Maintenance Expenses	70,305	44,568
Membership & Subscription	3,34,577	2,75,835
Rates & Taxes	36,180	21,242
Brokerage	13,12,500	-
Miscellaneous Expenses	9,48,602	9,82,850
	<u>78,54,927</u>	<u>62,71,467</u>

## **THE VICTORIA MILLS LIMITED**

### **One Hundred Fifth Annual Report –2017-18**

#### **NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

##### **A. CORPORATE INFORMATION**

The Victoria Mills Ltd ('the Company') is engaged primarily in the business of real estate development. The Company is public limited company incorporated and domiciled in India. Its registered office is situated at Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai 400 013.

The financial statements for the year ended March 31, 2018 were authorized and approved for issue by the Board of Directors on May 02, 2018.

##### **B. SIGNIFICAT ACCOUNTING POLICIES**

###### **a) GENERAL INFORMATION AND STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with with the provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment.

For all the periods upto the year ended March 31, 2017, the Company had earlier prepared and presented its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 (Indian GAAP). Reconciliations and description of the effect of the transition to Ind AS from Indian GAAP is given in Note C.

###### **b) BASIS OF PREPRATION**

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

###### **c) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

###### **i. Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

**ii. Property, plant and equipment**

Property, plant and equipment are initially stated and recognised at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives prescribed in Schedule II to the Act. Property, plant and equipment are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of de-recognition.

**iii. Revenue recognition**

The company is in the business of real estate development. Real estate income is recognized as revenue on the completion of sale of property. Other income and cost/expenditure are generally accounted on accrual as they are earned or incurred.

**iv. Cost of revenue**

Cost of real estate projects includes cost of land, development costs, overheads, construction costs and development/construction materials, which is charged to the statement of profit and loss in connection to the revenue recognized.

**v. Taxation**

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity. Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized. Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period.

**vi. Financial instruments**

Initial recognition and measurement Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

Financial assets carried at amortised cost – a financial asset is measured at the amortised cost, if both the conditions are met: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and 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 amortized cost using the effective interest rate (EIR) method.

Investments in equity instruments of subsidiaries are accounted for at cost.

Investments in other equity instruments – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Investments in mutual funds – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

Financial liabilities subsequent to initial recognition, are measured at amortized cost using the effective interest method.

**vii. Valuation of Inventories:**

Properties held as stock in trade is valued at cost or market whichever is lower. Work-in-progress is includes all direct expenditure pertaining to project and is valued at cost or realizable value whichever is lower.

**viii. Provisions and contingent liabilities**

A provision is recognized when:

The Company has a present obligation (legal or constructive) as a result of a past event; It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and A reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in extreme cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.

Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**ix. Impairment of assets**

As at the end of each accounting year, the company reviews the carrying amounts of its Property, Plant and Equipment and investments in subsidiary to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

**x. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The company did not have any potentially dilutive securities in any of the years presented.

**Earning per equity Share**

	2017-2018	2016-2017
(i) Net Profit after Tax (Rs.)	10711396	7071525
(ii) Number of Equity Shares of Rs.100/- each	98560	98560
(iii)Basic and Diluted Earnings per Share (Rs.)	108.68	71.75

**xi. Financial Instruments By Category**

**Fair values hierarchy**

Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy.



The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Particulars	Level 1	Level 2	Level 3
31-03-2018			
Investments (Eq shares & MF)	24,58,64,840		
Loan to Subsidiary			90,00,000
31-03-2017			
Investments (Eq shares & MF)	18,90,96,501		
Loan to Subsidiary			80,00,000
01-04-2016			
Investments (Eq shares & MF)	20,26,60,350		
Loan to Subsidiary			65,00,000

#### **xii. Segment Reporting :**

The Company is in the business of real estate development. In view of the above the company has only one identified reportable segment.

#### **xiii. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

#### **xiv. Related Party Information :**

Sr.No.	Nature of Transaction	Subsidiary	Total
1.	Loans paid during the year	10,00,000	10,00,000
2.	Interest received on loan to subsidiary	7,55,185	7,55,185
3.	Outstanding balance receivable as on 31.3.2018	90,00,000	
	Previous Year	80,00,000	

Name of the related parties and relationship:

**a) Subsidiary**

Victoria Land Pvt.Ltd.

**b) Key Mangement Personnel**

	Name	Designation	Rs.
1	Mr. Aditya Mangaldas	Managing Director	41,22,298
2	Mr. Asgar S.Bengali	Chief Financial Officer	5,51,100
3	Mr. Nikunj Kanabar	Company Secretary	64,200
4	Mr. Dhiraj Gupta	Company Secretary	2,98,000

xv. Unpaid/unclaimed dividend for the financial year ended 31.3.2010 is transferred to Investor education and protection fund during the year.

xvi. There are no dues to suppliers covered under Micro Small and Medium Enterprises Development Act, 2006.

**xvii. Financial risk management**

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 are responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze 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.

**xviii. Employee benefits**

Gratuity and Leave encashment is provided on the basis of cost of benefits determined using Projected Unit Cost Method with actuarial valuation being carried out at each Balance sheet date. Superannuation Fund is contributed into Fund with LIC. Full provision for liability in this respect has been made in the accounts. Gratuity Disclosure statement-

	2017-2018	2016-17
Present Value of Benefit Obligation at the beginning of the period	48,10,664	39,53,912
Interest Cost	3,47,330	3,10,382
Current Service Cost	1,51,338	1,34,004
Past Service Cost	-	-
Liability Transferred in/Acquisitions	-	-
(Liability Transferred Out/Divestments)	-	-
(Gains)/Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit paid directly by the Employer)	(9,29,295)	
(Benefit paid from the Fund)	-	-
The effect of changes in Foreign Exchange rates	-	-
Actuarial (Gains)/Losses on Obligations – Due to change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations – Due to Change in Financial Assumptions	(1,69,804)	1,53,315
Actuarial (Gains)/Losses on Obligations – Due to Experience	45,306	2,59,051
Present Value of Benefit Obligation at the End of the Period	42,55,539	48,10,664

**xix.** There are no capital and other commitments as at 31.3.2018.

**xx.** Previous year's figures are regrouped where necessary.

### **C. EXPLANATION FOR TRANSITION TO IND AS.**

- a) These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies have been applied consistently in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). An explanation of how the transition from financial statements prepared in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) to Ind AS has affected the Company's financial position, financial performance and cash flows is set-out in the following tables and notes:

b) Ind AS optional exemptions

Deemed cost for property, plant and equipment, investment property and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized 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. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

Investment

Ind AS 101 permits a first-time adopter to continue previous GAAP carrying value for investment in equity instrument of subsidiaries. Accordingly, the Company has elected to apply the said exemption.

Initial recognition of a financial asset

Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognised financial assets, as Fair Value through Other Comprehensive Income (FVTOCI) on the basis of the facts and circumstances that existed at the date of transition to Ind AS. Accordingly, the Company has designated its investments in equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

c) **Reconciliation between previous GAAP and Ind AS**

i. Equity reconciliation

Sr. No	Particulars	31-03-2017	01-04-2016
1	As reported under previous GAAP	31,78,99,676	30,59,85,799
	Adjusted equity:-		
	Changes in fair value of investments	3,02,08,923	2,11,79,867
	Equity under Ind AS	34,81,08,599	32,71,65,666

ii. Total comprehensive income reconciliation

Sr. No.	Particulars	31-03-2017
1	As reported under previous GAAP	1,19,13,877
	Adjusted equity:-	
	Changes in fair value of investments	(60,75,925)
	Employee Benefit	12,33,573
	Net profit as per Ind AS	70,71,525
	Other Comprehensive Income	1,38,71,406
	Total comprehensive Income	2,09,42,931

As per our report annexed herewith.

**For Vasani & Thakkar**  
Chartered Accountants  
Firm Registration Number 111296W

*Sd/-*  
**R. N. Vasani**  
Partner  
(Membership No. 12217)

**For The Victoria Mills Ltd.**

Chairman *Sd/-*  
**R.K.Shah**  
(DIN No.07111006)

**For The Victoria Mills Ltd.**

*Sd/-*  
**A.S.Bengali**  
Chief Financial Officer

Managing Director *Sd/-*  
**Aditya Mangaldas**  
(DIN No.00032233)

Director 1. *Sd/-*  
**S.G.Vaidya**  
(DIN No.00220956)

**For The Victoria Mills Ltd.**

*Sd/-*  
**Nikunj Kanabar**  
Company Secretary

Director 2. *Sd/-*  
**Mamta Mangaldas**  
(DIN No.00021078)

Director 3. *Sd/-*  
**Gargi Mashruwala**  
(DIN No.00032543)

Place: Mumbai  
Date: 2<sup>nd</sup> May 2018

THE VICTORIA MILLS LIMITED, MUMBAI

One Hundred Fifth Annual Report 2017-2018

CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	2017-2018		2016-17	
	Rupees	Rupees	Rupees	Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
NET PROFIT/(LOSS) AFTER TAX & EXTRA-ORDINARY ITEM		1,07,11,396		70,71,525
Add:				
a) Provision for Taxation (net)	36,13,892		32,50,000	
b) Depreciation	<u>2,32,652</u>	38,46,544	<u>1,56,349</u>	34,06,349
		1,45,57,940		<u>1,04,77,874</u>
Less:				
a) Dividend Income	26,95,868		30,37,636	
b) Interest received on others	-		17,339	
c) Interest received on Loan to Subsidiary	7,55,185		6,77,318	
d) Adjustment for investment in Mutual Fund at FMV	32,53,094		50,97,660	
e) Excess Provision written back	-		9,00,000	
f) Income from investment in bond	13,25,574		-	
g) Re - measurement on employee benefit plans	4,86,214		12,33,573	
h) Profit on Sale of Fixed Assets	<u>1,81,866</u>		<u>-</u>	
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE		<u>86,97,801</u>		<u>1,09,63,526</u>
		58,60,139		(4,85,652)
Add:				
a) (Increase)/Decrease in Inventories	4,28,48,362		(3,86,24,947)	
b) (Increase)/ Decrease in Current Assets	<u>(81,504)</u>		<u>23,62,016</u>	
Less: Increase/(Decrease) in Trade & other Payables				
a) Increase/(Decrease) in Provisions(LT)	5,07,195			
b) Increase/(Decrease) in other liabilities	38,76,268		3,44,26,764	
c) Increase/(Decrease) in Provisions(ST)	<u>(13,94,658)</u>	4,57,55,663		<u>(18,36,167)</u>
		5,16,15,802		<u>(23,21,819)</u>
Deduct:				
Direct Taxes Paid/ Received	<u>(34,69,666)</u>		<u>(3,60,00,000)</u>	
		<u>(34,69,666)</u>		<u>(3,60,00,000)</u>
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES(A)</b>		<u>4,81,46,136</u>		<u>(3,83,21,819)</u>

THE VICTORIA MILLS LIMITED, MUMBAI

One Hundred Fifth Annual Report 2017-2018

	2017-2018		2017-2018	
	Rupees	Rupees	Rupees	Rupees
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
<b>INFLOW</b>				
a) Dividend Income	26,95,868		30,32,556	
b) Interest received on others	-		17,339	
c) Interest received on Loan to Subsidiary	7,55,185		6,77,318	
d) Profit on Sale of Investments	80,70,511		1,11,78,665	
e) Sale of Fixed Asset	2,55,000		-	
f) Income from investment in bond	13,25,574		-	
g) Net Investments	-	1,31,02,138	2,25,92,905	3,74,98,783
<b>OUTFLOW :</b>				
a) Purchase of Fixed asset	(22,16,098)		-	
b) Net Investment (Non current)	(3,95,56,928)		-	
c) Net Investment (Current)	(1,16,46,164)		-	
d) Loan to Subsidiary	(10,00,000)	(5,44,19,190)	-	-
<b>NET CASH INFLOW/(OUTFLOW) IN INVESTING ACTIVITIES(B)</b>		<u>(4,13,17,052)</u>		<u>3,74,98,783</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
b) Dividened Paid (Including Dividened Distri Tax)	(59,31,225)		-	
<b>NET CASH INFLOW/(OUTFLOW)IN FINANCING ACTIVITIES (C)</b>		<u>(59,31,225)</u>		<u>-</u>
<b>NET INCREASE/DECREASE IN CASH/CASH EQUIVALENTS (A+B+C)</b>		<u>8,97,860</u>		<u>(8,23,036)</u>
<b>CASH AND CASH EQUIVALENTS AS AT</b>				
31ST MARCH 2016			32,36,627	
31ST MARCH 2017	24,13,591		24,13,591	
31ST MARCH 2018	33,11,451			
<b>NET CASH INFLOW/(OUTFLOW)</b>		<u>8,97,860</u>		<u>(8,23,036)</u>

As per our report annexed herewith  
For Vasani & Thakkar  
Chartered Accountant  
Firm Registration No 111296W

*Sd/-*

R. N. Vasani  
Partner  
Membership No 12217

For The Victoria Mills Ltd.,

*Sd/-*

A. S. BENGALI  
Chief Financial Officer

For The Victoria Mills Ltd

*Sd/-*

Nikunj Kanabar  
Company Secretary

Mumbai  
Dated: 2nd May 2018

Chairman

*Sd/-*

R. K.Shah  
DIN NO 07111006

Managing Directors

*Sd/-*

ADITYA MANGALDAS  
DIN NO 00032233

Director 1

*Sd/-*

S.G.VAIDYA  
DIN NO 00220956

Director 2

*Sd/-*

MAMTA MANGALDAS  
DIN NO 00021078

Director 3

*Sd/-*

GARGI MASHRUWALA  
DIN NO 00032543



**THE VICTORIA MILLS LTD**

One Hundred Fifth Annual Report 2017-2018

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 2018 & MARCH 2017**

**A. EQUITY SHARE CAPITAL**

**ISSUED & SUBSCRIBED**

98,560 Equity Shares of Rs. 100/- each fully paid up.

	<u>98,56,000</u>	<u>98,56,000</u>
--	------------------	------------------

	<u>98,56,000</u>	<u>98,56,000</u>
--	------------------	------------------

**RECONCILIATION OF NUMBER OF SHARES**

**Equity Shares**

Opening Balance

Issued during the year

Closing balance

	Nos.	Nos.
	<u>98,560</u>	<u>98,560</u>
	-	-
	<u>98,560</u>	<u>98,560</u>

**B. OTHER EQUITY**

Particulars	General Reserve	Retained Earnings	Item of of other comprehensive income
<b>Balance as at April 1, 2016</b>	<b>4,15,35,000</b>	<b>28,56,30,668</b>	-
Add: Transfer from retained earnings	12,00,000	(12,00,000)	-
Add: Profit for the year	-	70,71,525	-
Add: Other Comprehensive Income	-	-	1,38,71,406
Less: OCI transferred to retained earnings	-	1,38,71,406	(1,38,71,406)
<b>Balance as at March 31, 2017</b>	<b>4,27,35,000</b>	<b>30,53,73,599</b>	-
Add: Transfer from retained earnings	15,00,000	(15,00,000)	-
Add: Profit for the year	-	1,07,11,396	-
Add: Other Comprehensive Income	-	-	98,96,450
Less: OCI transferred to retained earnings	-	98,96,450	(98,96,450)
Less: Dividend (incl tax)	-	(59,31,225)	-
<b>Balance as at March 31, 2018</b>	<b>4,42,35,000</b>	<b>31,85,50,221</b>	-

**“Annexure-G” to Board’s Report**

**FORM AOC-1**

(Pursuant to first provision to sub section (3) of section 129 read with Rules 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries associates companies/joint venture

**PART - A SUBSIDIARIES**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name of the subsidiary	Victoria Land Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	Nil
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Rupees
4.	Share capital	1,00,000/-
5.	Reserves & surplus	1,30,36,631/-
6.	Total assets	2,21,99,112/-
7.	Total Liabilities	2,21,99,112/-
8.	Investments	Nil
9.	Turnover	Nil
10.	Loss before taxation	(19,02,455/-)
11.	Provision for taxation(Tax Liability of Earlier year)	Nil
12.	Loss after taxation	(19,02,455)
13.	Proposed Dividend	Nil
14.	% of shareholding	100%

## PART - B ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

There are no Associate Companies and Joint Ventures.

For The Victoria Mills Limited

Sd/-

Rashmikant Shah  
Chairman  
(DIN: 07111006)

Sd/-

A. S. Bengali  
(Chief Financial Officer)

Sd/-

Aditya Mangaldas  
Managing Director  
(DIN: 00032233)

Sd/-

Nikunj Kanabar  
(Company Secretary)

Sd/-

Suresh Vaidya  
(DIN: 00220956)

Sd/-

Mamta Mangaldas  
(DIN: 00021078)

Sd/-

Gargi Mashruwala  
(DIN: 00032543)

Date: May 02, 2018  
Place: Mumbai



## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VICTORIA LAND PRIVATE LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of Victoria Land Private Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 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 financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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



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

#### Opinion

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of 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".
  - (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 no pending litigations;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. Based on audit procedures and relying on the managements representation we report that the disclosure are in accordance with books of accounts maintained by the Company and as produced to us by the Management Refer Note 12(B).

For M. S. PARIKH & CO.  
Chartered Accountants  
Firm Registration Number 107558W

UMESH M. PARIKH  
Partner  
Membership No. 34345

Place : Mumbai  
Dated: 2<sup>nd</sup> May, 2018



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

### **Re : VICTORIA LAND PRIVATE LIMITED**

Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date,

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) Major part of the fixed assets have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. We are informed that no material discrepancies were noticed on such verification.
  
- (ii) There is no Inventory for the year.  
  
Due to reasons stated above there is no question of physical verification and discrepancies noticed on such verification.
  
- (iii) The Company had received a demand loan from its holding company at the rate of 9% on the outstanding balance. There were no terms of repayment. In respect of the said loan, the maximum balance outstanding at anytime during the year is Rs.90,00,000/- and the year end balance is Rs.90,00,000/-. The Company has paid the entire interest on the loan amounting to Rs.7,55,185/-.
  
- (iv) The Company has not advanced any other loan or given any guarantee or provided any security or made any investment covered under section 185 and 186 of the Act. Consequently, requirements of clause (iv) of paragraph 3 of the Order are not applicable.
  
- (v) The Company has not accepted any deposits from the public to which the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder and directions issued by R.B.I. would apply.
  
- (vi) The Company is not engaged in production, processing, manufacturing or mining activities Therefore, the provisions of maintenance of cost records specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 mentioned in clause (vi) of paragraph 3 of the order are not applicable.
  
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.  
  
(b) There are no income tax dispute and demand pending of the company.



- (viii) The Company has not taken any loan from banks, financial institutions, Government or debenture holder.
- (ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans. Consequently, provisions of clause (ix) of paragraph 3 of the order are not applicable.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) To the best of our knowledge and belief and according to the information and explanations given to us, managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company. Consequently, requirements of clause (xii) of paragraph 3 of the Order are not applicable.
- (xiii) To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Consequently, requirements of clause (xiv) of paragraph 3 of the Order are not applicable.
- (xv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.

For **M. S. PARIKH & CO**  
Chartered Accountants  
Firm Registration Number 107558W

*sd/-*

**UMESH M. PARIKH**  
Partner  
Membership No. 34345

Place: Mumbai  
Date: 2<sup>nd</sup> May, 2018





**ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF VICTORIA LAND PRIVATE LIMITED**

**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 Victoria Mills Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the 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 Act.

**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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



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

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 **M. S. PARIKH & CO.**  
Chartered Accountants  
Firm Registration No. 107558W

**UMESH M. PARIKH**  
Partner  
Membership No. 34345

Place: Mumbai  
Date: 2<sup>nd</sup> May, 2018

## BALANCE SHEET AS AT 31ST MARCH 2018

	Notes No	As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016 Rupees
<b>I ASSETS</b>				
<b>1) Non-Current assets</b>				
a) Property, Plant and Equipment	1	2,19,95,997	2,25,30,722	2,30,65,447
b) Other non-current assets	2	25,000	25,000	25,000
<b>Total Non-Current assets</b>		<b>2,20,20,997</b>	<b>2,25,55,722</b>	<b>2,30,90,447</b>
<b>2) CURRENT ASSETS</b>				
<b>a) Financial Assets</b>				
i) Cash & Cash Equivalents	3	1,78,115	5,43,760	2,71,903
<b>Total Current assets</b>		<b>1,78,115</b>	<b>5,43,760</b>	<b>2,71,903</b>
<b>TOTAL</b>		<b>2,21,99,112</b>	<b>2,30,99,482</b>	<b>2,33,62,350</b>
<b>II EQUITY AND LIABILITIES</b>				
<b>1) Equity</b>				
a) Equity Share Capital	4	1,00,000	1,00,000	1,00,000
b) Other Equity	5	1,30,36,631	1,49,39,086	1,56,43,164
<b>Total Equity</b>		<b>1,31,36,631</b>	<b>1,50,39,086</b>	<b>1,57,43,164</b>
<b>2) Liabilities</b>				
a) Deferred Tax Liabilities (Net)	6	34,018	34,018	34,018
<b>Total Liabilities</b>		<b>34,018</b>	<b>34,018</b>	<b>34,018</b>
<b>3) Current Liabilities</b>				
<b>a) Financial Liabilities</b>				
i) Loan & other financial liabilities	7	90,28,463	80,26,378	65,21,678
ii) Provision (tax)				10,63,490
		<b>90,28,463</b>	<b>80,26,378</b>	<b>75,85,168</b>
<b>TOTAL</b>		<b>2,21,99,112</b>	<b>2,30,99,482</b>	<b>2,33,62,350</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS A-C

In the opinion of the Board, the Current Assets, Loans and Advances are approximately of value stated, if realised in the ordinary course of business

As per our report annexed herewith  
For M.S.Parikh & Co.  
Chartered Accountants  
Firm Registration No 107558W

U.M.PARIKH  
Partner  
Membership No 34345

Mumbai  
Dated: 02-May-2018

Chairman

ADITYA MANGALDAS  
DIN NO 00032233

Director 1

MAMTA MANGALDAS  
DIN NO 00021078

Director 2

GARGI MASHRUWALA  
DIN NO 00032543

VICTORIA LAND PVT LTD

Annual Report 2017-2018

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2018

	Notes No	2017-2018 Rupees	2016-2017 Rupees
I) Revenue from Operations		-	-
II) Other Income	8	-	22,27,869
III) TOTAL REVENUE (I+II)		<u>-</u>	<u>22,27,869</u>
IV) EXPENSES			
Depreciation and Amortization Expenses	1	5,34,725	5,34,725
Other Expenses	9	13,67,730	20,60,712
TOTAL EXPENSES		<u>19,02,455</u>	<u>25,95,437</u>
V) Profit before tax (III-IV)		(19,02,455)	(3,67,568)
VI) Tax Expenses			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
(3) Tax Liability of Earlier Year		-	3,36,510
VII) Profit (Loss) for the period (V-VI)		<u>(19,02,455)</u>	<u>(7,04,078)</u>
VIII) Earnings per equity share:			
(1) Basic		(19.02)	(7.04)
(2) Diluted		(19.02)	(7.04)

NOTES FORMING PART OF THE  
FINANCIAL STATEMENTS  
As per our report annexed herewith  
For M.S.Parikh & Co.  
Chartered Accountants  
Firm Registration No 107558W

*Sd/-*  
U.M.PARIKH  
Partner  
Membership No 34345

Mumbai  
Dated: 02-May-2018

A-C

Chairman

*Sd/-*  
ADITYA MANGALDAS  
DIN NO 00032233

Directors

1 *Sd/-*  
MAMTA MANGALDAS  
DIN NO 00021078

Directors

2 *Sd/-*  
GARGI MASHRUWALA  
DIN NO 00032543

VICTORIA LAND PVT LTD

Annual Report 2017-2018

NOTES ANNEXED TO & FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2018

NOTE 1 Property, Plant and Equipment

Sr. No.	Description	Gross Block on 1.4.2017	Addition	Deductions	Gross Block on 31.3.2017	Total Depr. upto 1.4.2017	Curr. Year Depr.	Depr Wr Back	Total Depr. upto 31.3.2018	Net Block on 31.3.2018	Net Block on 31.3.2017
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Land	2,01,44,600	-	-	2,01,44,600	-	-	-	-	2,01,44,600	2,01,44,600
2	Computer	1,25,027	-	-	1,25,027	1,25,026	-	-	1,25,026	1	1
3	Vehicles(yatch)	21,27,575	-	-	21,27,575	12,27,638	1,13,365	-	13,41,003	7,86,572	8,99,937
4	Vehicles(Motor Car)	44,42,044	-	-	44,42,044	29,55,860	4,21,360	-	33,77,220	10,64,824	14,86,184
	<b>Total</b>	<b>2,68,39,246</b>	<b>-</b>	<b>-</b>	<b>2,68,39,246</b>	<b>43,08,524</b>	<b>5,34,725</b>	<b>-</b>	<b>48,43,249</b>	<b>2,19,95,997</b>	<b>2,25,30,722</b>
	31-03-17	2,68,39,246	-	-	2,68,39,246	37,73,799	5,34,725	-	43,08,524	2,25,30,722	2,30,65,447
	31-03-16	2,68,39,246	-	-	2,68,39,246	32,39,074	5,34,725	-	37,73,799	2,30,65,447	2,36,00,127

VICTORIA LAND PVT LTD

Annual Report 2017-2018

**NOTE 2: Other non-current assets**

	As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016 Rupees
(Unsecured , Considered Good) Security Deposits (Petrol, Telephone Etc)	25,000	25,000	25,000
	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

**NOTE 3: Current Financial Assets**

	As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016 Rupees
<b>i) Cash &amp; Cash Equivalents</b>			
Cash on hand	255	255	655
With scheduled Bank in :			
Current Account	<u>1,77,860</u>	<u>5,43,505</u>	<u>2,71,248</u>
<b>Total</b>	<u>1,78,115</u>	<u>5,43,760</u>	<u>2,71,903</u>

VICTORIA LAND PVT LTD

Annual Report 2017-2018

	As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016
<b>NOTE: 4 Equity Share Capital</b>			
<b>AUTHORISED CAPITAL</b>			
1,000 Equity Shares of Rs.100/- each	1,00,000	1,00,000	1,00,000
	<u>1,00,000</u>	<u>1,00,000</u>	<u>1,00,000</u>
<b>a) ISSUED &amp; SUBSCRIBED CAPITAL</b>			
1,000 Equity Shares of Rs.100/- each fully paid up	1,00,000	1,00,000	1,00,000
	<u>1,00,000</u>	<u>1,00,000</u>	<u>1,00,000</u>

b)Details of Shareholders holding more than 5% Share in the Company

	31.3.2018 No. of shares	31.3.2017 No. of shares	01.4.2016 No. of shares
Name of the Shareholder			
The Victoria Mills Ltd	1,000 100%	1,000 100%	1000 100%

c) Terms/rights attached to equity shares:

The Company has only one class of share capital, i.e., equity shares having face value of Rs. 100 per share. Each holder of equity share is entitled to one vote per share.

**NOTE 5: Other Equity**

**RESERVES & SURPLUS**

A : Retained Earnings	1,49,39,086	1,56,43,164	5,07,066
Add: Transferred to WIP 14-15			73,12,845
Add/Less: Profit/ (Loss) for the year	<u>(19,02,455)</u>	<u>(7,04,078)</u>	<u>78,22,553</u>
	<u>1,30,36,631</u>	<u>1,49,39,086</u>	<u>1,56,42,464</u>
<b>TOTAL</b>	<u><u>1,30,36,631</u></u>	<u><u>1,49,39,086</u></u>	<u><u>1,56,42,464</u></u>

VICTORIA LAND PVT LTD

Annual Report 2017-2018

**NOTE 6: Deferred Tax Liabilities**

	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
a) Deffered Tax Liabilities (Net)	34,018	34,018	34,018
Total	<u>34,018</u>	<u>34,018</u>	<u>34,018</u>

**NOTE 7: Loan & Other Financial Liabilities**

a) Loan from Holding Company	90,00,000	80,00,000	65,00,000
b) Other current Liabilities(Provision For Expenses)	28,463	26,378	21,678
Total	<u>90,28,463</u>	<u>80,26,378</u>	<u>65,21,678</u>



VICTORIA LAND PVT LTD

Annual Report 2017-2018

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT AS ON 31ST MARCH 2018

**NOTE: 8 OTHER INCOME**

	2017-2018 Rupees	2016-2017 Rupees
Dividend	-	-
Interest	-	34,515
Excess Provision Written Back	-	21,67,005
Miscellaneous Income	-	26,349
Profit on Redemption of Mutual Funds Units	-	-
<b>TOTAL RUPEES</b>	<u>-</u>	<u>22,27,869</u>

VICTORIA LAND PVT LTD

Annual Report 2017-2018

**NOTE: 9 OTHER EXPENSES**

	2017-2018 Rupees	2016-2017 Rupees
Auditor's Remuneration		
i) Audit Fees	9,075	8,625
ii) In Other Capacity (Tax Audit)	-	41,938
Car Expenses	1,72,931	92,091
Director Fees	55,000	60,000
Insurance	83,449	61,838
Interest Paid On Loan	7,55,185	6,77,318
Miscellaneous Expenses	1,22,165	2,50,942
Legal & Professional Charges	90,200	49,838
Telephone Expenses	35,644	26,872
Yatch Expenses	44,081	7,91,250
	<u>13,67,730</u>	<u>20,60,712</u>

## VICTORIA LAND PRIVATE LIMITED

### NOTES FORMING PART OF FINANCIAL STATEMENTS

#### A. CORPORATE INFORMATION

Victoria Land Private Limited ('the Company') is engaged primarily in the business of real estate development. The Company is a private limited company incorporated and domiciled in India. Its registered office is situated at Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai 400 013.

The financial statements for the year ended March 31, 2018 were authorized and approved for issue by the Board of Directors on May 02, 2018.

#### B. SIGNIFICANT ACCOUNTING POLICIES

##### a) GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment.

For all the periods upto the year ended March 31, 2017, the Company had earlier prepared and presented its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 (Indian GAAP). Reconciliations and description of the effect of the transition to Ind AS from Indian GAAP is given in Note C.

##### b) BASIS OF PREPARATION

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

##### c) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

###### i. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

## **ii. Property, plant and equipment**

Property, plant and equipment are initially stated and recognised at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives prescribed in Schedule II to the Act. Property, plant and equipment are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of de-recognition.

## **iii. Revenue recognition**

The company is in the business of real estate development. Real estate income is recognized as revenue on the completion of sale of property. Other income and cost/expenditure are generally accounted on accrual as they are earned or incurred.

## **iv. Cost of revenue**

Cost of real estate projects includes cost of land, development costs, overheads, construction costs and development/construction materials, which is charged to the statement of profit and loss in connection to the revenue recognized.

## **v. Taxation**

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity. Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized. Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period.

**vi. Financial instruments**

Initial recognition and measurement: Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

Financial assets carried at amortised cost – a financial asset is measured at the amortised cost, if both the conditions are met: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and 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 amortized cost using the effective interest rate (EIR) method. Financial liabilities subsequent to initial recognition are measured at amortized cost using the effective interest method.

**vii. Provisions and contingent liabilities**

A provision is recognized when:

The Company has a present obligation (legal or constructive) as a result of a past event; It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and A reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in extreme cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.

Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**viii. Impairment of assets**

As at the end of each accounting year, the company reviews the carrying amounts of its Property, Plant & Equipment to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

**ix. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The company did not have any potentially dilutive securities in any of the years presented.

### Earning per equity Share

	2017-2018	2016-2017
(i) Net loss Tax (Rs.)	1902455	704078
(ii) Number of Equity Shares of Rs.100/- each	100000	100000
(iii) Basic and Diluted Earnings per Share (Rs.)	(19.02)	(7.04)

### **x. Financial Instruments By Category**

#### Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

### **xi. Segment Reporting :**

The Company is in the business of real estate development. In view of the above the company has only one identified reportable segment.

### **xii. Related Party Information :**

Sr.No.	Nature of Transaction	Subsidiary	Total
1.	Loans taken during the year	10,00,000	10,00,000
2.	Interest paid on loan to holding company	7,55,185	7,55,185
3.	Outstanding balance payable as on 31.3.2018	90,00,000	
	Previous Year	80,00,000	

Name of the related parties and relationship:

**a) Holding Company:** The Victoria Mills Ltd.

**xiii.** There are no dues to suppliers covered under Micro Small and Medium Enterprises Development Act, 2006.

### **xiv. Financial risk management**

**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 are responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze 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.

### C. EXPLANATION FOR TRANSITION TO IND AS.

a) These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies have been applied consistently in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition).

b) Ind AS optional exemptions

Deemed cost for property, plant and equipment, investment property and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized 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. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

As per our report annexed herewith.

**For M.S. Parikh & Co.**  
**Chartered Accountants**  
**Firm Registration Number 107558W**

*Sd/-*

**U. M. Parikh**  
**Partner**  
**(Membership No. 34345)**

**For Victoria Land Private Limited**

*Sd/-*  
**Chairman**

**Aditya Mangaldas**  
**(DIN No. 00032233)**

**Director 1.** *Sd/-*  
**Mamta Mangaldas**  
**(DIN No.00021078)**

**Director 2.** *Sd/-*  
**Gargi Mashruwala**  
**(DIN No.00032543)**

Place: Mumbai  
Date: 2<sup>nd</sup> May 2018

**FORM A**

**Covering letter of the Annual Audit Report**

1	Name of the Company	The Victoria Mills Ltd. (Consolidated)
2.	Annual financial statements for the year ended	31 <sup>st</sup> March 2018
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Repetitive since 31.3.2010 (Wholly on subsidiary company incorporated on 17.11.2009)
5.	To be signed by-	
	Managing Director	<p style="text-align: center;">sd / -</p> ..... Aditya Mangaldas Managing Director (DIN No.00032233)
	CFO	<p style="text-align: center;">sd / -</p> ..... Asgar S. Bengali CFO
	Auditor of the Company	For M/s. Vasani & Thakkar Chartered Accountants Firm Regn. No. 111296W  <p style="text-align: center;">sd / -</p> ..... CA R.N. Vasani Partner (Membership No. 12217)
	Audit Committee Chairperson	<p style="text-align: center;">sd / -</p> ..... Gargi Mashruwala (DIN No.00032543 ) Chairperson Audit Committee Chairperson

Partners :

**R. N. Vasani**

**B. T. Thakkar**

**V. H. Vasani**

**Vasani & Thakkar (Regd.)**  
**Chartered Accountants**

3, Radha Apartments, Teli Galli, Andheri (East), Mumbai - 400 069.

Tel.: (+91 22) 2683 6439 / 2682 3359

e-mail : vnt@vasanithakkarca.com, vasani.thakkar@gmail.com

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of THE VICTORIA MILLS LIMITED**

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **THE VICTORIA MILLS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprises the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow statement and the Consolidated 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 Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated 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. The Holding Company's Board of Directors and the respective Board of Directors/ management of the subsidiary included in the Group are responsible for the design, implementation and maintenance of internal control 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. Further, in terms of the provisions of the Act, the respective Board of Directors/ management of the companies included in the Group are responsible for 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.



### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 these consolidated 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in paragraph 9 of the Other Matter is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act of the consolidated state of affairs (consolidated financial position) of the Group, as at 31<sup>st</sup> March 2018, and their consolidated profit (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

### Other Matter

We did not audit the financial statements / financial information of its subsidiary Victoria Land Pvt. Ltd., whose financial statements / financial information reflect total assets of Rs. 2,21,99,112/- as at 31<sup>st</sup> March, 2018, total revenues of Rs. NIL and net cash outflow amounting to Rs. 3,65,645/- for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 19,02,455/- for the year ended 31<sup>st</sup> March, 2018. These financial statements / financial information have been audited by another auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor and the financial statements / financial information certified by the Management.

The comparative consolidated financial information for the year ended 31 March, 2017 and the transition date for consolidated opening balance sheet as at 1st April, 2016 prepared in accordance with Ind AS and included in these consolidated financial statements, are based on the previously issued statutory consolidated financial statements for the year ended 31st March, 2017 and 31st March, 2016, respectively, prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), which were audited by the previous auditors, whose reports dated 5<sup>th</sup> May 2017 and 24<sup>th</sup> May 2016, respectively, expressed unmodified opinion on those consolidated financial statements, and have been adjusted for the differences in the accounting principles adopted by the Group on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

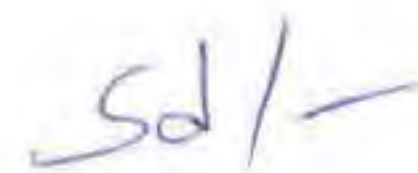
### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of the subsidiary, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.

- c) The Consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> Mar 2018 and the report of the statutory auditor of its subsidiary company, none of the directors of the Group companies, is disqualified as on 31<sup>st</sup> March 2018 from being appointed as a directors 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 Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"
- 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary :
  - i. As informed to us, the Group does not have any pending litigations which would impact its financial position.
  - 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 Holding Company.

Place: Mumbai  
Date : 02<sup>nd</sup> May, 2018

For VASANI & THAKKAR  
CHARTERED ACCOUNTANTS  
FRN: 111296W



R. N. Vasani  
(Partner)  
Membership No. 12217

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE VICTORIA MILLS LIMITED**

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

In conjunction with our audit of the consolidated financial statements of the Company and its subsidiary as of and for the year ended on 31<sup>st</sup> March, 2018, we have audited the internal financial controls over financial reporting of The Victoria Mills Limited ("the Holding Company") and its subsidiary company, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary company are 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 Act.

**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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

#### **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.

#### **Other Matters**

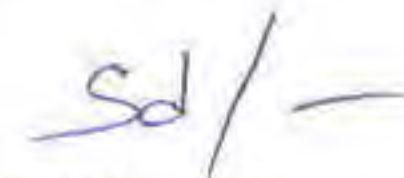
We did not audit the financial statements / financial information of its subsidiary Victoria Land Pvt. Ltd. These financial statements / financial information have been audited by another auditor whose report has been furnished to us by the Management and our opinion on the internal financial controls of the subsidiary is based solely on the report of the other auditor.

**Opinion**

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

For VASANI & THAKKAR  
CHARTERED ACCOUNTANTS  
FRN: 111296W

Place: Mumbai  
Date: 02<sup>nd</sup> May, 2018



R. N. Vasani  
(Partner)  
Membership No. 12217

THE VICTORIA MILLS LTD

One Hundred Fifth Annual Report 2017-2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

		(in Rs )		
	Notes No	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
<b>I ASSETS</b>				
<b>1) Non-Current assets</b>				
a) Property, Plant and Equipment	1	2,64,49,194	2,50,73,607	2,57,64,681
<b>b) Financial Assets</b>				
i) Investments	2	15,19,37,521	11,34,55,856	15,10,99,670
c) Other non-current assets	3	32,17,259	33,61,485	53,06,425
<b>Total Non-Current assets</b>		<u>18,16,03,974</u>	<u>14,18,90,948</u>	<u>18,21,70,776</u>
<b>2) Current Assets</b>				
a) Inventories	4	13,05,48,215	17,33,96,577	13,47,71,630
<b>b) Financial Assets</b>				
i) Investments	5	9,38,27,318	7,55,40,645	5,14,60,680
ii) Trade Receivable	6	-	-	-
iii) Cash and cash equivalents	7	34,89,566	29,57,351	35,08,530
c) Other Current Assets	8	10,29,267	9,47,763	28,64,839
<b>Total Current assets</b>		<u>22,88,94,366</u>	<u>25,28,42,336</u>	<u>19,26,05,679</u>
<b>TOTAL</b>		<u>41,04,98,341</u>	<u>39,47,33,284</u>	<u>37,47,76,455</u>
<b>II EQUITY AND LIABILITIES</b>				
<b>1) Equity</b>				
a) Equity Share Capital	9	98,56,000	98,56,000	98,56,000
b) Other Equity	10	37,58,21,852	36,30,47,685	34,28,08,830
<b>Total Equity</b>		<u>38,56,77,852</u>	<u>37,29,03,685</u>	<u>35,26,64,830</u>
<b>2) Liabilities</b>				
<b>Non-current Liabilities</b>				
a) Provisions	11	59,97,520	54,90,325	65,06,708
b) Deferred Tax Liabilities (Net)	12	1,09,018	1,09,018	1,09,018
c) Other Non current liabilities	13	20,18,768	20,18,768	20,18,768
<b>Total Liabilities</b>		<u>81,25,306</u>	<u>76,18,111</u>	<u>86,34,494</u>
<b>3) Current Liabilities</b>				
<b>a) Financial Liabilities</b>				
i) Other financial liabilities	14	1,57,14,885	1,18,36,532	1,24,13,641
c) Provisions	15	9,80,298	23,74,956	10,63,490
<b>Total Current Liabilities</b>		<u>1,66,95,183</u>	<u>1,42,11,488</u>	<u>1,34,77,131</u>
<b>TOTAL</b>		<u>41,04,98,341</u>	<u>39,47,33,284</u>	<u>37,47,76,455</u>

NOTES FORMING PART OF THE  
FINANCIAL STATEMENTS

A-C

As per our report of even date  
For Vasani & Thakkar  
Chartered Accountants  
Firm Registration No 111296W

*Sd/-*  
R. N. Vasani  
Partner  
Membership No 12217

For The Victoria Mills Ltd

*Sd/-*  
A. S. BENGALI  
Chief Financial officer

For The Victoria Mills Ltd

*Sd/-*  
Nikunj Kanabar  
Company Secretary

Chairman

*Sd/-*  
R. K. Shah  
DIN NO 07111006

Managing Director

*Sd/-*  
ADITYA MANGALDAS  
DIN NO 00032233

Director 1

*Sd/-*  
S.G. VAIDYA  
DIN NO 00220956

Director 2

*Sd/-*  
MAMTA MANGALDAS  
DIN NO 00021078

Director 3

*Sd/-*  
GARGI MASHRUWALA  
DIN NO 00032543

Mumbai  
Dated: 2nd May 2018



**THE VICTORIA MILLS LTD**

One Hundred Fifth Annual Report 2017-2018

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2018**

	Notes No	(In Rs) 2017-2018	(In Rs) 2016-2017
I) Revenue from Operations	16	8,75,00,000	5,25,00,000
II) Other Income	17	1,22,66,481	1,24,28,316
III) TOTAL REVENUE(I+II)		<u>9,97,66,481</u>	<u>6,49,28,316</u>
<b>IV) EXPENSES</b>			
Cost of Materials Consumed		7,11,02,769	3,92,73,877
Purchases of Stocks-in-Trade		4,28,48,363	3,86,24,948
Changes in Inventories of Finished Goods Stock in trade & Work in Progress		-	-
		(4,28,48,363)	(3,86,24,948)
Employee Benefits Expenses	18	70,06,037	73,54,547
Depreciation and Amortization Expenses		7,67,377	6,91,074
Other Expenses	19	84,67,472	76,54,861
<b>TOTAL EXPENSES</b>		<u>8,73,43,655</u>	<u>5,49,74,359</u>
V) Profit before tax (III-IV)		1,24,22,826	99,53,957
<b>VI) Tax Expenses</b>			
(1) Current Tax		(40,00,000)	(32,50,000)
(2) Tax of earlier years		3,86,108	(3,36,510)
VII) Profit for the period		<u>88,08,934</u>	<u>63,67,447</u>
<b>VIII) Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of defined benefit obligation		(4,86,214)	(12,33,573)
Change in fair value of equity instruments designated irrevocably as Fair Value Through Other Comprehensive Income		1,03,82,664	1,51,04,979
Total other comprehensive income for the year		<u>98,96,450</u>	<u>1,38,71,406</u>
<b>VIII) Earnings per equity share:</b>			
(1) Basic		89.38	64.60
(2) Diluted		89.38	64.60

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

A-C

As per our report annexed herewith  
For Vasani & Thakkar  
Chartered Accountants  
Firm Registration No 111296W

Sd/-

R. N. Vasani.  
Partner  
Membership No 12217

For The Victoria Mills Ltd

Sd/-

A. S. BENGALI  
Chief Financial officer

For The Victoria Mills Ltd

Sd/-

Nikunj Kanabar  
Company Secretary

Mumbai  
Dated: 2nd May 2018

Chairman

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R. K.Shah  
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ADITYA MANGALDAS  
DIN NO 00032233

Director 1

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DIN NO 00220956

Director 2

Sd/-

MAMTA MANGALDAS  
DIN NO 00021078

Director 3

Sd/-

GARGI MASHRUWALA  
DIN NO 00032543

THE VICTORIA MILLS LTD

One Hundred Fifth Annual Report 2017-2018

NOTES ANNEXED TO & FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

NOTE 1: PROPERTY, PLANT & EQUIPMENT

(In Rs)											
Sr. No.	Description	Gross Block on 1.4.2017	Addition	Deductions	Gross Block on 31.3.2018	Total Depr. upto 1.4.2017	Curr. Year Depr.	Depr Wr Back	Total Depr. upto 31.3.2018	Net Block on 31.3.2018	Net Block on 31.3.2017
1	Land	2,01,44,718	-	-	2,01,44,718	-	-	-	-	2,01,44,718	2,01,44,718
2	Building	39,10,831	-	-	39,10,831	15,11,351	45,915	-	15,57,266	23,53,565	23,99,480
3	Plant & Machinery (Computers)	10,44,142	-	-	10,44,142	10,44,140	-	-	10,44,140	2	2
4	Electric Installation	18,06,898	-	-	18,06,898	18,06,897	-	-	18,06,897	1	1
5	Furniture & Fixture	9,75,370	-	-	9,75,370	9,75,369	-	-	9,75,369	1	1
6	Vehicles (yatch)	21,27,575	-	-	21,27,575	12,27,638	1,13,365	-	13,41,003	7,86,572	8,99,937
7	Vehicles	73,07,636	22,16,098	14,62,682	80,61,052	56,78,168	6,08,097	13,89,548	48,96,717	31,64,335	16,29,468
<b>Total</b>		<b>3,73,17,170</b>	<b>22,16,098</b>	<b>14,62,682</b>	<b>3,80,70,586</b>	<b>1,22,43,563</b>	<b>7,67,377</b>	<b>13,89,548</b>	<b>1,16,21,392</b>	<b>2,64,49,194</b>	<b>2,50,73,607</b>
	31-03-2017	3,73,17,170	-	-	3,73,17,170	1,15,52,489	6,91,074	-	1,22,43,563	2,50,73,607	2,57,64,681
	31-03-2016	3,78,25,217	-	5,08,047	3,73,17,170	1,12,05,998	7,88,560	4,45,069	1,15,52,489	2,57,64,681	

THE VICTORIA MILLS LTD

One Hundred Fifth Annual Report 2017-2018

NOTE 2: INVESTMENTS - NON CURRENT

		As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016 Rupees
<b>INVESTMENT CARRIED AT FAIR VALUE THROUGH PROFIT &amp; LOSS</b>				
<b>1 INVESTMENT IN MUTUAL FUNDS</b>				
	Units	FMV	FMV	FMV
Liquid Bees	16,952.73	1,69,52,326	3,250	58,471
Ambit Alpha Fund-Scheme 1	-	1,29,74,127	-	-
Birla Sun Life Cash Manager	7,240.49	30,23,299	12,21,363	87,95,858
Birla Sun Life Short Term Opportunity Fund	79,411.90	22,91,454	21,54,731	19,69,050
Canara Robeco Floating Rate Fund	-	-	20,49,120	18,96,077
DSP Blackrock India Enhanced Equity Fund	2,00,000.00	2,27,48,000	2,12,96,000	-
HDFC Cash Management Fund	75,920.78	8,08,18,871	6,42,01,261	7,51,84,164
HDFC Short Term Opportunities Fund	1,16,155.58	22,27,248	20,89,407	19,18,879
ICICI Prudential Income Opportunities Fund	1,81,880.71	44,15,845	41,84,748	37,97,033
Kotak Bond Regular Plan	-	-	39,82,436	36,18,817
SBI Dynamic Bond Fund	2,00,527.94	42,65,871	41,30,454	36,35,331
SBI Savings Fund	-	-	20,43,700	18,94,909
Sundaram Banking & PSU Debt Fund	-	-	39,95,217	37,23,245
UTI Short Term Fund	72,893.89	22,20,479	21,04,170	19,23,473
ICICI Prudential Equity Arbitrage Fund	-	-	-	2,08,36,484
IDFC Arbitrage Fund	-	-	-	2,08,26,339
J.M. Arbitrage Advance Fund (Bonus)	-	-	-	10,21,541
		<u>15,19,37,521</u>	<u>11,34,55,856</u>	<u>15,10,99,670</u>
<b>TOTAL RUPEES</b>		<u><b>15,19,37,521</b></u>	<u><b>11,34,55,856</b></u>	<u><b>15,10,99,670</b></u>

**THE VICTORIA MILLS LTD**  
**One Hundred Fifth Annual Report 2017-2018**

**NOTE 3: OTHER NON-CURRENT ASSETS**

	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
(Unsecured, Considered Good)			
a) Security Deposits ( Petrol , Telephone Etc)	56,000	56,000	56,000
b) Advance income-tax including tax deducted at source (Net Of Provision of Rs 50250000/- Current year, Rs 50150000/- Previous year)	31,61,259	33,05,485	38,52,614
c) Other Deposits	-	-	13,97,811
<b>TOTAL</b>	<b>32,17,259</b>	<b>33,61,485</b>	<b>53,06,425</b>

**NOTE 4: INVENTORIES**

(As taken, valued & certified by the Management)

a) Property held as stock-in-trade	3,05,48,000	4,32,11,600	5,84,85,600
b) Work In Progress	10,00,00,215	13,01,84,977	7,62,86,030
	<b>13,05,48,215</b>	<b>17,33,96,577</b>	<b>13,47,71,630</b>

THE VICTORIA MILLS LTD

One Hundred Fifth Annual Report 2017-2018  
NOTE 5: INVESTMENTS - CURRENT

		As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016 Rupees
<b>1 INVESTMENTS IN SHARES (QUOTED)</b>				
<b>NAME OF THE SECURITY</b>	<b>QUANTITY</b>	<b>FMV</b>	<b>FMV</b>	<b>FMV</b>
Aditya Birla Fashion & Retail Ltd	-	-	2,75,302	3,36,258
Aditya Birla Nuvo Ltd	-	-	-	3,71,138
Ador Fontech Ltd	2185	2,31,064	1,84,305	1,96,213
Bajaj Corp Ltd	2953	13,94,407	11,65,254	11,38,824
Bajaj Fiancne Limited	-	-	-	48,01,936
Bayer Cropscience Ltd	342	14,37,426	13,31,712	13,22,814
Centum Electronics Ltd	2404	12,19,429	13,22,289	11,77,959
Colgate-Palmolive (India) Ltd	914	9,66,007	-	-
Coromandel International Ltd	1721	9,03,783	5,36,694	-
Credit Rating Information Services Of India Ltd	498	9,38,456	-	-
Cylent Ltd	2066	14,35,560	-	-
Divis Laboratories Ltd	4289	46,73,598	19,40,169	19,09,027
EID Parry (I) Ltd	6356	17,42,101	-	-
Fortis Healthcare Ltd	10484	12,93,201	-	-
Glenmark Pharma Ltd	1043	5,48,931	-	-
Gatway Distriparks Ltd	-	-	-	10,19,116
Globus Spirits Ltd	-	-	15,15,776	-
Goldman Sachs Mutual Fund	-	-	29,52,264	20,78,720
Gujarat Pipavav Port Ltd	20943	30,23,122	16,51,131	17,52,323
HDFC Bank Ltd	3651	68,97,814	52,66,205	39,10,878
Hero Motocorp Ltd	368	13,04,744	11,86,377	9,38,945
ICICI Bank Ltd	19254	53,60,070	36,21,697	22,83,890
IDFC Bank Ltd	11538	5,46,324	6,84,203	1,57,102
IIFL Holdings Ltd	1653	11,66,522	-	1,31,542
Infosys Technologies Ltd	-	-	15,57,741	18,58,592
Intellect Design Arena Ltd	9178	15,17,123	3,45,000	6,77,550
Jubilant Foodworks Ltd	1892	44,00,508	20,95,106	-
KEC International Ltd	2688	10,47,648	-	-
Karur Vysya Bank Ltd	-	-	-	1,39,648
Kwality Ltd	22530	13,30,397	-	-
L&T Finance Holding Ltd	27274	42,83,382	33,66,975	-
LIC Housing Finance Ltd	4344	23,24,692	18,53,722	14,76,594
Linde India Ltd	2469	10,79,570	-	-
Lupin Ltd	719	5,29,076	-	-
Laxmi Machine Works Ltd	0	-	-	7,10,398
MCX Of India Ltd	2838	18,93,939	34,19,932	23,74,413
Mahindra & Mahindra Ltd	4304	31,85,821	22,76,488	11,83,038
Mahindra Holidays & Resort India Ltd	7834	22,89,878	22,43,801	7,55,131
NMDC Ltd	6425	7,61,684	17,10,335	12,59,300
National Aluminium Company Ltd	18867	12,53,712	28,86,651	14,90,493
Nestle India Ltd	287	23,54,419	19,17,347	16,52,359
Nesco Ltd	6860	37,86,034	32,26,670	-
Oracle Financial Services Software Ltd	38	1,42,323	1,44,999	-
Power Grid Corporation Of India Ltd	18368	35,60,637	36,22,170	16,59,185
PTC India Ltd	19560	17,03,676	18,17,124	12,47,928
Pfizer Ltd	-	-	-	5,73,483
Praj Industries Ltd	-	-	-	5,41,748
Sanofi India Ltd	122	6,33,137	5,73,760	-
Sundaram Fasteners Ltd	14544	80,26,106	56,84,522	24,84,842
T. D. Power System Ltd	4586	8,69,964	10,60,513	9,55,722
Take Solutions Ltd	4155	6,79,966	5,24,361	-
Talwalkars Better Value Fitness Ltd	3702	8,96,254	-	-
Talwalkars Lifestyles Ltd	3702	-	-	-
Tata Motors Ltd	6912	22,60,091	19,05,477	15,80,742
Tech Mahindra Ltd	-	-	7,74,426	8,01,133
The Great Eastern Shipping Co Ltd	1347	4,44,779	5,61,699	-
United Spirits Ltd	1029	32,20,410	22,37,766	6,29,849
VRL Logistics Ltd	7628	29,31,822	23,73,834	-
Wipro Ltd	4758	13,37,712	12,26,850	13,81,846
		<b>9,38,27,318</b>	<b>7,30,40,645</b>	<b>4,89,60,680</b>
Less : Provision for fall in Value		-	-	-
		<b>9,38,27,318</b>	<b>7,30,40,645</b>	<b>4,89,60,680</b>
<b>2 INVESTMENT IN DEBENTURE &amp; BONDS (UNQUOTED)</b>				
Zero Coupon Trent Ltd		-	25,00,000	25,00,000
		-	25,00,000	25,00,000
<b>TOTAL RUPEES</b>		<b>9,38,27,318</b>	<b>7,55,40,645</b>	<b>5,14,60,680</b>

**THE VICTORIA MILLS LTD**

**One Hundred Fifth Annual Report 2017-2018**

	<b>As at 31-03-2018 Rupees</b>	<b>As at 31-03-2017 Rupees</b>	<b>As at 01-04-2016 Rupees</b>
<b>NOTE 6: TRADE RECEIVABLE</b>			
Considered Doubtful	1,28,51,328	1,36,51,328	1,44,51,328
Less: Provision for doubtful debts	<u>1,28,51,328</u>	<u>1,36,51,328</u>	<u>1,44,51,328</u>
<b>TOTAL</b>	-	-	-
<b>NOTE 7: CASH AND CASH EQUIVALENTS</b>			
Cash on hand	857	2,935	8,508
With scheduled Bank in :			
Current Account	20,76,509	16,18,616	15,63,822
Unclaimed Dividend A/c	14,12,200	13,35,800	19,36,200
<b>TOTAL</b>	<u>34,89,566</u>	<u>29,57,351</u>	<u>35,08,530</u>
<b>NOTE 8: OTHER CURRENT ASSETS</b>			
Prepaid Expenses	3,04,939	3,87,435	3,49,839
Advance against expenses	4,32,500	2,68,500	-
Accrued Leave & Licence Income	2,91,828	2,91,828	17,40,000
Advance to staff	-	-	7,75,000
<b>TOTAL</b>	<u>10,29,267</u>	<u>9,47,763</u>	<u>28,64,839</u>
Advances Considered Doubtful	9,00,000	9,00,000	10,00,000
Less: Provision	<u>9,00,000</u>	<u>9,00,000</u>	<u>10,00,000</u>
<b>TOTAL</b>	-	-	-

THE VICTORIA MILLS LTD

One Hundred Fifth Annual Report 2017-2018

	As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016 Rupees
<b>NOTE 9: EQUITY SHARE CAPITAL</b>			
<b>AUTHORISED</b>			
2,00,000 Equity Shares of Rs.100/- each	2,00,00,000	2,00,00,000	2,00,00,000
	<u>2,00,00,000</u>	<u>2,00,00,000</u>	<u>2,00,00,000</u>
<b>ISSUED &amp; SUBSCRIBED</b>			
98,560 Equity Shares of Rs.100/- each fully p	98,56,000	98,56,000	98,56,000
	<u>98,56,000</u>	<u>98,56,000</u>	<u>98,56,000</u>
<b>a) Reconciliation of number of shares</b>			
<b>Equity Shares</b>	<b>Nos.</b>	<b>Nos.</b>	<b>Nos.</b>
Opening Balance	98,560	98,560	98,560
Issued during the year	-	-	-
Closing balance	<u>98,560</u>	<u>98,560</u>	<u>98,560</u>

**b) Terms/rights attached to equity shares:**

The Company has only one class of share capital, i.e., equity shares having face value of Rs. 100 per share. Each holder of equity share is entitled to one vote per share.

**c) Details of Shareholders holding more than 5% of equity share in the Company**

Name of the Shareholder	No of Shares	No of Shares	No of Shares
Shri Aditya Mangaldas	43,317	43,317	43,317
	43.95%	43.95%	43.95%
Bromelia Trading LLP	6,100	6,100	6,100
(Formerly Known As Bromelia Trading Pvt Ltd)	6.19%	6.19%	6.19%

**NOTE 10: OTHER EQUITY**

<b>RESERVES &amp; SURPLUS</b>			
<b>A : General Reserve</b>	<b>4,27,35,000</b>	<b>4,15,35,000</b>	<b>2,92,85,000</b>
Transfer from Profit & Loss A/c	15,00,000	12,00,000	1,22,50,000
<b>TOTAL</b>	<b>4,42,35,000</b>	<b>4,27,35,000</b>	<b>4,15,35,000</b>
<b>B : Retained Earnings</b>	<b>32,03,12,685</b>	<b>30,12,73,832</b>	<b>16,06,33,354</b>
Add: Profit for the year	88,08,941	63,67,447	13,03,28,989
	<u>32,91,21,626</u>	<u>30,76,41,279</u>	<u>29,09,62,343</u>
Add: Transfer from OCI	98,96,450	1,38,71,406	-
Add: Transfer to WIP from 14-15			73,12,845
Add: Impact of Ind AS			2,11,79,867
Less: Transfer To General Reserve	15,00,000	12,00,000	1,22,50,000
Less: Dividend	49,28,000	-	49,28,000
Less: Tax On Dividend	10,03,225	-	10,03,225
	<u>24,65,225</u>	<u>1,26,71,406</u>	<u>1,03,11,487</u>
<b>Total</b>	<b>33,15,86,852</b>	<b>32,03,12,685</b>	<b>30,12,73,830</b>
<b>C : Other Comprehensive Income (OCI)</b>			
Remeasurement of defined benefit obligation	(4,86,214)	(12,33,573)	
Change in fair value of equity instruments designated as Fair Value Through Other Comprehensive Income	1,03,82,664	98,96,450	1,51,04,979
Less: transferred to retained earning	(98,96,450)	(1,38,71,406)	
<b>TOTAL</b>	<b>37,58,21,852</b>	<b>36,30,47,685</b>	<b>34,28,08,830</b>



**THE VICTORIA MILLS LTD**

**One Hundred Fifth Annual Report 2017-2018**

**NOTE 11: PROVISIONS**

	As at 31-03-2018 Rupees	As at 31-03-2017 Rupees	As at 01-04-2016 Rupees
a) Provision for Retirement Benefits			
Gratuity	36,05,013	32,72,516	39,53,912
Leave Encashment	23,92,507	22,17,809	25,52,796
<b>TOTAL</b>	<b>59,97,520</b>	<b>54,90,325</b>	<b>65,06,708</b>

**NOTE 12: DEFERRED TAX LIABILITY**

a) Deffered Tax Liabilities (Net)	1,09,018	1,09,018	1,09,018
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**NOTE 13: OTHER NON CURRENT LIABILITIES**

a) Other Long Term Liabilities (Deposits etc)	20,18,768	20,18,768	20,18,768
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**NOTE 14: OTHER FINANCIAL LIABILITIES**

a) Unpaid expenses	52,17,756	14,15,803	13,92,512
b) Unpaid Dividened	14,12,200	13,35,800	19,36,200
c) Short term deposits	90,84,929	90,84,929	90,84,929
<b>TOTAL</b>	<b>1,57,14,885</b>	<b>1,18,36,532</b>	<b>1,24,13,641</b>

**NOTE 15: PROVISIONS**

a) Provision for Retirement Benefits			-
Gratuity	6,50,526	15,38,148	-
Leave Encashment	3,29,772	8,36,808	-
b) Income Tax			10,63,490
<b>TOTAL</b>	<b>9,80,298</b>	<b>23,74,956</b>	<b>10,63,490</b>

THE VICTORIA MILLS LTD

One Hundred Fifth Annual Report 2017-2018

SCHEDULES FORMING PART OF CONSOLIDATED THE PROFIT & LOSS ACCOUNT AS ON 31ST MARCH 2018

NOTE 16: REVENUE FROM OPERATIONS

	2017-2018 Rupees	2016-2017 Rupees
<b>Operating revenue</b>		
Revenue from sale of constructed properties	8,75,00,000	5,25,00,000
<b>Total</b>	<u>8,75,00,000</u>	<u>5,25,00,000</u>

NOTE 17: OTHER INCOME

<b>Interest</b>		
On Others	-	51,854
(TAX DEDUCTED Rs 0/-Previous year Rs 2041/-)		
<b>Dividend</b>	26,95,868	30,37,636
<b>Other non operating income</b>		
Royalty Received	9,903	17,100
Profit on disposal of Property, plant and equipment (Net)	1,81,866	-
Income from investment in bond	13,25,574	-
Profit on Redemption of Mutual Funds Units	3,79,896	13,37,230
Gain on Mutual Fund Investment carried at Fair Value	28,73,190	37,60,431
Excess Provisions Written Back	8,00,000	30,67,005
Miscellaneous Income	40,00,183	11,57,061
<b>TOTAL</b>	<u>1,22,66,481</u>	<u>1,24,28,316</u>

THE VICTORIA MILLS LTD

One Hundred Fifth Annual Report 2017-2018

**NOTE 18: EMPLOYEE BENEFITS EXPENSES**

Salaries, Wages, & Bonus	70,06,037	72,32,776
Contribution to provident and other funds	-	1,21,771
<b>TOTAL</b>	<b>70,06,037</b>	<b>73,54,547</b>

**NOTE 19: OTHER EXPENSES**

Motor car Expenses	6,24,839	6,38,477
Stationery & Printing	1,46,269	1,00,940
Travelling Expenses	3,63,141	4,54,677
Telephone Expenses	2,15,497	2,05,336
Legal & Professional	30,28,260	25,06,757
Insurance	1,14,407	89,034
Auditor's Remuneration		
i) Audit Fees	1,59,075	1,58,625
ii) For taxation and other matters	3,24,400	5,41,538
iii) Out of Pocket expenses	26,427	26,175
Electricity	2,81,747	2,41,615
Directors' Fees	3,15,000	3,25,000
Building Maintenance Expenses	70,305	44,568
Membership & Subscription	3,34,577	2,75,835
Rates & Taxes	36,180	21,242
Brokerage	13,12,500	-
Miscellaneous Expenses	10,70,767	12,33,792
Yatch Expenses	44,081	-
<b>TOTAL</b>	<b>84,67,472</b>	<b>76,54,861</b>

## THE VICTORIA MILLS LIMITED

### One Hundred Fifth Annual Report –2017-18

#### NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

##### A. CORPORATE INFORMATION

The Victoria Mills Ltd ('the holding Company') together with its subsidiary (collectively referred as the group) is engaged primarily in the business of real estate development. The holding Company is public limited company incorporated and domiciled in India. Its registered office is situated at Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai 400 013.

The consolidated financial statements for the year ended March 31, 2018 were authorized and approved for issue by the Board of Directors on May 02, 2018.

##### B. SIGNIFICAT ACCOUNTING POLICIES

###### a) GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with with the provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment.

For all the periods upto the year ended March 31, 2017, the group had earlier prepared and presented its consolidated financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 (Indian GAAP).

Reconciliations and description of the effect of the transition to Ind AS from Indian GAAP is given in Note C.

###### b) BASIS OF PREPRATION

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. The Group combines the financial statements of the Holding Company and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

## c) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### **i. Property, plant and equipment**

Property, plant and equipment are initially stated and recognised at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives prescribed in Schedule II to the Act. Property, plant and equipment are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of de-recognition.

### **ii. Revenue recognition**

The group is in the business of real estate development. Real estate income is recognized as revenue on the completion of sale of property. Other income and cost/expenditure are generally accounted on accrual as they are earned or incurred.

### **iii. Cost of revenue**

Cost of real estate projects includes cost of land, development costs, overheads, construction costs and development/construction materials, which is charged to the statement of profit and loss in connection to the revenue recognized.

### **iv. Taxation**

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity. Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized. Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period.

**v. Financial instruments**

Initial recognition and measurement: The group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the financial instrument and is measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

Financial assets carried at amortised cost – a financial asset is measured at the amortised cost, if both the conditions are met: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and 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 amortized cost using the effective interest rate (EIR) method.

Investments in other equity instruments – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Investments in mutual funds – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

Financial liabilities subsequent to initial recognition are measured at amortized cost using the effective interest method.

**vi. Valuation of Inventories:**

Properties held as stock in trade is valued at cost or market whichever is lower. Work-in-progress is includes all direct expenditure pertaining to project and is valued at cost or realizable value whichever is lower.

**vii. Provisions and contingent liabilities**

A provision is recognized when:

There is a present obligation (legal or constructive) as a result of a past event; It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in extreme cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.

Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **viii. Impairment of assets**

As at the end of each accounting year, the group reviews the carrying amounts of its PPE and investment property to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

#### **ix. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The holding company did not have any potentially dilutive securities in any of the years presented.

#### **Earning per equity Share**

	<b>2017-2018</b>	<b>2016-2017</b>
(i) Net Profit after Tax (Rs.)	<b>8808934</b>	6367447
(ii) Number of Equity Shares of Rs.100/- each	<b>98560</b>	98560
(iii) Basic and Diluted Earnings per Share (Rs.)	<b>89.38</b>	64.60

#### **x. Financial Instruments By Category**

##### **Fair values hierarchy**

Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The following table provides the fair value measurement hierarchy of the the group's assets and liabilities.

Particulars	Level 1	Level 2	Level 3
31-03-2018			
Investments (Eq shares & MF)	24,58,64,840		
31-03-2017			
Investments (Eq shares & MF)	18,90,96,501		
01-04-2016			
Investments (Eq shares & MF)	20,26,60,350		

**xi. Segment Reporting :**

The group is in the business of real estate development. In view of the above the group has only one identified reportable segment.

**xii. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

**xiii. Related Party Information :**

**a) Payments to key Management Personnel**

	Name	Designation	Rs.
1	Mr. Aditya Mangaldas	Managing Director	41,22,298
2	Mr. Asgar S.Bengali	Chief Financial Officer	5,51,100
3	Mr. Nikunj Kanabar	Company Secretary	64,200
4	Mr. Dhiraj Gupta	Company Secretary	2,98,000

**xiv.** There are no dues to suppliers covered under Micro Small and Medium Enterprises Development Act, 2006.

**xv. Financial risk management**

Risk management framework: The board of directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors are responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze 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.



**xvi. Employee benefits**

Gratuity and Leave encashment is provided on the basis of cost of benefits determined using Projected Unit Cost Method with actuarial valuation being carried out at each Balance sheet date. Superannuation Fund is contributed into Fund with LIC. Full provision for liability in this respect has been made in the accounts. Gratuity Disclosure statement-

	2017-2018	2016-17
Present Value of Benefit Obligation at the beginning of the period	48,10,664	39,53,912
Interest Cost	3,47,330	3,10,382
Current Service Cost	1,51,338	1,34,004
Past Service Cost	-	-
Liability Transferred in/Acquisitions	-	-
(Liability Transferred Out/Divestments)	-	-
(Gains)/Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit paid directly by the Employer)	(9,29,295)	
(Benefit paid from the Fund)	-	-
The effect of changes in Foreign Exchange rates	-	-
Actuarial (Gains)/Losses on Obligations – Due to change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations – Due to Change in Financial Assumptions	(1,69,804)	1,53,315
Actuarial (Gains)/Losses on Obligations – Due to Experience	45,306	2,59,051
Present Value of Benefit Obligation at the End of the Period	42,55,539	48,10,664

xvii. There are no capital and other commitments as at 31.3.2018.

xviii. Previous year's figures are regrouped where necessary.

**C. EXPLANATION FOR TRANSITION TO IND AS.**

- a) These are the Group's first financial statements prepared in accordance with Ind AS. The accounting policies have been applied consistently in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). An explanation of how the transition from financial statements prepared in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) to Ind AS has affected the Groups's financial position, financial performance and cash flows is set-out in the following tables and notes:

b) Ind AS optional exemptions

Deemed cost for property, plant and equipment, investment property and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized 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. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties. Accordingly, the group has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

Initial recognition of a financial asset

Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognised financial assets, as Fair Value through Other Comprehensive Income (FVTOCI) on the basis of the facts and circumstances that existed at the date of transition to Ind AS. Accordingly, the group has designated its investments in equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

c) Reconciliation between previous GAAP and Ind AS

i. Equity reconciliation

Sr. No	Particulars	31-03-2017	01-04-2016
1	As reported under previous GAAP	33,28,38,762	32,16,28,963
	Adjusted equity:-		
	Changes in fair value of investments	3,02,08,923	2,11,79,867
	Equity under Ind AS	36,30,47,685	34,28,08,832

ii. Total comprehensive income reconciliation

Sr. No.	Particulars	31-03-2017
1	As reported under previous GAAP	1,12,09,799
	Adjusted equity:-	
	Changes in fair value of investments	(60,75,925)
	Employee Benefit	12,33,573
	<b>Net profit as per Ind AS</b>	<b>63,67,447</b>
	Other Comprehensive Income	1,38,71,406
	Total comprehensive Income	20,238,853

As per our report annexed herewith.

**For Vasani & Thakkar**  
**Chartered Accountants**  
**Firm Registration Number 111296W**

Sd/-  
**R. N. Vasani**  
**Partner**  
**(Membership No. 12217)**

**For The Victoria Mills Ltd.**

**Chairman** Sd/-  
**R.K.Shah**  
**(DIN No.07111006)**

**For The Victoria Mills Ltd.**

Sd/-  
**A.S.Bengali**  
**Chief Financial Officer**

**Managing Director** Sd/-  
**Aditya Mangaldas**  
**(DIN No.00032233)**

**Director 1.** Sd/-  
**S.G.Vaidya**  
**(DIN No.00220956)**

**For The Victoria Mills Ltd.**

Sd/-  
**Nikunj Kanabar**  
**Company Secretary**

**Director 2.** Sd/-  
**Mamta Mangaldas**  
**(DIN No.00021078)**

**Director 3.** Sd/-  
**Gargi Mashruwala**  
**(DIN No.00032543)**

Place: Mumbai  
Date: 2<sup>nd</sup> May 2018

THE VICTORIA MILLS LIMITED, MUMBAI

One Hundred Fifth Annual Report 2017-2018

CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	2017-2018		2016-17	
	Rupees	Rupees	Rupees	Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
NET PROFIT/(LOSS) AFTER TAX & EXTRA-ORDINARY ITEM		88,08,934		63,67,447
Add:				
a) Provision for Taxation (net)	36,13,892		32,50,000	
b) Depreciation	<u>7,67,377</u>	43,81,269	<u>6,91,074</u>	39,41,074
		1,31,90,203		<u>1,03,08,521</u>
Less:				
a) Dividend Income	26,95,868		30,37,636	
b) Interest received on others	-		51,854	
c) Adjustment for investment in Mutual Fund at FMV	32,53,094		50,97,660	
d) Excess Provision written back	-		30,67,005	
e) Income from investment in bond	13,25,574		-	
f) Re - measurement on employee benefit plans	4,86,214		12,33,573	
g) Profit on Sale of Fixed Assets	<u>1,81,866</u>		-	
		79,42,616		<u>1,24,87,728</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE		<u>52,47,587</u>		<u>(21,79,207)</u>
Add:				
a) (Increase)/Decrease in Inventories	4,28,48,362		(3,86,24,947)	
b) (Increase)/ Decrease in Current Assets	<u>(81,504)</u>		<u>27,98,526</u>	
Less: Increase/(Decrease) in Trade & other Payables				
a) Increase/(Decrease) in Provisions(LT)	5,07,195			
b) Increase/(Decrease) in other liabilities	38,78,361		4,04,98,469	
c) Increase/(Decrease) in Provisions(ST)	<u>(13,94,658)</u>	4,57,57,756		46,72,048
		5,10,05,343		<u>24,92,841</u>
Deduct:				
Direct Taxes Paid/ Received	<u>(34,69,666)</u>		<u>(3,99,00,000)</u>	
		(34,69,666)		(3,99,00,000)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES(A)		<u>4,75,35,677</u>		<u>(3,74,07,159)</u>

THE VICTORIA MILLS LIMITED, MUMBAI

One Hundred Fifth Annual Report 2017-2018

	2017-2018		2017-2018	
	Rupees	Rupees	Rupees	Rupees
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
<b>INFLOW</b>				
a) Dividend Income	26,95,868		30,32,556	
b) Interest received on others	-		51,854	
c) Interest received on Loan to Subsidiary				
d) Profit on Sale of Investments	80,70,511		1,11,78,665	
e) Sale of Fixed Asset	2,55,000		-	
f) Income from investment in bond	13,25,574		-	
g) Net Investments	-	1,23,46,953	2,25,92,905	3,68,55,980
<b>OUTFLOW :</b>				
a) Purchase of Fixed asset	(22,16,098)		-	
b) Net Investment (Non current)	(3,95,56,928)		-	
c) Net Investment (Current)	(1,16,46,164)		-	
		(5,34,19,190)	-	-
<b>NET CASH INFLOW/(OUTFLOW) IN INVESTING ACTIVITIES(B)</b>		<b>(4,10,72,237)</b>		<b>3,68,55,980</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
a) Dividened Paid (Including Dividened Distri Tax)	(59,31,225)		-	
<b>NET CASH INFLOW/(OUTFLOW)IN FINANCING ACTIVITIES (C)</b>		<b>(59,31,225)</b>		<b>-</b>
<b>NET INCREASE/DECREASE IN CASH/CASH EQUIVALENTS (A+B+C)</b>		<b>5,32,215</b>		<b>(5,51,179)</b>
<b>CASH AND CASH EQUIVALENTS AS AT</b>				
31ST MARCH 2016			35,08,530	
31ST MARCH 2017	29,57,351		29,57,351	
31ST MARCH 2018	34,89,566			
<b>NET CASH INFLOW/(OUTFLOW)</b>		<b>5,32,215</b>		<b>(5,51,179)</b>

As per our report annexed herewith  
For Vasani & Thakkar  
Chartered Accountant  
Firm Registration No 111296W

Sd/-

R. N. Vasani  
Partner  
Membership No 12217

For The Victoria Mills Ltd.,

Sd/-

A. S. BENGALI  
Chief Financial Officer

For The Victoria Mills Ltd

Sd/-

Nikunj Kanabar  
Company Secretary

Mumbai  
Dated: 2nd May 2018

Chairman

Sd/-

R. K. Shah  
DIN NO 07111006

Managing Directors

Sd/-

ADITYA MANGALDAS  
DIN NO 00032233

Director 1

Sd/-

S.G. VAIDYA  
DIN NO 00220956

Director 2

Sd/-

MAMTA MANGALDAS  
DIN NO 00021078

Director 3

Sd/-

GARGI MASHRUWALA  
DIN NO 00032543

## THE VICTORIA MILLS LTD

One Hundred Fifth Annual Report 2017-2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 2018 & MARCH 2017

### A. EQUITY SHARE CAPITAL

#### ISSUED & SUBSCRIBED

98,560 Equity Shares of Rs.100/- each fully paid up.

	98,56,000	98,56,000
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	98,56,000	98,56,000
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#### RECONCILIATION OF NUMBER OF SHARES

##### Equity Shares

Opeing Balance  
Issued during the year  
Closing balance

	Nos.	Nos.
	98,560	98,560
	-	-
	98,560	98,560

### B. OTHER EQUITY

Particulars	General Reserve	Retained Earnings	Item of of other comprehensive income
<b>Balance as at April 1, 2016</b>	<b>4,15,35,000</b>	<b>30,12,73,832</b>	-
Add: Transfer from retained earnings	12,00,000	(12,00,000)	-
Add: Profit for the year	-	63,67,447	-
Add: Other Comprehensive Income	-	-	1,38,71,406
Less: OCI transferred to retained earnings	-	1,38,71,406	(1,38,71,406)
<b>Balance as at March 31, 2017</b>	<b>4,27,35,000</b>	<b>32,03,12,685</b>	-
Add: Transfer from retained earnings	15,00,000	(15,00,000)	-
Add: Profit for the year	-	88,08,941	-
Add: Other Comprehensive Income	-	-	98,96,450
Less: OCI transferred to retained earnings	-	98,96,450	(98,96,450)
Less: Dividend (incl tax)	-	(59,31,225)	-
<b>Balance as at March 31, 2018</b>	<b>4,42,35,000</b>	<b>33,15,86,852</b>	-

**THE VICTORIA MILLS LTD**

One Hundred Fifth Annual Report 2017-2018

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 2018 & MARCH 2017**

**A. EQUITY SHARE CAPITAL**

**ISSUED & SUBSCRIBED**

98,560 Equity Shares of Rs.100/- each fully paid up.

98,56,000	98,56,000
<b>98,56,000</b>	<b>98,56,000</b>

**RECONCILIATION OF NUMBER OF SHARES**

**Equity Shares**

Opening Balance  
Issued during the year  
Closing balance

Nos.	Nos.
98,560	98,560
-	-
<b>98,560</b>	<b>98,560</b>

**B. OTHER EQUITY**

Particulars	General Reserve	Retained Earnings	Item of of other comprehensive income
<b>Balance as at April 1, 2016</b>	<b>4,15,35,000</b>	<b>28,56,30,668</b>	-
Add: Transfer from retained earnings	12,00,000	(12,00,000)	-
Add: Profit for the year	-	70,71,525	-
Add: Other Comprehensive Income	-	-	1,38,71,406
Less: OCI transferred to retained earnings	-	1,38,71,406	(1,38,71,406)
<b>Balance as at March 31, 2017</b>	<b>4,27,35,000</b>	<b>30,53,73,599</b>	-
Add: Transfer from retained earnings	15,00,000	(15,00,000)	-
Add: Profit for the year	-	1,07,11,396	-
Add: Other Comprehensive Income	-	-	98,96,450
Less: OCI transferred to retained earnings	-	98,96,450	(98,96,450)
Less: Dividend (incl tax)	-	(59,31,225)	-
<b>Balance as at March 31, 2018</b>	<b>4,42,35,000</b>	<b>31,85,50,221</b>	-