

**Independent Auditor's Report**

**To the Members of Dasve Hospitality Institute Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Dasve Hospitality Institute Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2017, the Statement of Profit and Loss, the Statement of changes in equity, the Cash Flow Statement for the period 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 4 of the Companies (Indian Accounting Standards) Rules, 2015. 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 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.



# G.D. Apte & Co. Chartered Accountants

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 financial statements.

## Opinion

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

## Other Matters:

The comparative financial information of the company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 01, 2015 included in these Standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2016 and March 31, 2015 dated April 19, 2016 and April 20, 2015 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the company on transition to the 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 of India in terms of sub-section (11) of section 143 of the Act, we enclose in the "Annexure – A", 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, the Statement of changes in equity and the Cash Flow Statement dealt with in 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 4 of the Companies (Indian Accounting Standards) Rules, 2015.
  - (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"
  - (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 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



G.D. Apte & Co.  
Chartered Accountants

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- (iv) The company has disclosed in its financial statements as to holdings as well as dealings in specified bank notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For G. D. Apte & Co  
Chartered Accountants  
Firm Registration Number: 100515W



U.S. Abhyankar  
Partner  
Membership No.: 113053  
Mumbai, April 19, 2017

**ANNEXURE 'A' TO THE AUDITORS' REPORT**

**(Referred to in Paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of the Company for the period ended March 31, 2017 of Dasve Hospitality Institute Limited)**

- i. (a) The Company has maintained proper records showing full particulars, situation of fixed assets except quantitative details.  
  
(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties held in the name of the Company.
- ii. Considering the nature of business of the company, paragraph 3(ii) of the Order regarding inventory is not applicable for the year.
- iii. Based on the audit procedures conducted by us and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of paragraph 3(iii) of the Order are not applicable.
- iv. Based on the audit procedures conducted by us and according to the information and explanation given to us, the Company has not advanced any loans, made any investments or given any guarantees and security. Accordingly, paragraph 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposits from the public, to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder apply.
- vi. According to the information and explanation given to us, the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013.



**G.D. Apte & Co.**  
**Chartered Accountants**

- vii. (a) According to information and explanations given to us and on the basis of our examination of records of the company, no liability in respect of sales tax, duty of customs, duty of excise, cess, value added tax has arisen during the period of audit.

According to the information and explanations given to us, there are no undisputed dues, in respect of Provident Fund, investor education and protection fund, employees state insurance, income tax, sales tax, duty of customs, duty of excise, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable, except following :

Rs in Lakhs

Nature of Dues	Amount
Tax deducted at source – Income Tax	19.12
Service Tax	41.83
<b>Total</b>	<b>60.95</b>

Service tax input credit/ liability is subject to reconciliation with the returns filed with the statutory authorities.

- (b) According to the records of the Company, there are no dues of income tax, sales tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
- viii. The information as regards the default, if any, in respect of dues to Allahabad bank have not been compiled by the company due to which we are unable to comment on the same. However, the said loan has since been repaid during the year.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly paragraph 3(ix) of the Order is not applicable to the Company.
- x. According to the information and explanations furnished by the management, and based on our audit procedures, we report that no fraud by the Company or on the Company by any of its officers or employees noticed or reported during the course of our audit.
- xi. According to the information and explanation furnished by the management, no managerial remuneration has been paid during the year. Accordingly, the provisions of paragraph (xi) of the Order are not applicable to the Company.
- xii. In our opinion, the Company is not a Nidhi Company. Accordingly, paragraph (xii) of the Order is not applicable to the Company.



**G.D. Apte & Co.**  
**Chartered Accountants**

- xiii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us, we report that the transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details as required by the applicable accounting standards have been disclosed in the financial Statements. Since the company is not listed company or a company prescribed within the class of companies under Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014, provisions of section 177 of the Act are not applicable to the company.
- 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.
- xv. Based on the audit procedure performed for the purpose of reporting the true and fair view of financial statements and as per the information and explanation given to us , we report that the company has not entered into any non- cash transitions of the nature as described in section 192(1) of the Act.
- xvi. According to the information and explanations given to us and based on audit procedures performed by us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For G. D. Apte & Co  
Chartered Accountants  
Firm Registration Number: 100515W



U.S. Abhyankar  
Partner  
Membership No.: 113053  
Mumbai, April 19, 2017



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**ANNEXURE 'B' TO THE AUDITORS' REPORT**

(Referred to in paragraph 2 (f) under the heading 'Report on other legal and regulatory requirements' of our report on even date on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") to the members of the Company for the period ended March 31, 2017 of Dasve Hospitality Institute Limited)

**To the Members of Dasve Hospitality Institute Limited**

We have audited the internal financial controls over financial reporting of Dasve Hospitality Institute Limited ("the Company"), as of March 31, 2017 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 Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act 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.





# G.D. Apte & Co. Chartered Accountants

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

In our opinion, the 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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For G. D. Apte & Co  
Chartered Accountants  
Firm Registration Number: 100515W



U.S. Abhyankar  
Partner  
Membership No.: 113053  
Mumbai, April 19, 2017



Balance Sheet as at March 31, 2017

(₹ in Lakhs)

Particulars	Note No	As at March 31st, 2017	As at March 31st, 2016	As at April 1st, 2015
<b>ASSETS</b>				
<b>A Non-current assets</b>				
(a) Property, Plant and Equipment	2.01	3,190.59	3,441.92	3,857.10
(b) Capital work-in- progress	2.01	-	127.31	173.53
(c) Other Intangible Assets	2.01	6.00	8.95	11.89
(d) Financial Assets				
Loans	2.02	9.48	9.48	9.48
(e) Other Non Current Assets	2.03	0.00	22.52	37.52
<b>B Current assets</b>				
(a) Financial Assets				
(i) Trade Receivable	2.04	126.22	20.66	6.95
(ii) Cash and Cash equivalents	2.05	8.67	8.64	7.58
(b) Deferred Tax Asset (Net)	2.06	-	-	-
(c) Other current assets	2.07	89.74	78.57	52.50
<b>Total Assets</b>		<b>3,430.70</b>	<b>3,718.04</b>	<b>4,156.54</b>
<b>EQUITY AND LIABILITIES</b>				
<b>A Equity</b>				
(a) Equity Share capital	2.08	10.50	10.50	10.50
(b) Other Equity	2.09	(3,311.95)	(2,499.15)	(1,399.66)
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	2.10	3.28	1,352.84	2,116.88
(iii) Provisions	2.11	-	-	6.66
<b>B Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	2.12	4,397.51	2,577.81	1,496.62
(ii) Trade payables	2.13	1,344.36	1,304.94	1,055.96
(iii) Other financial liabilities	2.14	492.13	474.59	237.11
(b) Other current liabilities	2.15	482.77	484.42	627.04
(c) Provisions	2.16	12.09	12.09	5.42
<b>Total Equity and Liabilities</b>		<b>3,430.70</b>	<b>3,718.04</b>	<b>4,156.54</b>

Significant accounting policies and notes to financial statements form an integral part of Balance Sheet.

As per our attached Report of even date

For and on behalf of the Board of Directors

For G. D. Apte & Co.  
Chartered Accountants  
ICAI Firm Registration No. 100515W

S P Pendharkar  
Director  
DIN : 02284028

*Arun Karambelkar*  
Arun Karambelkar  
Director  
DIN : 02151606

*U. S. Abhyankar*  
U. S. Abhyankar  
Partner  
Membership No. 113053



Rajiv Duggal  
Director  
DIN. 0989554

Place: Mumbai  
Date : 19th April 2017

Place : Mumbai  
Date : 19th April 2017

*U. S. Abhyankar*

Statement of Profit and Loss for the year ended March 31,2017

(₹ in Lakhs)

Particulars	Note no	For the year ended March, 31st 2017	For the year ended March, 31st 2016
Revenue from Operations	2.17	139.86	53.71
Other Income	2.18	76.80	22.93
<b>Total Income</b>		<b>216.66</b>	<b>76.64</b>
<b>EXPENSES</b>			
Operational Expenses	2.19	9.07	30.81
Employee Benefit expenses	2.20	-	16.67
Office, Site Establishment and Other Expenses	2.21	43.23	110.15
Finance Cost	2.22	594.63	600.38
Depreciation and amortization expenses	2.01	381.52	418.13
<b>Total Expenses</b>		<b>1,028.45</b>	<b>1,176.14</b>
<b>Profit/(Loss) before tax</b>		<b>(811.80)</b>	<b>(1,099.49)</b>
Tax expenses			
(1) Current tax		-	-
(2) Deferred tax		-	-
<b>Profit (Loss) for the period from continuing operations</b>		<b>(811.80)</b>	<b>(1,099.49)</b>
Profit(Loss) from discontinued operations		-	-
Tax expenses of discontinued operations		-	-
<b>Profit / (Loss) from discontinued operations (after tax)</b>		<b>-</b>	<b>-</b>
<b>Profit / loss for the period</b>		<b>(811.80)</b>	<b>(1,099.49)</b>
<b>Other Comprehensive Income Items that will not be reclassified to Profit and Loss :</b>			
Re-measurement gains/ (losses) on defined benefit plans		-	-
Income tax effect		-	-
<b>Total other Comprehensive Income for the Year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>(811.80)</b>	<b>(1,099.49)</b>
<b>Earning per Equity Share (For continuing operation) :</b>			
i) Basic (₹ per Share)		(773.14)	(1,047.14)
ii) Diluted (₹ per share)		(773.14)	(1,047.14)
<b>Earning per Equity Share (For discontinued operation):</b>			
i) Basic (₹ per Share)		-	-
ii) Diluted (₹ per share)		-	-
<b>Earning per equity share (For discontinued &amp; continuing operations):</b>			
i) Basic (₹ per Share)		(773.14)	(1,047.14)
ii) Diluted (₹ per share)		(773.14)	(1,047.14)

Significant accounting policies and notes to financial statements form an integral part of the Statement of Profit and Loss.

As per our attached report of even date

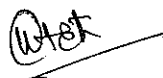
For and on behalf of the Board of Directors

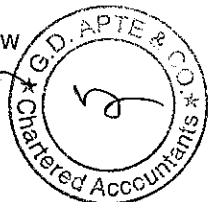
For G. D. Apte & Co.  
Chartered Accountants  
ICAI Firm Registration No. 100515W



U. S. Abhyankar  
Partner  
Membership No. 113053

Place: Mumbai  
Date : 19th April, 2017

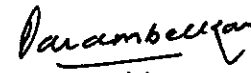




  
S P Pendharkar  
Director  
DIN : 02284028

Rajiv Duggal  
Director  
DIN. 0989554

Place: Mumbai  
Date : 19th April, 2017

  
Arun Karambelkar  
Director  
DIN : 02151606

Statement of Changes in Equity as at March 31, 2017

A. Equity Share Capital

(₹ in Lakhs)

Balance at April 01, 2015	Changes in equity share capital during the year	Balance as at March 31, 2016	Changes in equity share capital during the year	Balance as at March 31, 2017
10.50	-	10.50	-	10.50

B. Other Equity

(₹ in Lakhs)

Particulars	Share application money pending allotment	Equity component of CRPS	Equity investment by holding company	Reserve and Surplus		Other items of Other Comprehensive Income	Total
				Securities Premium Reserve	Retained Earnings		
Balance as on 1st April 2015	1.00	1,015.23	52.56	2,233.08	(4,701.44)	(0.09)	(1,399.66)
Profit (Loss) for the period	-	-	-	-	(1,099.49)	-	(1,099.49)
Other Comprehensive Income	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	(1,099.49)	-	(1,099.49)
Balance as on 31st March 2016	1.00	1,015.23	52.56	2,233.08	(5,800.94)	(0.09)	(2,499.15)
Addition / Deletion during the year	(1.00)	-	-	-	-	-	(1.00)
Profit / (Loss) for the period	-	-	-	-	(811.80)	-	(811.80)
Other Comprehensive Income	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	(811.80)	-	(811.80)
Balance as on 31st March 2017	1.00	1,015.23	52.56	2,233.08	(6,612.73)	(0.09)	(3,311.95)

Significant accounting policies and notes to financial statements form an integral part of Balance Sheet.

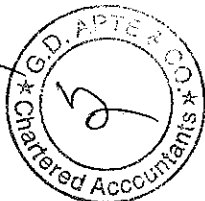
As per our attached Report of even date

For and on behalf of the Board of Directors

For G. D. Apte & Co.  
Chartered Accountants  
ICAI Firm Registration No. 100515W

U. S. Abhyankar  
Partner  
Membership No. 113053

Place: Mumbai  
Date : 19th April 2017



S P Pendharkar  
Director  
DIN : 02284028

Rajiv Duggal  
Director  
DIN. 0989554

Place : Mumbai  
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DIN : 02151606

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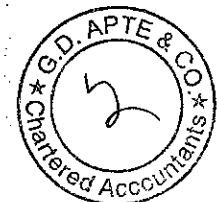
## DASVE HOSPITALITY INSTITUTES LIMITED

CIN.No.U55100MH2008PLC186901

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017.

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
- Net profit / (loss) before tax and Exceptional items	(811.80)	(1,099.49)
Adjustment for :		
- Interest	594.63	585.34
- Depreciation	381.52	418.13
Operating Cash Flow before working Capital changes	164.35	(96.02)
- (Increase) / Decrease in Other Current Assets	(11.17)	(26.07)
- (Increase) / Decrease in Other Financial Asset-Long Term	22.52	15.00
- (Increase) / Decrease in Trade Receivables	(105.55)	(13.72)
- Increase / ( Decrease ) in Trade & Other Payables	39.43	248.97
- Increase / ( Decrease ) in Other Financial Liabilities	17.54	237.49
- Increase / ( Decrease ) in Other Current Liabilities	(1.65)	(142.63)
- Increase / ( Decrease ) in Short Term Provisions	-	6.66
- Increase / ( Decrease ) in Other Non Current Liabilities	-	(6.66)
<b>CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>125.46</b>	<b>223.02</b>
Direct Taxes paid	-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>125.46</b>	<b>223.02</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
-Addition to fixed assets	0.06	-
- Additions to Capital work in progress	-	46.22
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>0.06</b>	<b>46.22</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
- Interest Paid	(594.63)	(585.34)
- Proceeds from Deposits	-	-
- Proceeds from issue of Equity shares	(1.00)	-
- Proceeds from / (Repayment of) Long Term Borrowings	470.14	317.16
- Proceeds from / (Repayment of) ICD	-	-
- Share Application money transferred to issue of shares including premium	-	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(125.49)</b>	<b>(268.18)</b>



Particulars	(₹ in Lakhs)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Increase / (Decrease) in cash and cash equivalents	0.03	1.06
Cash and cash equivalents at beginning of Year	8.64	7.58
Cash and cash equivalents at end of the Year	8.67	8.64

Notes :

i) Details of Cash and cash equivalents are given in note No. 2.05

ii) The above cash- flow statement have been prepared under the indirect method setout in Ind AS 7, 'Statement of Cashflows' specified under section 133 of the Act read with rule 4 of the Companies (Indian Accounting Standard) Rules, 2015 and rule 4 of Companies (India Accounting Standard) Amendment Rules 2016.

iii) Direct Tax paid is treated as arising from operating activities and are not bifurcated between investment and financing activities.

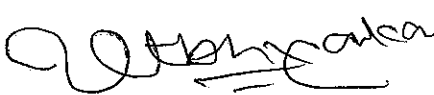
iv) All figures in brackets indicate outflow.

As per our attached report of even date

For and on behalf of the Board of Directors

For G. D. Apte & Co.  
Chartered Accountants

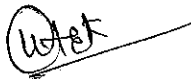
ICAI Firm Registration No. 100515

  
U. S. Abhyankar  
Partner  
Membership No. 113053



Place: Mumbai

Date : 19th April 2017



  
S P Pendharkar  
Director  
DIN : 02284028

  
Arun Karambelkar  
Director  
DIN : 02151606

Rajiv Duggal  
Director  
DIN. 0989554

Place: Mumbai

Date : 19th April 2017

**Note No.1: SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS AS AT 31st March 2017**

**A Company Overview**

Dasve Hospitality Institution Limited ('the company') is a public limited company incorporated and domiciled in India and having its Educational Services at Lavasa, India. The company was incorporated in 28th, september 2008 and having its registered office in Mumbai, India. The Company operates as a subsidiary of Lavasa Corporation Limited.

**B Basis of Preparation of Financial Statements**

The financial statements are prepared in accordance with Indian Accounting Standard (Ind AS) under the historical cost convention on the accrual basis, the provision of Companies Act, 2013 (to the extent notified). The Ind AS prescribed under section 133 of the Act read with rules 4 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (India Accounting Standard) Amendment Rules 2016.

The Company has adopted all Ind AS standards and adoption has been carried out in accordance with Ind AS101, First Time Adoption of Indian Accounting Standard. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Sec 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

**C Statement of Compliance**

The Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of changes in Equity, Cash Flow Statement, together with notes for the year ended March 31, 2017 have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016

**D Basis of measurement**

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- ii. Defined benefit and other long-term employee benefits.

**E Functional and Presentation Currency**

Items included in financial statement of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees (Rs.) which is the Company's presentation currency. All financial information presented in Indian Rupees has been rounded up to the nearest lakhs except where otherwise indicated.

**F First-time adoption of Ind AS**

The financial statement for the year ended March 31, 2017 are the first financial statement prepared by the company in accordance with Ind As.

For the periods up to and inclusive of year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards specified in section 133 of companies Act 2013 read together with rule 7 of Companies (Accounting Standards) Rules 2014 (Previous GAAP). Reconciliation and description of the effect of transition from previous GAAP to Ind AS on equity , Profit and cash flows are provided in Note No. 2.32, 2.33 & 2.34. The Balance Sheet as on the date of transition has been prepared in accordance with Ind AS 101 first- time Adoption of Indian Accounting Standards.

Ind AS 101 requires that all Ind AS for the first Ind AS Financial Statements, be applied consistently and retrospectively for all fiscal years presented. However this standard provides some exceptions and exemptions to the general this general requirement in specific cases. The application of these exceptions and exemptions are as discussed below:

**F (a) Exceptions to retrospective application of other Ind AS**

**i. Estimates:**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error. The Company has not made any changes to estimates made in accordance with Previous GAAP.



**ii. Ind AS 109 – Financial Instruments (Classification and measurement of financial assets) :**

Classification and measurement of financial assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured financial assets on the date of transition.

**F (b) Exemptions from retrospective application of Ind AS**

**i. Ind AS 16 Property, Plant and Equipment/ Ind AS 38 Intangible assets :**

An entity may elect to measure an item of property, plant and equipment and Intangible asset at the date of transition to Ind AS at its fair value and use that fair value as deemed cost at that date or may measure the items of Property, plant and equipment, Intangibles by applying Ind AS retrospectively or use the carrying amount under Previous GAAP on the date of transition as deemed cost. The Company has elected to continue with the carrying amount for all of its property, plant and equipment , Intangible assets measured as per Previous GAAP and use that as its deemed cost as at the date of transition.

**Decommissioning liabilities included in the cost of property, Plant and Equipment:**

Appendix A to Ind AS 16 on Changes in Existing, Decommissioning, Restoration and Similar Liabilities requires specified changes in a decommissioning, restoration or similar liability to be added to or deducted from the cost of the asset to which it relates. The adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life. A first time adopter need not comply with these requirements for changes in such liabilities that occurred before the date of transition to Ind AS. The Company has not adjusted changes in liabilities to the cost of assets retrospectively.

**ii. Ind AS 17 Leases :**

An entity shall determine based on facts and circumstances existing at the date of transition to Ind AS whether an arrangement contains a Lease and when a lease includes both land and building elements, an entity shall assess the classification of each element as finance or operating lease. The Company has used this exemption and assessed all arrangements based on conditions existing as at the date of transition.

**G Use of Estimates**

The preparations of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities, at the time of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognised in the financial statements are :

- i. Valuation of financial instruments
- ii. Useful lives of property, plant and equipment
- iii. Lease classification
- iv. Measurement of defined employee benefit obligations
- v. Provisions
- vi. Utilisation of Tax Losses

**H SIGNIFICANT ACCOUNTING POLICIES:**

**a) Property, Plant and Equipment**

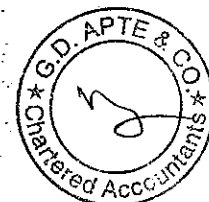
Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

**b) Depreciation and Amortization**

Depreciation on tangible assets is provided on reducing balance method over the estimated useful lives of the assets on pro-rata basis. The estimated useful lives are as below,

- Building : 30 years  
Plant & Machinery : 20 years  
Computers : 6 years  
Office Equipment : 20 years  
Furniture & Fixtures : 15 years

For the above classes of assets, based on internal assessment, Management believes that the useful life as given above represents the period over which it expects to use these assets. Hence the useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of Companies Act, 2013.





c) **Intangible Assets**

Intangible assets are valued at cost less accumulated amortisation and impairment loss if any. Intangible assets are amortized over their respective individual estimated useful lives on straight line basis.

d) **Financial Instruments**

a. **Financial Assets**

Financial assets comprises of investments in the equity and debt securities, trade receivables cash and cash equivalents and other financial assets.

**Initial recognition:**

All financial assets are recognised initially at fair value plus in case of financial assets not are recorded fair value through profit or loss, transaction cost are attributable to the acquisition of financial assets purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the assets.

**Subsequent measurement:**

i. **Financial assets measured at amortized cost:**

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortisation is recognised at finance income in Statement of Profit and Loss.

The Company while applying above criteria has classified the following at Amortised cost

- a) Trade receivable
- b) Other Financial Assets

ii. **Financial assets at Fair Value through other comprehensive income (FVTOCI):**

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair value movements in financial assets at FVTOCI are recognised in other comprehensive income.

iii. **Financial asset are measured at fair value through profit or loss (FVTPL)**

Financial assets are measured at fair value through profit or loss if it does not meet the criteria for classification as measured at amortised cost or at fair value through other comprehensive income. All fair value changes are recognised in the Statement of Profit and Loss.

**De recognition of financial assets**

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for de recognition. On de recognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of de recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised in the Statement of Profit and Loss.

**Impairment of financial assets**

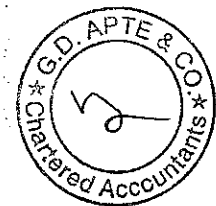
Trade receivables, contract assets under Ind AS 109 are tested for impairment based on the expected credit losses for respective financial asset.

I. **Trade Receivables**

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecast of future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

II. **Other financial assets**

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the lifetime when there is a significant increase in credit risk.



**b. Reclassification of Financial Assets –**

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

**c. Financial liabilities**

**Initial Recognition and Measurement:**

Financial liabilities are initially recognised at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

**Subsequent Measurement:**

The financial liabilities are classified for subsequent measurement into following categories-

- At amortised cost
- At fair value through profit or loss

**i. Financial liabilities at amortised cost**

The companies classifying the following under amortised cost;

- a) Trade payables
- b) Other financial liabilities

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

**ii. Financial liabilities at fair value through profit or loss**

Financial liabilities held for trading are measured at FVTPL.

**De recognition of financial liabilities**

A financial liability shall be de recognised when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

**d. Offsetting of financial assets and financial liabilities -**

Financial assets and liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

**l) Impairment**

The Company makes assessment of any indicator that may lead to impairment of the Assets on an annual basis. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value, which is higher of net selling price and the value in use. Impairment loss, if any, is charged to profit and loss account in the year in which it is identified as impaired.

**j) Taxes on Income**

The tax expense comprises of current tax & deferred tax charged or credited to the Statement of Profit and Loss for the year. Current tax is calculated in accordance with the tax laws applicable to the current financial year. The deferred tax charge or credit is recognised using the tax rates and tax laws that have been enacted by the balance sheet date. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. At each balance sheet date, recognised and unrecognised deferred tax assets are reviewed



**K) Revenue Recognition**

- i) Revenue is recognised as and when services are rendered.
- ii) Interest income is recognised on time proportionate at basis

**L) Employee Benefits**

**i) Defined Contribution Plans**

Company's Contributions paid/payable during the year to Provident Fund and Labour Welfare Fund are recognized in the Profit and Loss Account.

**ii) Defined Benefit Plan & Other long term benefits**

Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gain and losses are recognized immediately in the statement of Profit and Loss Account as income or expenses. Obligation is measured at the present value of estimated future cash flows using a discounted rate that determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

**iii) Short term benefits**

Short-term employee benefits such as salaries, wages, short term compensated absences, performance incentives etc. and expected cost of bonus are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

**M) Borrowing Costs**

Borrowing costs (less any income on the temporary investments of those borrowings) attributable to qualifying assets are capitalised. Other borrowing costs are charged to profit and Loss account.

**N) Contingencies / Provisions**

A provisions are recognised when the Company has a present obligation as a result of a past event and 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.

Contingent liabilities are not provided for unless a reliable estimate of probable outflow to the Company exists as at the Balance Sheet date. Contingent assets are neither recognised nor disclosed in the financial statements.

**O) Earning Per Share**

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earning per share, net profit & loss for the year attributable to equity shareholders and weighted number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**P) Foreign Currency Transactions**

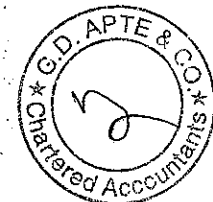
Foreign currency transactions during the year are accounted at the prevailing rate on the date of transaction. Current assets and current liabilities are translated at the exchange rate prevailing on the last day of the year. Gains or losses arising out of remittance/ translations at the year end are credited/ debited to the profit and loss account for the year.

**Q) Lease**

Where the Company is the lessee and the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

**R) Segmental Reporting**

The Company's operation is considered under one segment "Educational Services" for internal reporting. Therefore, the Company's business does not fall under different operational segments as defined by Ind AS 108 - "Operating Segments" referred to in Section 133 of the Companies Act, 2013.



DASVE HOSPITALITY INSTITUTES LIMITED

2.01

Property Plant and Equipments

(₹ in Lakhs)

Particulars	Tangible Assets						Intangible Assets		
	Freehold land	Building and sheds	Plant & Machineries, Office Equipments	Furniture and fixtures	Computers	Total	Computer software	Total	Capital Work in Progress
Gross Carrying Value									
As at 1st April 2015	98.54	3,738.13	435.77	362.74	42.15	4,677.34	15.75	15.75	173.53
Additions	-	-	-	-	-	-	-	-	-
Deductions/ disposals	-	-	-	-	-	-	-	-	46.22
As at 31st March 2016	98.54	3,738.13	435.77	362.74	42.15	4,677.34	15.75	15.75	127.31
Additions	-	127.31	-	-	-	127.31	-	-	-
Deductions/ disposals	-	-	-	0.06	-	0.06	-	-	127.31
As at 31st March 2017	98.54	3,865.45	435.77	362.68	42.15	4,804.59	15.75	15.75	-
Depreciation and Impairment									
As at 1st April 2015	0.59	574.80	118.10	103.64	23.11	820.24	3.86	3.86	-
Depreciation charge for the year	0.10	316.41	44.10	46.95	7.62	415.19	2.94	2.94	-
Accumulated depreciation/ amortisation on disposals	-	-	-	-	-	-	-	-	-
Impairment during the year	-	-	-	-	-	-	-	-	-
As at 31st March 2016	0.69	891.21	162.20	150.59	30.73	1,235.43	6.80	6.80	-
Depreciation/ amortisation charge for the period	0.10	297.50	37.97	38.44	4.57	378.58	2.94	2.94	-
Accumulated depreciation/ amortisation on disposals	-	-	-	-	-	-	-	-	-
As at 31st March 2017	0.79	1,188.71	200.17	189.03	35.30	1,614.01	9.75	9.75	-
Net Block as at 31st March 2017	97.75	2,676.74	235.60	173.65	6.85	3,190.59	6.00	6.00	127.31
Net Block as at 31st March 2016	97.85	2,846.92	273.57	212.15	11.42	3,441.92	8.95	8.95	173.53
Net Block as at 31st March 2015	97.95	3,163.33	317.67	259.10	19.04	3,857.10	11.89	11.89	-



## Notes to and forming part of the financial statements as at and for the year ended March, 31st 2017

(₹ in Lakhs)

	As at March 31st, 2017	As at March 31st, 2016	As at April 1st, 2015
<b>2.02 Long-term loans and advances (Unsecured, considered good)</b>			
(a) Deposits	9.48	9.48	9.48
	<u>9.48</u>	<u>9.48</u>	<u>9.48</u>
<b>2.03 Other Non Current Assets</b>			
Financial Guarantee	0.00	22.52	37.52
	<u>0.00</u>	<u>22.52</u>	<u>37.52</u>
<b>2.04 Trade Receivables (Unsecured, considered good)**</b>			
(i) Outstanding over Six Months from the date they became due			
- considered good	8.19	9.14	6.95
- considered doubtful	7.59	7.59	7.59
(ii) Outstanding Less than Six Months	118.03	11.52	-
	<u>133.81</u>	<u>28.26</u>	<u>14.54</u>
Less: Allowance for doubtful debts	(7.59)	(7.59)	(7.59)
	<u>126.22</u>	<u>20.66</u>	<u>6.95</u>
**No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.			
<b>2.05 Cash and Cash equivalents</b>			
(a) Balances With Banks	8.67	8.58	7.45
(b) Cash On Hand	0.00	0.05	0.12
	<u>8.67</u>	<u>8.64</u>	<u>7.58</u>
<b>2.06 Deferred Tax Asset (Net)</b>			
Deferred tax assets			
Deemed Equity investment by holding company	16.24	12.26	16.24
Carried Forward Tax losses	17.57	-	0.78
Deferred tax liabilities			
RPS DHIL Financial Liability	(0.53)	(0.67)	(0.78)
Property, plant & Equipment	(26.32)	-	-
Financial asset - financial guarantee	(6.96)	(11.59)	(16.24)
	<u>-</u>	<u>-</u>	<u>-</u>
<b>2.07 Other Current Assets</b>			
(a) Advances to Staff	1.36	1.36	0.73
(b) Advances to Suppliers			
- considered good	23.99	39.87	26.52
- considered doubtful	16.53	-	-
	<u>40.53</u>	<u>39.87</u>	<u>26.52</u>
Less: Provision for doubtful advances	(16.53)	-	-
	<u>57.06</u>	<u>39.87</u>	<u>26.52</u>
(c) Balances with government authorities	30.95	21.70	8.95
(d) Financial Guarantee	-	15.00	15.04
(e) Amounts Recoverable In Cash Or Kind	0.37	0.64	1.27
	<u>89.74</u>	<u>78.57</u>	<u>52.50</u>
**No loans are due by directors or other officers of the company either severally or jointly with any other person, nor any loans are due from firms or private companies respectively in which any director is a partner, a director or a member.			



	As at March 31st, 2017	As at March 31st, 2016	As at April 1st, 2015
<b>2.09 Other Equity</b>			
<b>A) Preference Share Capital</b>			
<b>(a) Authorised</b>			
1,00,000 (Previous year 1,00,000) Redeemable Preference Shares of Rs.10/- each	10.00	10.00	10.00
1,89,500 (Previous year 1,89,500) Convertible Preference Shares of Rs.10/- each	18.95	18.95	18.95
<b>Total</b>	<b>28.95</b>	<b>28.95</b>	<b>28.95</b>
<b>Issued, Subscribed And Paid Up Share Capital</b>			
50,000 (Previous year 50,000) Redeemable Preference Shares of Rs.10/- each	5.00	5.00	5.00
1,70,564 (Previous year 1,70,564) Convertible Preference Shares of Rs.10/- each	17.06	17.06	17.06
<b>Total</b>	<b>22.06</b>	<b>22.06</b>	<b>22.06</b>

**Rights & restriction attached to Equity Shareholders**

The Company has only one class of equity shares having face value as Rs.10/- each. Every holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts.

**Rights & restriction attached to Preference Shareholders**

Dividend on cumulative preference shares proposed by the Board of Directors is subject to approval of the shareholders in the Annual General Meeting. Each holder of preference share is entitled to one vote per share only on resolution placed before the Company which directly affects the rights attached to preference shares. Cumulative preference shareholders are entitled to vote on every resolution if preference dividend remains unpaid for 2 years.

**b) Reconciliation of Redeemable Preference shares outstanding at the beginning and at the end of the period**

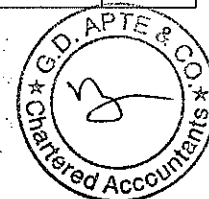
Redeemable Preference shares	As at March 31st, 2017		As at March 31st, 2016		As at April 1st, 2015	
	No of shares	In Lakhs	No of shares	In Lakhs	No of shares	In Lakhs
At the beginning of the period / year	50,000	5.00	50,000	5.00	50,000	5.00
Shares issued during the year for cash	-	-	-	-	-	-
At the end of the period / year	50,000	5.00	50,000	5.00	50,000	5.00

**Reconciliation of Convertible Preference shares outstanding at the beginning and at the end of the period**

0.001% Convertible Preference Shares	As at March 31st, 2017		As at March 31st, 2016		As at April 1st, 2015	
	No of shares	In Lakhs	No of shares	In Lakhs	No of shares	In Lakhs
At the beginning of the period / year	170,564	17.06	170,564	17.06	170,564	17.06
Shares issued during the year for cash	-	-	-	-	-	-
At the end of the period / year	170,564	17.06	170,564	17.06	170,564	17.06

**c) Details of shareholders holding more than 5% of shares of the Company and shares held by holding & ultimate holding**

Particulars	As at March 31st, 2017		As at March 31st, 2016		As at April 1st, 2015	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
Redeemable Preference Shares (Holding Company - Lavasa Corporation Limited)	50,000	100%	50,000	100%	50,000	100%
Convertible Preference Shares (Holding Company - Lavasa Corporation Limited)	170,564	100%	170,564	100%	170,564	100%



	As at March 31st, 2017	As at March 31st, 2016	As at April 1st, 2015
<b>B) Reserves and Surplus</b>			
<b>(a) Securities Premium Reserve;</b>			
Opening Balance	3,228.08	3,228.08	3,228.08
Add : Addition during the year	-	-	-
Closing Balance	3,228.08	3,228.08	3,228.08
<b>(b) Surplus/(Deficit) as per the statement of profit &amp; loss</b>			
Balance brought forward from last year	(5,802.77)	(4,703.27)	(3,261.93)
Add: Profit/ (Loss) for the year	(811.80)	(1,099.49)	(1,439.51)
Add: Share Application money pending allotment	-	-	-
Less: Liability component of preference shares as on 1st April, 2015	-	-	(1.83)
Net Surplus/(deficit)	(6,614.56)	(5,802.77)	(4,703.27)
<b>(c) Deemed Equity Investment</b>			
Balance brought forward from last year	52.56	52.56	52.56
Add: Addition During the year	-	-	-
Net Surplus/(deficit)	52.56	52.56	52.56
<b>(d) Other Comprehensive Income</b>			
Balance brought forward from last year	(0.09)	(0.09)	(0.09)
Add: Profit/ (Loss) for the year	-	-	-
Net Surplus/(deficit)	(0.09)	(0.09)	(0.09)
<b>(e) Share application money pending allotment</b>			
Balance brought forward from last year	1.00	1.00	1.00
Addition / Deletion during the year	(1.00)	-	-
Net Share application money pending allotment at the end of the year	-	1.00	1.00
<b>Total</b>	<b>(3,334.01)</b>	<b>(2,521.21)</b>	<b>(1,421.72)</b>
<b>Total (A+B)</b>	<b>(3,311.95)</b>	<b>(2,499.15)</b>	<b>(1,399.66)</b>
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
<b>2.10 Long-Term Borrowings</b>			
<b>A) Term loans - Secured</b>			
<i>Allahabad Bank</i>			
Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 0.4 Hectare.			
Corporate guarantee to the extent 100% of outstanding balance have been given by promoters.	-	2,587.47	2,728.27
<i>Less: Classified as other current liability due to maturity within next 12 months (Note No 2.19 (b))</i>	-	1,237.47	613.85
	-	1,350.00	2,114.42
<b>B) Liability Component of Compound Financial Instrument</b>	3.28	2.84	2.46
<b>Total Long Term Borrowing</b>	<b>3.28</b>	<b>1,352.84</b>	<b>2,116.88</b>
<b>2.11 Long Term Provisions</b>			
Provision For Employee Benefits	-	-	6.66
	-	-	6.66

\*\*The interest applicable for the company for term loan was benchmark prime lending rate of the bank (BPLR).

The original maturity of the term loan was September, 2018 however, the Company has made the full repayment of the term loan in the month of October, 2016 by paying one time settlement amount of Rs. 2724.99 lakhs including Rs. 2397 lakhs towards principle and Rs. 327.99 lakhs towards interest.

The bank has issued no dues certificate in favour of the Company after this prepayment.



	As at March 31st, 2017	As at March 31st, 2016	As at April 1st, 2015
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
<b>2.12 Short Term Borrowings</b>			
<b>A Current maturities of Long Term Borrowings</b>			
(a) Term Loans from Bank (Secured)	-	1,143.42	613.85
<b>B Payable to Related Parties</b>			
Inter Corporate Deposits from related parties (repayable on demand)	4,397.51	1,434.40	882.77
	<b>4,397.51</b>	<b>2,577.81</b>	<b>1,496.62</b>
<b>2.13 Trade Payables</b>			
Trade Payables to related parties	1,161.01	1,119.10	879.46
Payables to others	183.35	185.84	176.51
	<b>1,344.36</b>	<b>1,304.94</b>	<b>1,055.96</b>
<b>2.14 Other Financial Liabilities (Current)</b>			
(a) Deposits	71.75	88.94	88.94
(b) Interest Accrued And Due On Secured Borrowing	-	94.05	12.50
(c) Interest Accrued And Due On Unsecured Borrowing	377.62	235.40	63.34
(d) Retention Deposit Payables	42.76	56.21	72.33
	<b>492.13</b>	<b>474.59</b>	<b>237.11</b>
<b>2.15 Other Current Liabilities</b>			
(a) Booking Advances	-	0.71	86.76
(b) Income received in advance	173.91	250.00	-
(c) Other Payables			
(i) Statutory & employee dues payable	125.71	34.09	34.61
(ii) Inter Company Expenses	27.99	28.07	134.37
(iii) Other Expenses Payables	155.15	171.56	371.31
	<b>482.77</b>	<b>484.42</b>	<b>627.04</b>
<b>2.16 Short Term Provisions</b>			
Provision For Employee Benefits	12.09	12.09	5.42
	<b>12.09</b>	<b>12.09</b>	<b>5.42</b>





(₹ in Lakhs)

	As at March 31st, 2017	As at March 31st, 2016	As at April 1st, 2015
<b>2.08 Share Capital</b>			
<b>A) Authorised</b>			
2,00,000 (Previous Year 2,00,000 ) Equity Shares of Rs. 10/- each	20.00	20.00	20.00
	<u>20.00</u>	<u>20.00</u>	<u>20.00</u>
<b>ISSUED</b>			
<b>Equity Share Capital</b>			
105,000 Equity Shares (Previous Year 105,000) of Rs.10/- each fully paid up	10.50	10.50	10.50
	<u>10.50</u>	<u>10.50</u>	<u>10.50</u>
<b>SUBSCRIBED AND PAID UP</b>			
<b>Equity Share Capital</b>			
105,000 Equity Shares (Previous Year 105,000) of Rs.10/- each fully paid up	10.50	10.50	10.50
	<u>10.50</u>	<u>10.50</u>	<u>10.50</u>

**B) Reconciliation of shares outstanding at the beginning and at the end of the period**

Equity Shares	As at March 31st, 2017		As at March 31st, 2016		As at April 1st, 2015	
	No of shares	₹ In Lakhs	No of shares	₹ In Lakhs	No of shares	₹ In Lakhs
At the beginning of the year	105,000	10.50	105,000	10.50	105,000	10.50
Shares issued during the year for cash	-	-	-	-	-	-
Shares issued during the year pursuant to conversion of CCPS	-	-	-	-	-	-
At the end of the year	105,000	10.50	105,000	10.50	105,000	10.50

**C) Details of shareholders holding more than 5% of shares of the Company and shares held by holding & ultimate holding Company.**

Equity Shares	As at March 31st, 2017		As at March 31st, 2016		As at April 1st, 2015	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
<b>Equity Shares of ₹ 10 each fully paid</b>						
Lavasa Corporation Limited	105,000	100.00	105,000	100.00	105,000	100.00

**D) Details of Allotment of Shares for consideration other than cash, allotments of Bonus Shares and Shares bought back:**

Particulars	Financial Year (Aggregate No. of Shares)				
	2016-17	2015-16	2014-15	2013-14	2012-13
<b>Equity Shares</b>					
Fully paid up by way of bonus shares					
Allotted pursuant to contract(s) without payment being received in cash					
Shares Bought Back					

**E) Rights & restriction attached to equity shareholders**

The Company has only one class of equity shares having face value as ₹ 10/- each. Every holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. Any dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.



Notes to and forming part of the financial statements as at and for the year ended 31st March 2017

(₹ in Lakhs)

	For the year ended March, 31st 2017	For the year ended March, 31st 2016
<b>2.17 Revenue from Operations</b>		
Tuition Fees	-	19.76
Lodging & Boarding Fees	-	8.59
Common Area Maintenance Fees	-	0.37
Lease Rent Income	139.86	25.00
	<u>139.86</u>	<u>53.71</u>
<b>2.18 Other Income</b>		
Prospectus Charges	-	0.60
Other Income		
Excess provisions written back	51.27	-
Miscellaneous Income	25.54	22.33
	<u>76.80</u>	<u>22.93</u>
<b>2.19 Operational Expenses</b>		
Water charges	2.85	5.20
Rent, rates & taxes	4.93	7.82
Repairs & maintenance	-	1.16
Operations & Maintenance Cost	1.29	9.43
Electricity charges	-	7.19
	<u>9.07</u>	<u>30.81</u>
<b>2.20 Employee Benefit Expenses</b>		
Salaries and wages	-	16.03
Contribution / provisions to and for provident, Gratuity and other funds	-	0.37
Staff welfare expenses	-	0.27
	<u>-</u>	<u>16.67</u>
<b>2.21 Office, Site Establishment and Other Expenses</b>		
Office & Other General Expenses	37.06	83.56
Professional & Consultation Charges	3.77	11.61
Insurance	1.41	2.63
Bank Charges	0.45	4.43
Selling and Marketing Expenses	-	1.83
Net loss on foreign currency transactions and translation	-	5.70
Payment to Auditor for Statutory Audit	0.54	0.40
	<u>43.23</u>	<u>110.15</u>
<b>2.22 Finance Cost</b>		
Interest on Term Loans	137.53	394.15
Interest Paid On Intercorporate Deposit	419.58	191.18
Other borrowing cost	37.52	15.04
	<u>594.63</u>	<u>600.38</u>



Note No. 2 Notes to and forming part of the financial statements as at and for the year ended 31st March 2017

2.23 Contingent Liability

a)	Particulars	(₹ In Lakhs)	
		31st March 2017	31st March 2016
	Contingent Liabilities	-	-

b) Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)- Nil Lakhs. (Previous year ₹ 25.95 Lakhs).

2.24 Related Party Disclosure

i) Particulars of Related Parties, which control or are under common control with the Company :

<p><b>A) Holding Company &amp; Ultimate Holding Company</b>  Hindustan Construction Company Limited (HCC) - Ultimate Holding Company  HCC Real Estate Limited (HREL)- Parent Company of Holding Company  Lavasa Corporation Limited- Holding Company</p> <p><b>B) Fellow Subsidiaries</b>  Dasve Business Hotel Limited  Lakeshore Watersports Company Limited  Dasve Retail Limited  Dasve Convention Center Limited  Full Spectrum Adventure Limited  Future City Multiservices Sez Limited  Hill City Service Apartments Limited  Hill View Parking Services Limited  Kart Racers Limited  Lakeview Clubs Limited  Lavasa Bamboocrafts Limited  Lavasa Hotel Limited  Mugaon Luxury Hotels Limited  My City Technology Limited  Nature Lovers Retail Limited  Our Home Service Apartments Limited  Reasonable Housing Limited  Rhapsody Commercial Space Limited  Rosebay Hotels Limited  Sahyadri City Management Limited  Valley View Entertainment Limited  Verzon Hospitality Limited  Warasgaon Assets Maintenance Limited  Warasgaon Infrastructure Providers Limited  Warasgaon Power Supply Limited  Warasgaon Tourism Limited  Warasgaon Valley Hotels Limited</p> <p><b>C) Other Related Parties</b>  <b>Associates of Holding Company:</b>  Knowledge Vistas Limited</p> <p><b>Joint Ventures Holding Company:</b>  Andromeda Hotels Limited  Green Hills Residences Limited  Spotless Laundry Services Limited  Whistling Thrush Facilities Services Limited  Ecomotel Hotel Limited  Starlit Resort Limited  Bona Sera Hotels Limited  Apollo Lavasa Health Corporation Limited</p>
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ii) Transactions with Related Parties during the period :

(In Lakhs)

Nature of Transactions	Parent Company		Fellow Subsidiaries		Other Related Parties	
	31st March 2017	31st March 2016	31st March 2017	31st March 2016	31st March 2017	31st March 2016
<b>Project and Other Services Received</b>						
Lavasa Corporation Limited	1.16	49.24	-	-	-	-
Sahyadri City Management Limited	-	-	19.54	19.60	-	-
Ecomotel Hotel Limited	-	-	-	-	0.10	0.43
Lake View Club Limited	-	-	-	0.05	-	-
My City Technology Limited	-	-	-	5.88	-	-
Bona Sera Hotels Limited	-	-	-	-	-	0.78
Lavasa Hotel Limited	-	-	0.02	-	-	-
Whistling Thrush Facilities Services Limited	-	-	-	22.55	-	-
Verzon Hospitality Limited	-	-	-	11.16	-	-
<b>Income for Services Rendered</b>						
Lavasa Corporation Limited	-	0.58	-	-	-	-
Lavasa Hotel Limited	-	-	-	0.04	-	-
<b>Interest on Inter corporate Deposit</b>						
Lavasa Corporation Limited	419.58	191.18	-	-	-	-
<b>Inter corporate Deposit Outstanding</b>						
Lavasa Corporation Limited	4,397.51	1,434.40	-	-	-	-
<b>Interest Accrued &amp; Due on Inter Corporate Deposit</b>	375.57	254.52	-	-	-	-
<b>Inter corporate Deposit Received</b>						
Lavasa Corporation Limited	-	2,963.11	-	-	-	-
<b>Included in Trade Payables</b>						
Lavasa Corporation Limited	888.60	1,091.42	-	-	-	-
Bona Sera Hotels Limited	-	-	-	-	2.67	2.87
Lavasa Hotel Limited	-	-	59.43	61.45	-	-
My City Technology Limited	-	-	16.92	23.64	-	-
Lakeview Club Limited	-	-	6.98	6.98	-	-
Sahyadri City Management Limited	-	-	79.54	58.01	-	-
Warasgaon Tourism Limited	-	-	2.78	2.78	-	-
Green Hills Residences Limited	-	-	-	-	39.16	39.16
WARASGAON POWER SUPPLY LIMITED	-	-	1.18	1.18	-	-
Verzon Hospitality Limited	-	-	103.02	103.02	-	-
Whistling Thrush Facilities Service Limited	-	-	-	-	43.26	46.13
Ecomotel Hotel Limited	-	-	-	-	-	10.16
<b>Equity Share Capital Outstanding at face value</b>						
Lavasa Corporation Limited	10.50	10.50	-	-	-	-
<b>Convertible Preference Share Capital Outstanding at face value</b>						
Lavasa Corporation Limited	22.06	22.06	-	-	-	-

2.25 Earnings Per Share:

(In Lakhs)

Particulars	31st March 2017	31st March 2016
Profit/(Loss) after taxation as per statement of profit and loss (In Lakhs)	(811.80)	(1,099.49)
Less: Preference Dividend on cumulative preference shares incl distribution tax	0.00	0.00
<b>Net Profit / (Loss) after preference dividend</b>	<b>(811.80)</b>	<b>(1,099.50)</b>
Weighted Average number of Equity Shares (for Basic EPS)	1,05,000.00	1,05,000.00
<b>Earning Per Share (Basic) (in Rupees)</b>	<b>(773.14)</b>	<b>(1,047.14)</b>
Weighted Average number of Equity Shares (for Diluted EPS)	3,25,564	3,25,564
<b>Earning Per Share (Diluted) (in Rupees)</b>	<b>(773.14)</b>	<b>(1,047.14)</b>



2.26 Financial Instruments By Category

The carrying value and the fair value of financial instruments by each category as at March 31, 2017 :

(₹ In Lakhs)

Particulars	Financial assets / liabilities at amortised costs	Financial assets / liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair Value
<b>Assets</b>					
Trade receivables	126.22	-	-	126.22	126.22
Cash and Cash Equivalents and other bank balances	8.67	-	-	8.67	8.67
Loans	9.48	-	-	9.48	9.48
<b>Liabilities</b>					
Borrowings- Non Current	3.28	-	-	-	-
Borrowings from others	4,397.51	-	-	4,397.51	4,397.51
Trade Payables	1,344.36	-	-	1,344.36	1,344.36
Other financial liabilities	492.13	-	-	492.13	492.13

The carrying value and the fair value of financial instruments by each category as at March 31, 2016:

(₹ In Lakhs)

Particulars	Financial assets / liabilities at amortised costs	Financial assets / liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair Value
<b>Assets</b>					
Trade receivables	20.66	-	-	20.66	20.66
Cash and Cash Equivalents and other bank balances	8.64	-	-	8.64	8.64
Loans	9.48	-	-	9.48	9.48
<b>Liabilities</b>					
Borrowings from Banks Long Term	1,352.84	-	-	1,352.84	1,352.84
Borrowings from Banks Short term	1,143.42	-	-	1,143.42	1,143.42
Borrowings from others	1,434.40	-	-	1,434.40	1,434.40
Trade Payables	1,304.94	-	-	1,304.94	1,304.94
Other financial liabilities	474.59	-	-	474.59	474.59

2.27 Interest Income / (Expenses), Gains / (Losses) recognized on financial assets and liabilities

(₹ In Lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
<b>Financial Liabilities at Amortised Cost</b>		
Interest expenses on borrowings, overdrafts and Intercompany deposit	594.63	600.38
<b>Total</b>	<b>594.63</b>	<b>600.38</b>

2.28 Exposure to credit risk

The Gross carrying amount of financial assets, net of any impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2017 and 2016 was as follows:

(₹ In Lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016
Trade Receivables (Net of ECL)	126.22	20.66
Cash and Cash Equivalents and other bank balances	8.67	8.64
Loans	9.48	9.48
<b>Total</b>	<b>144.37</b>	<b>38.79</b>



**2.29 Financial assets that are past due but not impaired:**

There is no other class of financial assets that is past due but not impaired other than trade receivables. The age analysis of trade receivables have been considered from the date of invoice. The aging of trade receivables net of allowances, that are past due, is given below

Period (in days)	₹ In Lakhs	
	As at March 31, 2017	As at March 31, 2016
0-30 days past due	63.14	21.04
31-1 year past due	62.48	0.04
1-3 year past due	0.60	(0.42)
More than 3 years past due	-	-
<b>Total</b>	<b>126.22</b>	<b>20.66</b>

**Financial assets that are neither past due nor impaired**

Particulars	₹ In Lakhs	
	As at March 31, 2017	As at March 31, 2016
Cash and Cash Equivalents and other bank balances	8.67	8.64
Loans	9.48	9.48

**2.30 Liquidity Risks**

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach for managing liquidity is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damages to the company's reputation. Typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

**Maturity Analysis of financial instruments**

As At March 31, 2017

Particulars	Carrying amount	Contractual Cash flow				
		0-12 Months	1-3 years	3-5 years	Above 5 years	Total
Borrowings from banks Long Term	-	-	-	-	-	-
Borrowings from others	4,397.51	4,397.51	-	-	-	4,397.51
Trade payables	1,344.36	1,344.36	-	-	-	1,344.36
Other financial liabilities	492.13	492.13	-	-	-	492.13

As At March 31, 2016

Particulars	Carrying amount	Contractual Cash flow				
		0-12 Months	1-3 years	3-5 years	Above 5 years	Total
Borrowings from banks Long Term	1,352.84	1,352.84	-	-	-	1,352.84
Borrowings from banks Short Term	1,143.42	1,143.42	-	-	-	1,143.42
Borrowings from others	1,434.40	1,434.40	-	-	-	1,434.40
Trade payables	1,304.94	1,304.94	-	-	-	1,304.94
Other Financial Liabilities	474.59	474.59	-	-	-	474.59



2.31 Interest Rate Risk:

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Company. The Interest rate profile of the company's interest bearing financial instruments were as follows:

(₹ In Lakhs)

Particulars	Carrying amount	
	As at March 31, 2017	As at March 31, 2016
<b>Fixed rate instruments</b>		
Financial assets	-	-
<b>Financial liabilities</b>		
Fixed Rate Instruments		
- Borrowings from Banks	-	2,496.26
- Borrowings from Others	4,397.51	1,434.40

Fair value sensitivity for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit and loss

2.32 Reconciliation of Equity from Previous GAAP to Ind AS as at April 1, 2015 and March 31, 2016

(₹ In Lakhs)

Particulars	As at April 1, 2015	March 31, 2016
Equity as per Previous GAAP	(1,440.26)	(2,524.33)
IND AS Adjustments		
Equity investment by holding company - Financial Guarantee	52.56	52.56
Finance charge on amortisation of Financial Guarantee	-	(15.04)
Liability Component of Preference instrument	(2.46)	(2.84)
Share application money pending allotment	1.00	1.00
<b>Total</b>	<b>(1,389.16)</b>	<b>(2,488.65)</b>

2.33 Reconciliation of material items of Balance Sheet as per IND AS with Previous GAAP As at April 1, 2015

(₹ In Lakhs)

Particulars	As per IND AS	As per previous GAAP	Increase/ (Decrease)
<b>Assets</b>			
Property, Plant and Equipment	3,857.10	3,857.10	-
Trade Receivable	6.95	6.95	-
Cash and Cash equivalents	7.58	7.58	-
Other Non Current Assets	37.52	-	37.52
Other Current Assets	52.50	37.46	15.04
<b>Liabilities</b>			
Borrowings - Non Current	2,116.88	2,114.42	2.46
Short term borrowings	1,496.62	1,496.62	-
Trade Payables	1,055.96	1,055.96	-
Other Current Liabilities	627.04	627.04	-
Other financial liabilities	237.11	237.11	-

Reconciliation of material items of Balance Sheet as per IND AS with Previous GAAP As at March 31, 2016

(₹ In Lakhs)

Particulars	As per IND AS	As per previous GAAP	Increase/ (Decrease)
<b>Assets</b>			
Property, Plant and Equipment	3,441.92	3,441.92	-
Trade Receivable	20.66	20.66	-
Cash and Cash equivalents	8.64	8.64	-
Other Non Current Assets	22.52	22.52	-
Other Current Assets	78.57	78.57	-
<b>Liabilities</b>			
Borrowings - Non Current	1,352.84	1,350.00	2.84
Short term borrowings	2,577.81	2,577.81	-
Trade Payables	1,304.94	1,304.94	-
Other financial liabilities	474.59	474.59	-
Other Current Liabilities	484.42	484.42	-



2.34 Reconciliation of Net profit from Previous GAAP to Ind AS for the year ended March 31, 2016

(₹ In Lakhs)

Particulars	March 31, 2016
Net profit as per Previous GAAP	(1,084.07)
Add / (Less): Ind AS Adjustments	
Amortisation of Financial Guarantee Assets	(15.42)
Net profit as per Ind AS	(1,099.49)

2.35 Reconciliation of material items of Statement of Cashflows for the year ended March 31, 2016 as per IND AS with Previous GAAP as at March 31, 2016

(₹ In Lakhs)

Particulars	As per IND AS	As per previousn GAAP	Increase/ (Decrease)
Cash generated from operations	223.02	458.80	(235.78)
Net cash used in investing activities	46.22	46.22	-
Net cash used in financing activities	(268.18)	(503.96)	235.78
Cash and cash equivalents at the beginning of the year	7.58	7.58	-
Cash and cash equivalents at the end of the year	8.64	8.64	-

2.36 (a) Movement in temporary differences during current and previous year

(₹ In Lakhs)

Particulars	Property, Plant & equipment	Redeemable Preference shares - Financial Liability	Financial asset - Financial Guarantee	Equity investment by holding company	Carried Forward Tax losses
Balance as at April 1, 2015	-	(0.78)	(16.24)	16.24	0.78
Recognised in Income Statement	-	0.12	-	-	(0.78)
Recognised in equity	-	-	4.65	(3.98)	-
Balance as at March 31, 2016	-	(0.67)	(11.59)	12.26	-
Recognised in Income Statement	(26.32)	0.14	-	-	17.57
Recognised in equity	-	-	4.64	3.98	-
Balance as at March 31, 2017	(26.32)	(0.53)	(6.96)	16.24	17.57

(b) Unrecognised deferred tax asset

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Deductible temporary differences	6.77	15.56	8.21
Unrecognised tax losses	1,998.86	1,747.27	1,418.91
	2,005.62	1,762.83	1,427.13

Considering the probability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognized in respect of tax losses carried forward by the Company. Of the above, some tax losses expire at various dates.

(c) Income Tax Expenses recognised in P&L

Particulars	As at March 2017	As at March 2016
Current tax expenses /(Reversal)	-	-
Deferred Tax expense	-	-
Origination and reversal of Temporary difference	-	-
Reversal of previously recognised losses	-	-
Total	-	-





**(d) Reconciliation of effective tax rates**

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:

Particulars	As at March 2017	As at March 2016
Profit Before Tax	(789.27)	(1,099.49)
Enacted tax rates in India	30.90%	30.90%
Expected Tax Expense/ (Benefit)	(243.89)	(339.74)
Effect of :		
Share based payment expenses/ other expenses not deductible for tax purposes	1.09	0.48
Unrecognised deferred tax assets/ liabilities on temporary differences	242.79	335.71
Expenses/ Income not taxable	-	-
Recognition of previously unrecognized tax losses	-	3.56
Total	-	-

**2.37 Employee Benefits****Defined Contribution Plans-**

Accounts recognized as an expense and included in the note no. 2.21 contribution to Provident and other funds of Profit and Loss accounts- ₹ 0 (Previous Year ₹ 0.37 Lakhs)

**2.38 Trade Receivables**

The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due, the rates as given in the provision matrix and qualitative management review on case to case basis. The provision matrix at the end of the reporting period is as follows:

Age of Receivables	Expected Credit loss %
Within the credit period	0%
0-30 days past due	0%
31-1 year past due	0%
1-3 year past due	0%
More than 3 years past due	100%

(₹ In Lakhs)

Period (in days)	As at March 31, 2017	As at March 31, 2016
0-30 days past due	63.14	21.04
31-1 year past due	62.48	0.05
1-3 year past due	0.60	(0.42)
More than 3 years past due	7.59	7.59
Total	133.81	28.26

Movement in Expected Credit loss allowance	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	7.59	7.59
Movement in expected credit loss allowance on trade receivables calculated at lifetime	-	-
Balance at the end of the year	7.59	7.59

2.39 Particulars of unhedged foreign currency exposure as at balance sheet date - Rupees Nil (Previous year Rupees Nil)

**2.40 Disclosure required by Micro, Small and Medium Enterprises (Development) Act, 2006.**

As per requirement of Section 22 Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed:

Particulars	As at March 31, 2017	As at March 31, 2016
Principal amount remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
Interest due on (i) above remaining unpaid	Nil	Nil
Amounts paid beyond the appointed day during the accounting year	Nil	Nil
Interest paid on (iii) above	Nil	Nil
Interest due and payable on (iii) above	Nil	Nil
Interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
Interest remaining unpaid of the previous years for the purpose of disallowance under the Income Tax Act, 1961	Nil	Nil
The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.		



2.41 Details of Foreign Currency Expenditure

(₹ in Lakhs)

Particulars	(₹ in Lakhs)	
	As at March 31, 2017	As at March 31, 2016
	Nil	Nil

2.42 In the opinion of the Board, any of the assets other than fixed assets and non-current investments do not have a value on realization in the ordinary course of business lower than at least equal to the amount at which they are stated

2.43 Company has not made provision for cumulative dividend payable excluding dividend distribution tax, towards 0.001% cumulative redeemable preference shares amounting to ₹ 22.06 (previous year ₹ 22.06), in absence of distributable profits.

2.44 Disclosures as per Notification GSR 308(E) dated March 30, 2017 of Ministry of Corporate Affairs in respect of details of Specified bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016:

(Amount in ₹)

Particulars	SBNs	Other Denominatin Notes	Total
Closing cash in hand as on 08.11.2016	5,000.00	101.00	5,101.00
(+) Permitted receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount deposited in Banks	5,000.00	-	5,000.00
Closing cash in hand as on 30.12.2016	-	101.00	101.00

2.45 Previous year's figures have been regrouped/recasted where necessary.

As per our attached Report of even date

For and on behalf of the Board of Directors

For G D Apte & Co.  
Chartered Accountants  
ICAI Firm Registration No. 100515W



*U. S. Abhyankar*

U. S. Abhyankar  
Partner  
Membership No. 113053

Place: Mumbai  
Date : 19th April 2017

*U. S. Abhyankar*

*S P Pendharkar*

S P Pendharkar  
Director  
DIN : 02284028

*Arun Karambelkar*

Arun Karambelkar  
Director  
DIN : 02151606

Rajiv Duggal  
Director  
DIN. 0989554

Place : Mumbai  
Date : 19th April 2017