

# C. R. MORE & ASSOCIATES



## CHARTERED ACCOUNTANTS

2/52, Shri Ganesh Society, Dr.A.B.Road, Next to Worli Police Station, Worli, Mumbai, India- 400 030

Phone: +912224953114, +912224930526, +912224931061. Fax: +912224930020. Mobile No. +919820085539

Email: morecr@gmail.com

### Independent Auditor's Report

**To the Members of Ladam Homes Private Limited**

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Ladam Homes Private Limited** ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

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

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

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

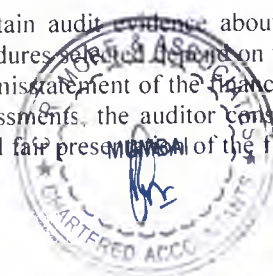
#### Auditor's Responsibility

Our responsibility is to express an opinion on these 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 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 and fair presentation of the financial statements that



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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.

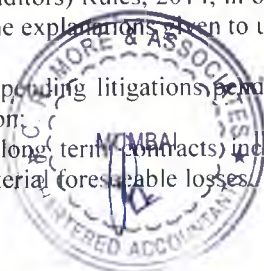
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### 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 March, 2018, and its Profit including other comprehensive income, its cash flows and Statement of Changes in Equity 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 section 143(11) of the Companies Act, 2013 we give in the Annexure A, a statement on the matters specified in the paragraph 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, Statement of Profit and Loss including Other Comprehensive Income, Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid standalone 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 March 2018 taken on record by the Board of Directors, none of the directors are disqualified as on 31 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 B"; and
  - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The company does not have any pending litigations, pending which would have impact on its financial position;
    - ii. the Company did not have any long term contracts including derivative contracts for which there were material foreseeable losses.



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- iii. there were no amount required to be transferred, to the Investor Education and Protection Fund by the Company; and

For C.R.More & Associates  
Chartered Accountants

Firm's Registration No. 1065721

  
C.R. More

(Proprietor)

Membership No. 044281

Place: Mumbai

Dated: 29.05.2018



# C. R. MORE & ASSOCIATES



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### Annexure - A to the Auditors' Report

The Annexure referred to the Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) As explained to us, these fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such physical verification.  
(c) The Title deeds of immovable properties are held in the name of the Company.
- ii. As explained to us, inventories have been physically verified by the management at regular intervals during the year and there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- iii. As informed to us, the Company has granted loans, secured or unsecured to companies, firms, limited liability partnership firm or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

Sir No.	Name of the Party	Relationship	Amount in Rs.
1.	Ladam Steels Ltd	Associate Company	4,54,71,432/-

a) In our opinion, and according to the information and explanations given to us, no interest is charged on the loans and other terms and conditions for such loans are not prima facie prejudicial to the interest to the company.

(b) As informed by the management, the loans granted long term in nature and repayable after period of one year. The company has not demanded repayment of any such loan during the year, thus, there has been no default on the part of the parties to whom the money has been lent. The loan given is interest free.

(c) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the companies Act, 2013.

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- v. The Company has not accepted any deposits from the public.
- vi. To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii. (a) According to the records of the Company, undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, sales Tax, Service Tax, etc.



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duty of customs, duty of excise, value added tax, Cess and other Statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at the balance sheet for a period of more than 6 months from the date of becoming payable.

- viii. information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have not been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable, except the following amounts.

Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending
MVAT Act, 2005	Sales Tax and Interest	27,31,315/-	April 2008 to March 2009	Dy. Commissioner of Sales Tax (Appeals)

Also in case of Service Tax the Company has filed appeal in Supreme Court vide SLP © 21104/2012 for interest during the year 2012-13 and it has completely paid all the service tax dues.

- b) According to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to the financial institutions, banks and government or debenture holders.
- ix. The Company has not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.





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- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act 1934.

For C.R.More & Associates  
Chartered Accountants  
Firm's Registration No. 106572W

  
C.R. More

(Proprietor)  
Membership No. 044281  
Place: Mumbai  
Dated: 29.05.2018



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### Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Ladam Homes Private Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

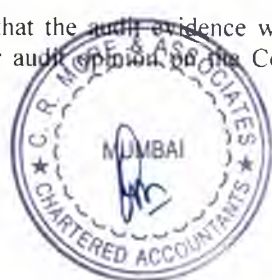
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

#### Auditors' Responsibility

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

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



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### 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For C.R.More & Associates

Chartered Accountants

Firm's Registration No. 106575



C.R.More  
(Proprietor)

Membership No. 044281

Place: Mumbai

Dated: 29.05.2018





**Ladam Homes Pvt Ltd**  
**CIN : U45200MH1995PTC089247**  
**Standalone Balance Sheet as at March 31, 2018**

Particulars	Note No.	As at March 31,		As at April 01,
		2018	2017	2016
<b>I ASSETS</b>				
<b>1 Non-current Assets:</b>				
Property, Plant and Equipment	2	37,12,216	45,41,967	10,19,371
Capital work-in-progress		-	-	-
Investment Property		-	-	-
Goodwill		-	-	-
Intangible assets		-	-	-
<b>Financial assets:</b>				
Investments		-	-	-
Loans & Advances	3	6,25,75,520	61,19,687	10,24,082
Other financial assets		-	-	-
Deferred tax assets (net)		-	-	-
Other non-current assets	4	38,36,984	27,62,848	38,77,550
<b>Total Non-current Assets</b>		<b>7,01,24,720</b>	<b>1,34,24,502</b>	<b>59,21,003</b>
<b>2 Current Assets</b>				
Inventories	5	58,23,85,721	51,13,42,345	39,07,87,853
<b>Financial assets:</b>				
Trade receivables	6	39,90,127	1,34,05,670	1,02,70,207
Cash and cash equivalents	7	5,99,61,672	5,82,74,852	5,73,30,370
Loans & Advances	3	-	-	-
Other financial assets		-	-	-
Current tax assets (net)		-	-	-
Other current assets	4	-	-	-
<b>Total Current Assets</b>		<b>64,63,37,520</b>	<b>58,30,22,867</b>	<b>45,83,88,430</b>
<b>TOTAL ASSETS</b>		<b>71,64,62,240</b>	<b>59,64,47,369</b>	<b>46,43,09,433</b>
<b>II EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
Equity share capital	8	95,18,650	95,18,650	95,18,650
Other equity	9	6,72,70,754	6,38,76,925	5,17,97,232
<b>Total Equity</b>		<b>7,67,89,404</b>	<b>7,33,95,575</b>	<b>6,13,15,882</b>
<b>Liabilities</b>				
<b>2 Non-current Liabilities:</b>				
<b>Financial liabilities:</b>				
Borrowings	10	24,35,30,950	24,06,41,535	24,32,69,795
Trade payables		-	-	-
Other financial liabilities		-	-	-
Provisions		-	-	-
Deferred tax liabilities (net)		-	-	-
Other non-current liabilities		-	-	-
<b>Total Non-current Liabilities</b>		<b>24,35,30,950</b>	<b>24,06,41,535</b>	<b>24,32,69,795</b>



**Ladam Homes Pvt Ltd**  
**CIN : U45200MH1995PTC089247**  
**Standalone Balance Sheet as at March 31, 2018**

Particulars	Note No.	As at March 31,		As at April 01,
		2018	2017	2016
<b>3 Current Liabilities:</b>				
<b>Financial liabilities:</b>				
Borrowings	10	3,90,08,484	3,70,19,360	3,73,02,165
Trade payables	11	5,21,31,486	4,40,04,592	3,17,23,907
Other financial liabilities		-	-	-
Other current liabilities	13	30,38,07,916	19,54,36,307	7,81,97,684
Provisions	12	11,94,000	59,50,000	1,25,00,000
Current tax liabilities (net)		-	-	-
<b>Total Current Liabilities</b>		<b>39,61,41,886</b>	<b>28,24,10,259</b>	<b>15,97,23,756</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>71,64,62,240</b>	<b>59,64,47,369</b>	<b>46,43,09,433</b>
Significant Accounting Policies	1			

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

For and on behalf of the Board of Directors of

As per our report of even date

For C. R. More & Associates  
Chartered Accountants  
FRN - 106572W

  
C.R. More

Proprietor  
Mem No. - 044281  
Place : Mumbai  
Date : May 29, 2018





Sumesh Agarwal  
(Director)  
DIN - 00325063





Jayaprasad Pillai  
(Director)  
DIN - 01560300

**Ladam Homes Pvt Ltd**

CIN : U45200MH1995PTC089247

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

Particulars	Note No.	For the year ended March 31,	
		2018	2017
<b>INCOME</b>			
Revenue from operations	14	2,18,99,546	10,68,57,097
Other Income	15	37,22,999	40,02,137
<b>Total Income</b>		<b>2,56,22,545</b>	<b>11,08,59,234</b>
<b>EXPENSES</b>			
Cost of materials consumed	16	37,66,401	2,86,26,525
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress and traded goods	17	1,34,89,418	6,18,45,769
Employee benefits expense	-	-	-
Finance costs	18	28,60,656	17,23,497
Depreciation and amortization expense	2	8,43,241	6,03,750
Other expenses	19	75,000	30,000
<b>Total Expenses</b>		<b>2,10,34,716</b>	<b>9,28,29,541</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>45,87,829</b>	<b>1,80,29,693</b>
Exceptional items			
<b>Profit / (Loss) before tax</b>		<b>45,87,829</b>	<b>1,80,29,693</b>
Tax expenses			
Current tax		11,94,000	59,50,000
Deferred tax		-	-
		<b>11,94,000</b>	<b>59,50,000</b>
<b>Profit for the year</b>		<b>33,93,829</b>	<b>1,20,79,693</b>
<b>Other Comprehensive Income / (Loss)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plans		-	-
Income Tax relating to items that will not be reclassified to profit or loss			
<b>Total Other Comprehensive Income / (Loss)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>33,93,829</b>	<b>1,20,79,693</b>

Earnings per share (Face value of ` 10/- each) (Refer Note 4.01):

Basic (in `)	4	13
Diluted (in `)	4	13

**Significant Accounting Policies**

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




Particulars	Note No.	For the year ended March 31,	
		2018	2017

For and on behalf of the Board of Directors of

As per our report of even date


For C. R. More & Associates  
Chartered Accountants  
FRN - 106572W

  
C.R. More  
Proprietor  
Mem No. - 044281  
Place : Mumbai  
Date : May 29, 2018



  
Sumesh Agarwal  
(Director)  
DIN - 00325063



  
Jayaprasad Pillai  
(Director)  
DIN - 01560300

**Ladam Homes Private Limited**  
**Cash Flow Statement**  
**Annexed to the Balance Sheet for the period April 2017 to March 2018**

Amt in Rs.

Particulars	Current Year (2017-2018)	Previous Year (2016-2017)
<b>A. Cash flow from Operating Activities</b>		
Profit before tax as per Profit & Loss Account	45,87,829	1,80,29,693
Depreciation (net)	8,43,241	6,03,750
<b>Operating profit before working capital changes</b>	<b>54,31,070</b>	<b>1,86,33,443</b>
<b>Adjustment for :</b>		
(Increase) / decrease in Inventories	(7,10,43,376)	(12,05,54,492)
(Increase) / decrease in Sundry Debtors	94,15,543	(31,35,463)
(Increase) / decrease in Loans & Advances	(5,64,55,833)	(39,80,903)
(Increase) / decrease in Other Current Assets	(10,74,136)	
(Increase) / decrease in Other Misc. Expenditure		
Increase / (decrease) in Trade payables	1,01,16,018	11,72,38,623
Increase / (decrease) in Other Liability	10,36,15,609	57,30,685
<b>Cash generated from operations</b>	<b>(54,26,175)</b>	<b>(47,01,550)</b>
Direct taxes (paid/TDS deducted) / Refund received	11,94,000	59,50,000
<b>Net Cash flow from Operating Activities</b>	<b>(11,89,105)</b>	<b>79,81,893</b>
<b>B. Cash flow from Investing Activities</b>		
(Purchase) / Sale of Fixed Assets	(13,490)	(41,26,346)
(Purchase) / Sale of Investments		
<b>Net Cash flow from investing Activities</b>	<b>(13,490)</b>	<b>(41,26,346)</b>
<b>C. Cash flow from Financing Activities</b>		
Proceeds / (Repayment) of Unsecured Loans	28,89,415	(29,11,065)
Interest Paid		
<b>Net Cash flow from Financing Activities</b>	<b>28,89,415</b>	<b>(29,11,065)</b>
<b>Net Increase / (decrease) in cash and cash equivalent</b>	<b>16,86,820</b>	<b>9,44,482</b>
<b>Cash and cash equivalent as at the beginning of the year</b>	<b>5,82,74,852</b>	<b>5,73,30,370</b>
<b>Cash and cash equivalent as at the closing of the year</b>	<b>5,99,61,672</b>	<b>5,82,74,852</b>

The above Cash Flow Statement has been compiled from and is based on the Balance Sheet as at 31<sup>st</sup> March, 2018 and the relative Profit and Loss Account for the year ended on the date. The above Cash Flow Statement has been prepared in consonance with the requirement of AS-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India and the reconciliation required for the purpose is as made by Company.

For Ladam Homes Private Ltd.  
(Formerly Known as Ladam Homes Ltd.)

  
**Director**





Ladam Homes Pvt Ltd

CIN : U45200MH1995PTC089247

Standalone Statement of changes in equity for the year ended March 31, 2018

A. EQUITY SHARE CAPITAL	Note No.	Amount
Balance as at April 01, 2016		95,18,650
Changes in equity share capital during the year		-
Balance as at March 31, 2017		95,18,650
Changes in equity share capital during the year		-
<b>Balance as at March 31, 2018</b>		<b>95,18,650</b>

B. OTHER EQUITY	General Reserve	Retained Earnings	Total
<b>Balance as at April 01, 2016</b>	-	5,17,97,232	5,17,97,232
Profit for the year	-	1,20,79,693	1,20,79,693
Other Comprehensive Income / (loss)	-	-	-
Total Comprehensive Income for the year	-	<b>6,38,76,925</b>	<b>6,38,76,925</b>
<b>Balance as at March 31, 2017</b>	-	<b>6,38,76,925</b>	<b>6,38,76,925</b>
<b>Balance as at April 01, 2017</b>	-	<b>6,38,76,925</b>	<b>6,38,76,925</b>
Profit for the year	-	33,93,829	33,93,829
Other Comprehensive Income / (loss)	-	-	-
Total Comprehensive Income for the year	-	<b>6,72,70,754</b>	<b>6,72,70,754</b>
<b>Balance as at March 31, 2018</b>	-	<b>6,72,70,754</b>	<b>6,72,70,754</b>

**Significant Accounting Policies Note-1**

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

For and on behalf of the Board of Directors o

As per our report of even date

For C. R. More & Associates  
Chartered Accountants  
FRN - 106572W

  
C.R. More

Proprietor

Mem No. - 044281

Place : Mumbai

Date : May 29, 2018





Sumesh Agarwal  
(Director)  
DIN - 00325063





Jayaprasad Pillai  
(Director)  
DIN - 01560300

Ladam Homes Pvt Ltd

CIN : U45200MH1995PTC089247

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

**2 Property, plant and equipment :**

Current year	Gross Carrying Amount					Depreciation					Net Block		
	As at April 1, 2017	Addition	Disposal	Acquisition through business combinations	Other Adjustments	As at March 31, 2018	As at April 1, 2017	For the Year	Elimination on disposal	Other adjustments	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
<b>Own Assets:</b>													
Office Equipment	14,42,852	13,490				14,56,342	8,73,145	2,09,821			10,82,966	3,73,376	5,69,707
Computers	7,30,806					7,30,806	5,24,068	1,37,738			6,61,806	69,000	2,06,738
Furniture & Fixtures	3,35,205					3,35,205	53,254	35,384			88,638	2,46,567	2,81,951
Vehicles	36,79,810					36,79,810	1,96,239	4,60,298			6,56,537	30,23,273	34,83,571
<b>Sub Total</b>	<b>61,88,673</b>	<b>13,490</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62,02,163</b>	<b>16,46,706</b>	<b>8,43,241</b>	<b>-</b>	<b>-</b>	<b>24,89,947</b>	<b>37,12,216</b>	<b>45,41,967</b>
<b>Total</b>	<b>61,88,673</b>	<b>13,490</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62,02,163</b>	<b>16,46,706</b>	<b>8,43,241</b>	<b>-</b>	<b>-</b>	<b>24,89,947</b>	<b>37,12,216</b>	<b>45,41,967</b>

Previous year	Gross Carrying Amount					Depreciation					Net Block		
	As at April 1, 2016	Addition	Disposal	Acquisition through business combinations	Other Adjustments	As at March 31, 2017	As at April 1, 2016	For the Year	Elimination on disposal	Other adjustments	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
<b>Own Assets:</b>													
Office Equipment	12,96,362	1,46,490				14,42,852	6,64,672	2,08,473			8,73,145	5,69,707	6,31,690
Computers	6,57,460	73,346				7,30,806	3,23,553	2,00,515			5,24,068	2,06,738	3,33,907
Furniture & Fixtures	67,505	2,67,700				3,35,205	30,925	22,329			53,254	2,81,951	36,580
Vehicles	41,000	36,38,810				36,79,810	23,806	1,72,433			1,96,239	34,83,571	17,194
<b>Sub Total</b>	<b>20,62,327</b>	<b>41,26,346</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61,88,673</b>	<b>10,42,956</b>	<b>6,03,750</b>	<b>-</b>	<b>-</b>	<b>16,46,706</b>	<b>45,41,967</b>	<b>10,19,371</b>
<b>Total</b>	<b>20,62,327</b>	<b>41,26,346</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61,88,673</b>	<b>10,42,956</b>	<b>6,03,750</b>	<b>-</b>	<b>-</b>	<b>16,46,706</b>	<b>45,41,967</b>	<b>10,19,371</b>



Ladam Homes Pvt Ltd

CIN : U45200MH1995PTC089247

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

**3 Loans & Advances**

	Non Current			Current		
	As at March 31,		As at April 01,	As at March 31,		As at April 01,
	2018	2017	2016	2018	2017	2016
<b>Security Deposits</b>						
Unsecured, considered good	12,269	1,39,255	1,39,255	-	-	-
(a)	12,269	1,39,255	1,39,255	-	-	-
<b>Loans to related parties (*)</b>						
Loans to group companies						
Unsecured, considered good	5,36,70,003	31,64,405	68,800	-	-	-
(b)	5,36,70,003	31,64,405	68,800	-	-	-
<b>Loans to Others</b>						
Unsecured, considered good	88,93,248	28,16,027	8,16,027	-	-	-
(c)	88,93,248	28,16,027	8,16,027	-	-	-
<b>Total (a + b + c+d)</b>	<b>6,25,75,520</b>	<b>61,19,687</b>	<b>10,24,082</b>	<b>-</b>	<b>-</b>	<b>-</b>

**4 Other assets**

	Non Current			Current		
	As at March 31,		As at April 01,	As at March 31,		As at April 01,
	2,018	2,017	2,016	2018	2017	2016
<b>Balance with Govt Authorities</b>						
TDS & SA Tax paid	38,36,984	27,62,848	38,77,550	-	-	-
<b>Total</b>	<b>38,36,984</b>	<b>27,62,848</b>	<b>38,77,550</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Ladam Homes Pvt Ltd**

**CIN : U45200MH1995PTC089247**

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

**5 Inventories**

	As at March 31,		As at April 01,
	2018	2017	2016
Work-in-progress	57,46,14,237	49,00,81,443	30,76,81,182
Finished goods	77,71,484	2,12,60,902	8,31,06,671
<b>Total</b>	<b>58,23,85,721</b>	<b>51,13,42,345</b>	<b>39,07,87,853</b>

**6 Trade receivables**

	As at March 31,		As at April 01,
	2,018	2,017	2,016
Secured, considered good	-	-	-
Unsecured, considered good	39,90,127	1,34,05,670	1,02,70,207
Unsecured, considered doubtful	-	-	-
	<b>39,90,127</b>	<b>1,34,05,670</b>	<b>1,02,70,207</b>
Less: Allowance for doubtful debts (expected credit loss)	-	-	-
<b>Total</b>	<b>39,90,127</b>	<b>1,34,05,670</b>	<b>1,02,70,207</b>

**7 Cash and Cash equivalents**

	As at March 31,		As at April 01,
	2,018	2,017	2,016
Balances with banks:			
In current accounts	57,62,840	34,31,941	62,58,559
Deposits with original maturity of less than three months	5,41,92,331	5,48,27,973	5,09,60,163
Cheques / drafts on hand	-	-	-
Cash on hand	6,501	14,938	1,11,648
<b>Total</b>	<b>5,99,61,672</b>	<b>5,82,74,852</b>	<b>5,73,30,370</b>

**8 Equity Share Capital**

	As at March 31,		
	2018	2017	2016
<b>Authorised Share Capital :</b>			
1,20,50,000 Equity shares of Rs. 10 /- each	12,05,00,000	12,05,00,000	12,05,00,000
	-	-	-
	<b>12,05,00,000</b>	<b>12,05,00,000</b>	<b>12,05,00,000</b>
<b>Issued, Subscribed and Paid up :</b>			
9,51,865 Equity shares of Rs. 10 /- each	95,18,650	95,18,650	95,18,650
<b>Total</b>	<b>95,18,650</b>	<b>95,18,650</b>	<b>95,18,650</b>

**a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period:**

Equity shares	As at March 31,		As at April 01,
	2,018	2,017	2,016
At the beginning of the year	9,51,865	9,51,865	9,51,865
Outstanding at the end of the year	<b>9,51,865</b>	<b>9,51,865</b>	<b>9,51,865</b>



**Ladam Homes Pvt Ltd**

CIN : U45200MH1995PTC089247

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

**b. Details of shareholders holding more than 5% shares in the Company**

Name of the Shareholder	As at March 31,				As at April 01,	
	2018		2017		2016	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Ladam Steels Ltd	2,00,000	21.01%	2,00,000	21.01%	2,00,000	21.01%
Spearhead Metals & Alloys Ltd	2,50,000	26.26%	2,50,000	26.26%	2,50,000	26.26%
Ladam Affordable housing Ltd	5,00,000	52.53%	5,00,000	52.53%	5,00,000	52.53%
Others	1,865	0.20%	1,865	0.20%	1,865	0.20%

**9 Other Equity**

	As at March 31,			0
	2018	2017	2016	
	General reserve	-	-	
Retained earnings	6,72,70,754	6,38,76,925	5,17,97,232	
<b>Total</b>	<b>6,72,70,754</b>	<b>6,38,76,925</b>	<b>5,17,97,232</b>	
<b>General reserve</b>				
Balance as at the beginning of the year	-	-	-	
Add: amount transferred from surplus balance in the Statement of Profit and Loss	-	-	-	
<b>Balance as at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Retained earnings</b>				
Balance at beginning of year	6,38,76,925	5,17,97,232	2,32,97,125	
Profit for the year	33,93,829	1,20,79,693	2,45,67,867	
Adjustment relating to transitional provision of IND AS as per Note No.	-	-	39,32,240	
<b>Balance as at the end of the year</b>	<b>6,72,70,754</b>	<b>6,38,76,925</b>	<b>5,17,97,232</b>	
<b>Total other equity</b>	<b>6,72,70,754</b>	<b>6,38,76,925</b>	<b>5,17,97,232</b>	

**10 Borrowings**

	Non Current		
	As at March 31,		As at April 01,
	2,018	2,017	2,016
<b>Secured</b>			
<b>Bonds / Debentures</b>			
<b>Term loans</b>			
From bank	-	-	-
HDFC Bank - Car Loan	26,40,520	32,18,787	-
IOB Term Loan	11,00,00,000	9,10,00,000	3,00,00,000
<b>Unsecured</b>			
Inter-corporate Loans	13,08,90,430	14,64,22,748	21,32,69,795
<b>Total</b>	<b>24,35,30,950</b>	<b>24,06,41,535</b>	<b>24,32,69,795</b>





Particulars	Current					
	As at March 31,		As at April 01,			
	2018	2017	2016	2016	2017	2018
<b>Secured</b>						
Loans repayable to banks						
HDFC Bank Overdraft	3,90,08,484	3,70,19,360	3,73,02,165			
<b>Total</b>	<b>3,90,08,484</b>	<b>3,70,19,360</b>	<b>3,73,02,165</b>			
<b>11 Trade payables</b>						
Total outstanding dues of Micro Enterprises & Small Enterprises						
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	5,21,31,486	4,40,04,592	3,17,23,907			
<b>Total</b>	<b>5,21,31,486</b>	<b>4,40,04,592</b>	<b>3,17,23,907</b>			
<b>12 Provisions</b>						
Statutory liabilities				11,94,000	59,50,000	1,25,00,000
Others						
<b>Total</b>				<b>11,94,000</b>	<b>59,50,000</b>	<b>1,25,00,000</b>
<b>13 Other liabilities</b>						
Advance from customer				30,38,07,916	19,54,36,307	7,81,97,684
<b>Total</b>				<b>30,38,07,916</b>	<b>19,54,36,307</b>	<b>7,81,97,684</b>



**Ladam Homes Pvt Ltd**

**CIN : U45200MH1995PTC089247**

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

**14 Revenue from operations**

**Revenue from operations**

Sale of products

Sale of services

**Total**

**For the year ended March 31,**  
**2018**                      **2017**

2,18,99,546                      10,68,57,097

**2,18,99,546**                      **10,68,57,097**

**15 Other Income**

Interest Income

Other Income

**Total**

**For the year ended March 31,**  
**2018**                      **2017**

37,22,999                      39,91,662

-                      10,475

**37,22,999**                      **40,02,137**

**16 Cost of materials consumed**

Direct Expenses / Cost of construction

**Total**

**For the year ended March 31,**  
**2018**                      **2017**

37,66,401                      2,86,26,525

**37,66,401**                      **2,86,26,525**

**17 Changes in inventories**

Inventories at the end of the year

Stock -in-trade

Inventories at the beginning of the year

Stock -in-trade

**Total**

**For the year ended March 31,**  
**2018**                      **2017**

77,71,484                      2,12,60,902

(a) **77,71,484**                      **2,12,60,902**

2,12,60,902                      8,31,06,671

(b) **2,12,60,902**                      **8,31,06,671**

(a - b) **-1,34,89,418**                      **-6,18,45,769**

**18 Finance costs**

**Interest and Finance charges on financial liabilities**

Interest on others

**Total**

**For the year ended March 31,**  
**2018**                      **2017**

28,60,656                      17,23,497

**28,60,656**                      **17,23,497**

**19 Other expenses**

Statutory Audit fees

**Total**

**For the year ended March 31,**  
**2018**                      **2017**

75,000                      30,000

**75,000**                      **30,000**



Ladam Homes Pvt Ltd

CIN : U45200MH1995PTC089247

Note 20 : Reconciliations between previous GAAP and Ind AS

Particulars	Note No.	As at 31/03/2017			As at 01/04/2016		
		Previous GAAP	Effect of Transition to IND AS	As per IND AS Balancesheet	Previous GAAP	Effect of Transition to IND AS	As per IND AS Balancesheet
<b>ASSETS</b>							
<b>Non-Current Assets:</b>							
Property, Plant and Equipment	2	45,41,967	-	45,41,967	10,19,371	-	10,19,371
Capital work-in-progress		-	-	-	-	-	-
Investment Property		-	-	-	-	-	-
Goodwill		-	-	-	-	-	-
Intangible assets		-	-	-	-	-	-
<b>Financial assets</b>		-	-	-	-	-	-
Investments		-	-	-	-	-	-
Trade Receivables		-	-	-	-	-	-
Loans & Advances	1	-	61,19,687	61,19,687	-	10,24,082	10,24,082
Other financial assets	1	88,82,535	-88,82,535	-	49,01,632	-49,01,632	-
Deferred tax assets (net)		-	-	-	-	-	-
Other non-current assets		-	27,62,848	27,62,848	-	38,77,550	38,77,550
		<b>1,34,24,502</b>	<b>-</b>	<b>1,34,24,502</b>	<b>59,21,003</b>	<b>-</b>	<b>59,21,003</b>
<b>Current Assets:</b>							
Inventories		51,13,42,345	-	51,13,42,345	39,07,87,853	-	39,07,87,853
<b>Financial assets</b>		-	-	-	-	-	-
Trade receivables		1,34,05,670	-	1,34,05,670	1,02,70,207	-	1,02,70,207
Cash and cash equivalents		5,82,74,852	-	5,82,74,852	5,73,30,370	-	5,73,30,370
Bank balances other than Cash and cash equ		-	-	-	-	-	-
Loans & Advances		-	-	-	-	-	-
Other financial assets		-	-	-	-	-	-
Current tax assets (net)		-	-	-	-	-	-
Other current assets		-	-	-	-	-	-
		<b>58,30,22,867</b>	<b>-</b>	<b>58,30,22,867</b>	<b>45,83,88,430</b>	<b>-</b>	<b>45,83,88,430</b>
<b>Total</b>		<b>59,64,47,369</b>	<b>-</b>	<b>59,64,47,369</b>	<b>46,43,09,433</b>	<b>-</b>	<b>46,43,09,433</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
Equity share capital		95,18,650	-	95,18,650	95,18,650	-	95,18,650



Other equity		5,99,44,685	39,32,240	6,38,76,925	4,78,64,992	39,32,240	5,17,97,232
		<b>6,94,63,335</b>	<b>39,32,240</b>	<b>7,33,95,575</b>	<b>5,73,83,642</b>	<b>39,32,240</b>	<b>6,13,15,882</b>
<b>Non-Current Liabilities:</b>							
<b>Financial liabilities:</b>							
Borrowings		27,76,60,895	-	27,76,60,895	28,05,71,960	-3,73,02,165	24,32,69,795
Trade payables		-	-	-	-	-	-
Other financial liabilities		-	-	-	-	-	-
Provisions		-	-	-	-	-	-
Deferred tax liabilities (net)		-	-	-	-	-	-
Other non-current liabilities		-	-	-	-	-	-
		27,76,60,895	-	27,76,60,895	28,05,71,960	-3,73,02,165	24,32,69,795
<b>Current Liabilities:</b>							
<b>Financial Liabilities:</b>							
Borrowings		-	-	-	-	3,73,02,165	3,73,02,165
Trade payables	1	4,79,36,832	-39,32,240	4,40,04,592	3,56,56,147	-39,32,240	3,17,23,907
Total outstanding dues of Micro Enterprises & Small Enterprises		-	-	-	-	-	-
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises		-	-	-	-	-	-
Other financial liabilities		-	-	-	-	-	-
Other current liabilities		19,54,36,307	-	19,54,36,307	7,81,97,684	-	7,81,97,684
Provisions		59,50,000	-	59,50,000	1,25,00,000	-	1,25,00,000
Current tax liabilities (net)		-	-	-	-	-	-
		24,93,23,139	-39,32,240	24,53,90,899	12,63,53,831	3,33,69,925	15,97,23,756
<b>Total</b>		<b>59,64,47,369</b>	<b>-</b>	<b>59,64,47,369</b>	<b>46,43,09,433</b>	<b>-</b>	<b>46,43,09,433</b>

**First-time adoption-mandatory exceptions, optional exemptions**

Overall principle

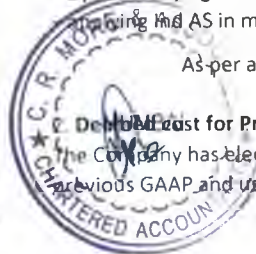
1. The Company has prepared the opening standalone Balance Sheet as per Ind AS of the transition date by :

- recognising all assets and liabilities whose recognition is required by Ind AS;
- not recognising items of assets or liabilities which are not permitted by Ind AS;
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS; and
- applying Ind AS in measurement of recognised assets and liabilities.

As per above principle Rs. 39,32,240 of creditors which are not payable & hence do not satisfy the liability definition & hence are removed on date of transition.

**Deemed cost for Property, Plant and Equipment and Intangible assets**

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Intangible assets recognised as of the transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.



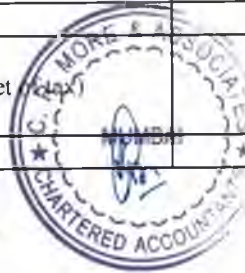
Ladam Homes Pvt Ltd

CIN : U45200MH1995PTC089247

**Note 20 : Reconciliations between previous GAAP and Ind AS (Contd.)**

**Reconciliation of total comprehensive income for the year ended 31 March 2017**

Particulars	Notes to first-time adoption	Previous GAAP	Adjustments	Ind AS
<b>INCOME</b>				
<b>Revenue from operations</b>				
Sale of Product		10,68,57,097	-	10,68,57,097
Income from Services		-	-	-
Other income		40,02,137	-	40,02,137
<b>Total income</b>		<b>11,08,59,234</b>	<b>-</b>	<b>11,08,59,234</b>
<b>EXPENSES:</b>				
Cost of materials consumed		-	-	-
Purchase of stock-in-trade		2,86,26,525	-	2,86,26,525
Changes in inventories of finished goods, work-in-progress and traded goods		6,18,45,769	-	6,18,45,769
Employee benefits expense		-	-	-
Finance costs		17,23,497	-	17,23,497
Depreciation and amortization expense		6,03,750	-	6,03,750
Other expenses		30,000	-	30,000
<b>Total expenses</b>		<b>9,28,29,541</b>	<b>-</b>	<b>9,28,29,541</b>
<b>Profit before tax</b>		<b>1,80,29,693</b>	<b>-</b>	<b>1,80,29,693</b>
Tax expense				
Current tax		59,50,000	-	59,50,000
Deferred tax		-	-	-
<b>Total tax expense</b>		<b>59,50,000</b>	<b>-</b>	<b>59,50,000</b>
<b>Profit for the year</b>		<b>1,20,79,693</b>	<b>-</b>	<b>1,20,79,693</b>
Other comprehensive income for the year (net of tax)				
<b>Total comprehensive income for the year</b>		<b>1,20,79,693</b>		<b>1,20,79,693</b>





## Ladam Homes Private Limited

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

#### 1. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the presentation of these standalone financial statements.

##### 1.1 Basis of Preparation

###### (i) Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) ("previous GAAP") and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer Note no. 20 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows. The date of transition to Ind AS is April 1, 2016.

###### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- a) certain financial assets and liabilities (including derivative instruments) are measured at fair value;

##### 1.2 Current versus non-current classification

The Company presents its assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current if it is :

- a) expected to be realised or intended to be sold or consumed in normal operating cycle;
- b) held primarily for the purpose of trading;
- c) expected to be realised within twelve months after the reporting period; or
- d) the cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- a) it is expected to be settled in normal operating cycle;
- b) it is held primarily for the purpose of trading;
- c) it is due to be settled within twelve months after the reporting period; or



## Ladam Homes Private Limited

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

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

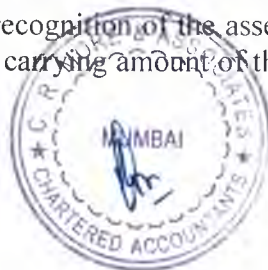
#### 1.3 Use of judgements, estimates & assumptions

While preparing financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluate these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

#### 1.4 Property, Plant and Equipment

- a) Property, Plant and Equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.
- b) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit or Loss as incurred.
- c) An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss.



## Ladam Homes Private Limited

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

- d) Expenditure directly attributable to setting up / construction of new projects are capitalised. Administrative and other General overhead expenses, which are specifically attributable to the setting up / construction activities, incurred during the construction period are capitalised as part of the indirect cost. Other indirect expenditure incurred during such period which are not related to the setting up / construction activities are charged to Statement of Profit and Loss. Income earned during this period from setting up activities is deducted from the total of indirect expenditure.
- e) The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.
- f) Stores and spares which meet the definition of Property Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalised as Property, Plant and Equipment.
- g) Depreciation on Property, Plant and Equipment is provided on straight line method in accordance with requirements prescribed under Schedule II to the Companies Act, 2013

#### 1.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

#### 1.7 Impairment of Assets

Carrying amount of Tangible assets, Intangible assets, investments in subsidiaries, Joint Ventures and Associates (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or company's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### 1.8 Inventories

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost



## Ladam Homes Private Limited

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

includes direct materials, labour, other direct cost and a proportion of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### 1.9 Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

##### Initial Recognition and Measurement – Financial Assets and Financial Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

##### Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following :

- the entity’s business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

##### **Amortised Cost:**

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

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **FVTOCI:**

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **FVTPL:**

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.





## **Ladam Homes Private Limited**

### **Notes to the Standalone Financial Statements for the year ended March 31, 2018**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Currently company has provided some loan to related parties which are callable on demand & hence not fair valued.

#### **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Classification and Subsequent measurement: Financial Liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### **Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

#### **Other Financial Liabilities:**

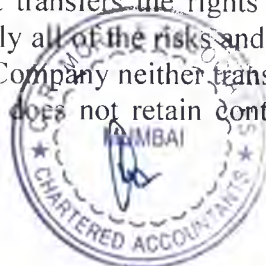
Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method (EIR) is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Currently, company has taken a loan from related parties which are repayable on demand & hence EIR method is not applied.

#### **Derecognition of Financial Assets and Financial Liabilities**

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company





## **Ladam Homes Private Limited**

### **Notes to the Standalone Financial Statements for the year ended March 31, 2018**

enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

#### **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

#### **1.12 Financial liabilities and equity instruments:**

##### **Classification as debt or equity:**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### **Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

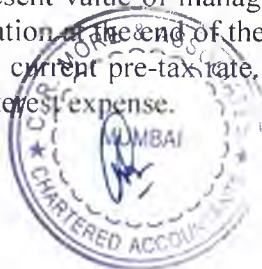
#### **1.13 Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### **1.15 Provisions, Contingent liabilities, Contingent Assets**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.



## Ladam Homes Private Limited

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

#### Contingent liabilities are disclosed in the case of:

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

#### 1.17 Revenue Recognition

##### (i) Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

The Company is having some ongoing real estate projects for which revenue is recognized on project completion method as per previous GAAP. For any new projects revenue recognition will be done on percentage completion method as per Guidance Note of ICAI on Accounting for Real Estate transactions for companies following IND AS.

##### (ii) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

#### 1.18 Taxes on Income

##### Current Tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



## Ladam Homes Private Limited

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

#### 1.19 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### 1.20 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

#### 1.21 Foreign currency translation

##### (i) Functional and presentation currency

The Company's financial statements are prepared in INR, which is also the Company's functional and presentation currency.

##### (ii) Transactions and balances

Since there are no foreign currency transactions in the company & hence this IND AS has no application for the current year.

