

L. P. Investments Limited

Audited Financial Statement  
for the year ended 31<sup>st</sup> March 2019



MRS & Co.  
Chartered Accountants

## Independent Auditors' Report

To the Members of  
L. P. Investments Limited

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of L. P. Investments Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

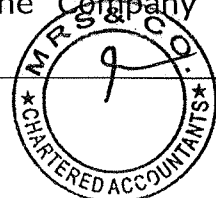
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditors' Responsibility for the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.




- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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, as amended, 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 has no material foreseeable losses, as required under the applicable law or accounting standards, on long-term contracts including derivative contracts.
  - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

New Delhi  
20 May 2019



For MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

  
Mukesh Kumar Thakur  
Partner  
Membership No.095977

## Annexure-"A" to the Independent Auditors' Report

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of, L. P. Investments Limited of even date]

Report on the Internal Financial Controls Over Financial Reporting 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 L. P. Investments Limited ("the Company") as of March 31, 2019 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

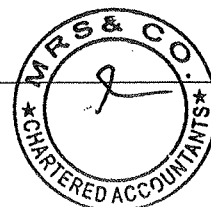
The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



## Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisation 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, to the best of our information and according to the explanations given to us, 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, 2019, 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.

New Delhi  
20 May 2019



For MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

  
Mukesh Kumar Thakur  
Partner  
Membership No.095977

## Annexure-"B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of L. P. Investments Limited of even date)

We report that:

- (i). The company does not have any fixed asset or immovable property. Accordingly, paragraph 3 (i) of the order is not applicable to the company in respect of fixed assets and immovable properties.
- (ii) The company is a investment company. Accordingly it does not hold any physical inventory. Thus paragraph 3 (ii) of the order is not applicable to the company.
- (iii) According to the information and explanations given to us, the company has granted loans to four companies covered in the register maintained under section 189 of the Companies Act, 2013 amounting to Rs 9,51,450.
  - a) In our opinion, the terms and conditions on which loans had been granted to the bodies corporate listed in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the company.
  - b) The terms of arrangements do not stipulate any repayment schedule and loans are repayable on demand. Accordingly, paragraph 3 (iii)(b)/(c) of the order is not applicable to the company in respect of repayment of the principal amount and amount overdue.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with any of the provisions of section 185 and 186 with respect to loans and investments made.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) a) According to information and explanations given to us and the records examined by us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues, wherever applicable, including provident fund, investor education and protection fund, employees' state insurance, income tax, value added tax, wealth tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2019, for a period of more than six months from the date they became payable.



- b) According to the records of the Company, there were no dues outstanding in respect of income tax, wealth-tax, service tax, cess, etc, on account of any dispute.
- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable to the company.
- (x) According to information and explanations given to us, no material 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) According to information and explanations given to us and based on our examination of the records of the company, the company has not paid any managerial remuneration during the period under review.
- (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 to the company.
- (xiii) According to information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to information and explanations given 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 debenture during the year under review.
- (xv) According to 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 to the company.
- (xiv) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N



*Mukesh Kumar Thakur*

Mukesh Kumar Thakur  
Partner

Membership No.095977

New Delhi  
20 May 2019



**L.P. Investments Limited**  
**Balance Sheet as at 31st March 2019**

	Note No.	As At 31st March 2019 Amount Rs	As At 31st March 2018 Amount Rs
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Financial Assets			
(i) Investments	1	1,55,204	1,55,204
(ii) Loans	2	9,51,450	9,51,450
(b) Other non-current assets (net)	3	10,61,680	10,61,680
<b>Total Non-current assets</b>		<b>21,68,334</b>	<b>21,68,334</b>
<b>(2) Current assets</b>			
(a) Financial Assets			
(i) Investments	4	28,093	28,093
(ii) Cash and cash equivalents	5	30,260	36,332
<b>Total current assets</b>		<b>58,353</b>	<b>64,425</b>
<b>Total Assets</b>		<b>22,26,687</b>	<b>22,32,759</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	6	10,38,25,000	10,33,75,000
(b) Other Equity	7	(12,01,50,784)	(12,01,26,852)
<b>Total Equity</b>		<b>(1,63,25,784)</b>	<b>(1,67,51,852)</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	8	1,85,13,966	1,89,63,966
<b>Total non-current liabilities</b>		<b>1,85,13,966</b>	<b>1,89,63,966</b>
<b>(2) Current liabilities</b>			
(a) Other current liabilities	9	38,505	20,645
<b>Total current liabilities</b>		<b>38,505</b>	<b>20,645</b>
<b>Total equity and liabilities</b>		<b>22,26,687</b>	<b>22,32,759</b>

Significant accounting policies

See accompanying Notes to the Financial Statements 1-13

MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

Mukesh Kumar Thakur  
Partner  
Membership no. 095977

New Delhi  
20 May 2019



For and on behalf of Board of Directors  
L.P. Investments Limited

Ahil Girotra  
Director & CFO  
DIN: 00110631

K.K.Kohli  
Director &  
Company Secretary  
DIN: 00127337

**L.P. Investments Limited****Statement of Profit and Loss for the year ended 31st March 2019**

	<u>Note No.</u>	<u>Current Year Amount Rs.</u>	<u>Previous Year Amount Rs.</u>
<b>INCOME</b>			
Revenue from operation	10	772	638
Other income		-	-
<b>Total income</b>		<u><u>772</u></u>	<u><u>638</u></u>
<b>EXPENDITURE</b>			
Other expenses	11	24,704	30,034
<b>Total expenses</b>		<u><u>24,704</u></u>	<u><u>30,034</u></u>
Net loss before tax		(23,932)	(29,396)
Tax expenses:			
Prior period tax adjustments	-	-	-
Current Tax	-	-	-
Deferred Tax	-	-	-
Net loss after tax		(23,932)	(29,396)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(23,932)	(29,396)
Earnings per equity share of face value of Rs 10 each. 12			
(a) Basic		(0.002)	(0.003)
(b) Diluted		(0.002)	(0.003)

Significant accounting policies

See accompanying Notes to the Financial Statements 1-13

MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

Mukesh Kumar Thakur  
Partner  
Membership no. 095977



New Delhi  
20 May 2019

For and on behalf of Board of Directors  
L.P. Investments Limited

Anil Girotra  
Director & CFO  
DIN: 00110631

K.K.Kohli  
Director &  
Company Secretary  
DIN: 00127337

**L.P. Investments Limited****Statement of Changes in Equity for the year ended 31st March 2019**

Amount in Rupees

**A EQUITY SHARE CAPITAL**

[ Refer Note no 13 (E)(iv) ]

Balance at the beginning of 1st April 2017	Changes in equity share capital during the year 2017-18	Balance at the end of 31st March 2018	Changes in equity share capital during the year 2018-19	Balance at the end of 31st March 2019
10,33,75,000	-	10,33,75,000	4,50,000	10,38,25,000

**B OTHER EQUITY**

Particulars	Retained Earnings		Total
As at 31st March 2018			
Balance at the beginning of the 1st April 2017	(12,00,97,456)	-	(12,00,97,456)
Total Comprehensive income for the year	-	(29,396)	(29,396)
Balance at the end of the 31st March 2018	(12,00,97,456)	(29,396)	(12,01,26,852)
As at 31st March 2019			
Balance at the beginning of the 1st April 2018	(12,01,26,852)	-	(12,01,26,852)
Total Comprehensive income for the year	-	(23,932)	(23,932)
Balance at the end of the 31st March 2019	(12,01,26,852)	(23,932)	(12,01,50,784)

Significant accounting policies

See accompanying Notes to the Financial Statements 1-13

MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

Mukesh Kumar Thakur  
Partner  
Membership no. 095977

New Delhi  
20 May 2019



For and on behalf of Board of Directors  
L.P. Investments Limited

Anil Girotra  
Director & CFO  
DIN: 00110631

K.K.Kohli  
Director & Company Secretary  
DIN: 00127337

**L.P. Investments Limited**  
**Statement of Cash Flows for the year ended 31st March 2019**

	Year Ended 31st March 2019 Amount Rs.	Year Ended 31st March 2018 Amount Rs.
<b>(A) Cash flow from operating activities:</b>		
Net loss before tax as per statement of Profit and Loss	(23,932)	(29,396)
Add Cost of investment unrealisable written off	-	1,40,602
Less Dividend received	(772)	(528)
Operating profit before working capital changes	(24,704)	1,10,678
Increase/(Decrease) in other current liabilities	17,860	12,750
Adjustments for changes in working capital :	17,860	12,750
 Cash generated from / (used in) operations	(6,844)	1,23,428
Income tax (paid) / received	-	-
Net cash from / (used in) operating activities	<u>(6,844)</u>	<u>1,23,428</u>
 <b>(B) Cash flow from Investing activities:</b>		
Dividend received	772	528
Net cash from / (used in) investing activities	<u>772</u>	<u>528</u>
 <b>(C) Cash flow from financing activities:</b>		
Allotment of fresh 45,000 Equity shares of Rs 10/- each fully paid up.	4,50,000	-
Redemption of 9.5% 4,500 Redeemable Preference shares of Rs 100/- each	(4,50,000)	-
Net cash from / (used in) financing activities	<u>-</u>	<u>-</u>
 Net Increase/(Decrease) in Cash & Cash Equivalents	(6,072)	1,23,956
 Cash and cash equivalents at beginning of the year	36,332	28,561
Cash and cash equivalents at end of the year	<u>30,260</u>	<u>36,332</u>
	<u>(6,072)</u>	<u>7,772</u>

**Notes :**

(1) Closing Cash and cash equivalents comprise :

Cash in hand	27,704	28,100
Balance with Scheduled Banks:		
- in Current Accounts	2,556	8,232
[ Refer Note 5]		
	<u>30,260</u>	<u>36,332</u>

(2) The above Cash flow statement has been prepared under the indirect method set out in IND AS-7 notified u/s 133 of the Companies Act, 2013

(3) Figures in brackets indicate cash outgo.

(4) Previous Year's figures have been regrouped/re-classified wherever necessary to conform to current year's classification

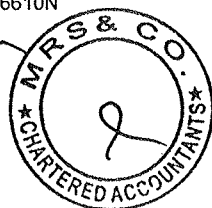
(5) Notes 1 to 13 form an integral part of the Cash Flow Statement.

This is the Cash Flow Statement referred to in our report of even date.

MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

Mukesh Kumar Thakur  
Partner  
Membership no. 095977

New Delhi  
20 May 2019



For and on behalf of Board of Directors  
L.P. Investments Limited

Anil Girotra  
Director & CFO  
DIN: 00110631

K.K.Kohli  
Director & Company Secretary  
DIN: 00127337

*(Handwritten signatures of Anil Girotra and K.K.Kohli)*

**L.P. Investments Limited**
**Notes to the financial statements for the year ended 31st March 2019**

Note No.	As at 31st March 2019		As at 31st March 2018	
	Units	Amount Rs	Units	Amount Rs
<b>1 NON-CURRENT INVESTMENTS</b>				
Investments measured at Cost				
Unquoted, fully paid up				
1.1 In Equity Shares of structured entities				
Hyderabad Distilleries and Wineries Pvt.Ltd.	1500	1,50,000	1500	1,50,000
<b>Total</b>		<b>1,50,000</b>		<b>1,50,000</b>
1.2 In equity shares of other company				
Janta Co-operative Sugar Mills Limited	50	5,000	50	5,000
Panipat Co-operative Sugar Mills Limited	2	200	2	200
Traders Bank Limited	1	4	1	4
<b>Total</b>		<b>5,204</b>		<b>5,204</b>
<b>Total of Investments measured at Cost</b>		<b>1,55,204</b>		<b>1,55,204</b>
1.3 Category-wise Non current investment				
Financial assets measured at cost		1,55,204		1,55,204
<b>2 LOANS</b>				
(Unsecured and Considered Good)				
Loans and advances to structured entities				
-Blue Skies Investments Private Limited		1,57,813		1,57,813
-Palm Beach Investments Private Limited		3,24,888		3,24,888
-Snowwhite Holdings Private Limited		1,43,750		1,43,750
-Ashwa Buildcon Limited		3,25,000		3,25,000
(Formerly Industrial Containers & Closure Limited)				
<b>Total Loans</b>		<b>9,51,450</b>		<b>9,51,450</b>
<b>3 OTHER NON-CURRENT ASSETS</b>				
(Unsecured and Considered Good)				
Minimum alternate tax credit (MAT credit) for assessment year 2015-16		10,61,680		10,61,680
<b>Total</b>		<b>10,61,680</b>		<b>10,61,680</b>



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**L.P. Investments Limited**

Notes to the financial statements for the year ended 31st March 2019

Note No.	As at 31st March 2019		As at 31st March 2018	
	Units	Rs	Units	Rs
<b>4 CURRENT INVESTMENTS</b>				
Investments classification at cost				
<b>4.1 In Equity shares - Quoted, fully paid up</b>				
Glaxo SmithKline Consumer Healthcare Limited	4	23	4	23
Indage Vintners Limited	100	1,000	100	1,000
McDowell Holdings Limited	6	-	6	-
Mohan Meakin Limited	100	975	100	975
Nestle India Limited	4	19	4	19
Radico Khaitan Limited	10	34	10	34
Shreno Limited	12	522	12	522
Anheuser Busch Inbev India Ltd.(SAB Miller India Ltd.)	103	438	103	438
United Breweries Limited	5	5	5	5
United Breweries (Holdings) Limited	3	16	3	16
United Spirits Limited	40	63	8	63
<b>Total</b>		<b>3,093</b>		<b>3,093</b>
<b>4.2 In Mutual Funds - Quoted</b>				
Taurus The Starshare (growth)	2500	25,000	2500	25,000
<b>Total</b>		<b>25,000</b>		<b>25,000</b>
<b>Total Current investments</b>		<b>28,093</b>		<b>28,093</b>
Aggregate amount of Quoted Investments		28,093		28,093
Market Value of Quoted Investments		3,93,902		4,01,075
<b>4.3 Category-wise current investment</b>				
Financial assets measured at cost		28,093		28,093



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**L.P. Investments Limited**

Notes to the financial statements for the year ended 31st March 2019

Note No.	As at 31st March 2019 Amount Rs.	As at 31st March 2018 Amount Rs.
<b>5 CASH AND CASH EQUIVALENTS</b>		
5.1 Cash in hand	27,704	28,100
5.2 Balance with bank -in Canara Bank-0307201055784	2,556	8,232
<b>Total cash and cash equivalents</b>	<b>30,260</b>	<b>36,332</b>
<b>6 EQUITY SHARE CAPITAL</b>		
<b>a Authorized Share Capital</b>		
1,04,50,000 (Previous year 1,04,50,000, As at 1st April 2017-1,04,50,000) Equity Shares of Rs.10/- each.	10,45,00,000	10,45,00,000
5,000 (Previous year 5,000, As at 1st April 2017-5,000) 9.5% Cumulative Redeemable Preference Shares of Rs.10/- each.	5,00,000	5,00,000
<b>Total</b>	<b>10,50,00,000</b>	<b>10,50,00,000</b>
<b>b Issued, subscribed and paid up capital</b>		
-1,03,82,500 (Previous year 1,03,37,500, As at 1st April 2017-1,03,37,500) Equity Shares of Rs.10/- each fully paid up.	10,38,25,000	10,33,75,000
<b>Total</b>	<b>10,38,25,000</b>	<b>10,33,75,000</b>

**Terms/rights attached to Equity Shares:-**

The Company has only one class of Equity Shares having par value of Rs 10/- per share. Each 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 remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



**L.P. Investments Limited**

Notes to the financial statements for the year ended 31st March 2019

Note No.	As at 31st March 2019 Amount Rs.	As at 31st March 2018 Amount Rs.
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**6.1 The details of Shareholders holding more than 5% shares :**

	% held	No. of Shares	% held	No. of Shares
Jagatjit Industries Limited (Equity share capital)	98.26%	1,02,01,717	98.26%	1,01,57,500

**6.2 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:**

Particulars	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	1,03,37,500	1,03,37,500
45,000 Equity shares issued and allotted during the year at Rs 10/- each fully paid up	45,000	-
Equity Shares at the end of the period	1,03,82,500	1,03,37,500

**7 OTHER EQUITY****Reserves and Surplus****(a) Retained Earnings**

Opening balance	(12,01,26,852)	(12,00,97,456)
Add: total Comprehensive Income for the year	(23,932)	(29,396)
Closing balance	(12,01,50,784)	(12,01,26,852)
<b>Total</b>	<b>(12,01,50,784)</b>	<b>(12,01,26,852)</b>

**8 BORROWINGS****(Unsecured)**

Loans and advances from related parties:

[ Refer item no. E(i) of Note No. 13 ]

-From holding company: Jagatjit Industries Ltd	1,85,08,966	1,85,08,966
-4500, 9.50% Cumulative Redeemable Preference shares held by holding company, Jagatjit Industries Ltd redeemed during the year by issue of 45,000 fresh Equity shares of Rs 10/- each fully paid up. [ Refer Note no 13 (E)(iii) ]	-	4,50,000

-From directors	5,000	5,000
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<b>Total</b>	<b>1,85,13,966</b>	<b>1,89,63,966</b>
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## L.P. Investments Limited

Notes to the financial statements for the year ended 31st March 2019

Note	As at 31st March 2019 Amount Rs.	As at 31st March 2018 Amount Rs.
No.		

### 8.1 Terms/rights attached to Preference Shares:-

The Company has only one class of 9.50% Redeemable Cumulative Preference Shares having par value of Rs 100/- per share. The company has allotted 4500, 9.50% Redeemable cumulative Preference share Rs 100 each to M/s Jagatjit Industries Limited, holding company, on 13-06-1998.

On and after 13-06-1998, the said 9.50% Redeemable Cumulative Preference Shares had the following rights, privileges and conditions attaching thereto. Viz

- The Preference Shares shall be entitled to fixed cumulative preferential dividend at the rate of 9.50% per annum in priority to the equity shares, but shall not confer any further right to participate in the profits or assets.
- The cumulative dividend to 9.50% preference shareholders as on 13-06-2018 was Rs 8,55,000 (Previous year Rs 8,12,250). The company has received letter dated 30-05-2018 from the Preference Shareholders for waiver of cumulative preference shares dividend of Rs 8,55,000 due on 13-06-2018 from Jagatjit Industries Limited. The Company had issued 45,000 fresh Equity shares of Rs 10/- each fully paid up for redemption of 4500, 9.5%, redeemable cumulative preference shares of Rs 100/- each.

### 9 OTHER CURRENT LIABILITIES

Other payable	38,505	20,645
<b>Total for other current liabilities</b>	<b>38,505</b>	<b>20,645</b>

### 10 REVENUE FROM OPERATIONS

Dividend received	772	638
<b>Total for revenue from operations</b>	<b>772</b>	<b>638</b>

### 11 OTHER EXPENSES

Legal and professional charges	9,925	13,330
Filing fees	4,200	7,146
Postage and courier	396	-
Bank charges	743	118
Audit fees	9,440	9,440
<b>Total for other expenses</b>	<b>24,704</b>	<b>30,034</b>

### 12 EARNING PER EQUITY SHARE (EPS)

Net loss after tax as per Statement of Profit and Loss attributable to equity shareholders	(23,932)	(29,396)
Actual number of Equity shares	1,03,82,500	1,03,37,500
Weighted average number of Equity Shares	1,03,74,116	1,03,37,500
Basic earnings per Share	(0.002)	(0.003)
Diluted earnings per Share	(0.002)	(0.003)
Face value per equity share	10	10



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## L.P. Investments Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

### Note No. 13

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#### A. Corporate Information

L.P. Investments Limited ( "the Company" ) is an Indian company incorporated on December 21, 1974, vide registration no. U65921PB1974PLC003526. The company is registered with the Registrar of Companies, Punjab and Chandigarh and it's registered office is situated at P.O. Jagatjit Nagar -144802, District. Kapurthala, Punjab. The Company's main objects are to invest or trade in financial securities.

Company's accounts are prepared for the year from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March 2019 and previous year figures are for the year from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March, 2018.

#### B. ACCOUNTING POLICIES

##### B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for certain financial assets which have been measured at fair value amount.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

Company's financial statements are presented in Indian Rupees which is its functional currency.

##### B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

###### (a) Property, plant and equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably.



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## L.P. Investments Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

### Note No. 13

Depreciation on property, plant and equipment is provided using written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

#### (b) Provisions and Contingencies:

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

#### (c) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

##### (i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

##### ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.



## L.P. Investments Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

### Note No. 13

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

#### (d) Revenue recognition

Revenue from sale of goods, is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

Revenue from operations includes sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excluding taxes or duties collected on behalf of the government.

Interest Income from a financial asset is recognized using effective interest rate method.

Dividend Income from financial assets is recognized when company's right to receive payment is established.

#### (e) Financial instruments

##### (I) Financial Assets

##### Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised using trade date accounting.

##### Subsequent measurement:

##### i) Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.



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## L.P. Investments Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

### Note No. 13

#### ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it 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.

#### iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

#### Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

Financial assets at amortised cost

Financial assets measured at fair value through Other Comprehensive income

The Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses historical loss experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

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

#### (II) Financial liabilities

##### Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.



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## L.P. Investments Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

### Note No. 13

#### Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### C. Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

##### i) Estimated useful lives of tangible assets:

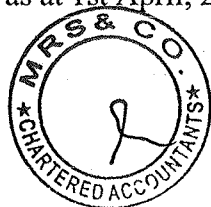
Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

##### ii) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

#### D. First time adoption of Ind AS:

The Company has adopted Ind AS with effect from 1st April 2017. There are no adjustments on translation of the financial results in accordance with Ind AS from the previous Indian GAAP for the corresponding period ended 31st March, 2018 and opening balance as at 1st April, 2017.



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## L.P. Investments Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

Note No. 13

### Exemptions from retrospective application:

#### i) Fair value as deemed cost exemption:

The Company has elected to measure items of property, plant and equipment at its carrying value at the transition date.

#### ii) Investments in subsidiaries, joint ventures and associates

The Company has elected to measure investment in subsidiaries, joint venture and associate at cost.

## E. NOTES TO THE ACCOUNTS

### (i) Related Party Disclosures

(a) As per Ind AS-24, the disclosure of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationship:

S.No.	Name of related party	Relationship
1.	Anil Girotra	Director and CFO
2.	K KKohli	Director and Company Secretary
3.	NareshKumar Rana	Director
4.	Gautam Pal	Director
5.	Narender Sapra (till 07-02-2019)	CEO
6.	Ravi Manchanda (wef 07-02-2019)	CEO
7.	Sanjeev Kothiala	Director
8.	Jagatjit Industries Limited	Holding Company



## L.P. Investments Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

### Note No. 13

#### (b) Transactions during the year with related parties

S. No.	Description	Relationship	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
1.	Repayment for redemption of 9.50% cumulative redeemable preference shares of Rs 100/- each.	Holding company	4,50,000	-
2.	Allotment of Equity shares of Rs 10/- each on redemption of 9.50% cumulative redeemable preference shares of Rs 100/- each.	Holding company	4,42,170	-
		Associate	7,830	-
3.	Acceptance of borrowings	Director	25,000	-
4.	Repayment of borrowings	Director	15,000	-

#### (ii) Contingent Liabilities and Commitments (to the extent not provided for)

(a) The company has given Corporate Guarantee (s) on behalf of its holding company, M/s Jagatjit Industries Limited, upto Rs. 160,85,00,000/- (Rupees One Hundred Sixty Crores and Eighty Five Lakhs only ) to M/s Indiabulls Housing Finance Limited, Lender, and upto Rs. 105,00,00,000/-(Rupees One Hundred and Five crores only), to M/s Indiabulls Commercial Credit Limited, Lender, against the loan(s) availed by its holding company vide special resolution passed in its General Meeting held on dated 08 December 2017.

-Total amount of guarantee Rs 265,85,00,000

-Outstanding amount against the guarantee Rs 26,86,09,768 in favour of Indiabulls Commercial Credit Limited

-Outstanding amount against the guarantee Rs 29,02,82,469 in favour of Indiabulls Housing Finance Limited





L.P. Investments Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

Note No. 13

- (b) The company filed the income tax return showing returned loss of Rs 4,54,24,187 for assessment year 2015-16. The assessment for the said assessment year has been completed u/s 143 (3) and the Assessing Officer has made addition of Rs 4,48,76,105 resulting carried forward loss has been reduced to that extent. The company preferred an appeal before the first appellate authority in time against the said assessment order. According to the Progress of the proceedings and management the said assessment order does not result in income tax liability against the company.
- (iii) During the period, the company has redeemed, 9.50%, 4500 Cumulative Redeemable Preference shares of Rs 100/- each fully paid up amounting to Rs 4,50,000. The cumulative amount of dividend in arrear of Rs 8,55,000 (for 20 years @ 9.50% per annum) has been waived, vide letter dated 30 May 2018, by the preference shareholder, M/s Jagatjit Industries Limited, holding company.
- (iv) During the year, the company has issued 45,000 Equity shares of Rs 10/- each fully paid up, vide Board resolution dated 08 June 2018. In pursuance of the provision of Section 55 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 including any statutory modifications or any re-enactment thereof for the time being in force 4,500 9.5% Cumulative Redeemable Preference Shares of Rs 100/- each aggregating to Rs 4,50,000 has been redeemed out of the proceeds of the fresh issue of 45,000 equity shares of Rs. 10 each aggregating to Rs 4,50,000 to the existing shareholders of the Company;
- (v) **Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid or is payable under the terms of the MSMED Act, 2006.

- (vi) **First time Ind AS adoption**

The Company has adopted Ind AS with effect from 1st April 2017. There are no adjustments on translation of the financial results in accordance with Ind AS from the previous Indian GAAP for the corresponding period ended 31st March, 2018 and opening balance as at 1st April, 2017.



4.

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L.P. Investments Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

Note No. 13

**(vii) Reconciliation of Reserves between Ind AS and Previous GAAP**

There are no reconciliation items of its Net loss and Reserves between Ind AS and Previous GAAP for the earlier periods other than 9.5% Cumulative Redeemable preference shares to other Equity as per Ind AS which was classified under share capital in previous GAAP.

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

For and on behalf of the Board of Directors  
L. P. Investment Limited



Anil Girotra  
Director & CFO  
DIN: 00110631

A handwritten signature in black ink, appearing to read "K K Kohli".

K K Kohli  
Director & Company Secretary  
DIN: 00127337

New Delhi  
20 May 2019

Sea Bird Securities Private Limited

Audited Financial Statement  
for the year ended 31<sup>st</sup> March 2019



## Independent Auditors' Report

To the Members of  
Sea Bird Securities Private Limited

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of Sea Bird Securities Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

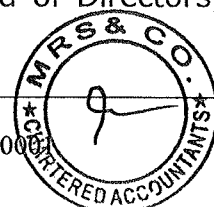
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditors' Responsibility for the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the



directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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, as amended, 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 has no material foreseeable losses, as required under the applicable law or accounting standards, on long-term contracts including derivative contracts.
  - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

New Delhi  
20 May 2019



For MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

Mukesh Kumar Thakur  
Partner  
Membership No.095977

## Annexure-"A" to the Independent Auditors' Report

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of , Sea Bird Securities Private Limited of even date]

### Report on the Internal Financial Controls Over Financial Reporting 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 Sea Bird Securities Private Limited ("the Company") as of March 31, 2019 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 Board of Directors of the Company 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. 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, 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



## Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisation 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.

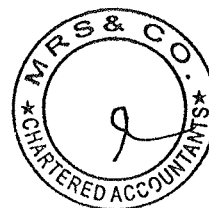
## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, to the best of our information and according to the explanations given to us, 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, 2019, 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.

New Delhi  
20 May 2019



For MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

  
Mukesh Kumar Thakur  
Partner  
Membership No.095977



## Annexure-"B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sea Bird Securities Private Limited of even date)

We report that:


- (i). The company does not have any fixed asset or immovable property. Accordingly, paragraph 3 (i) of the order is not applicable to the company in respect of fixed assets and immovable properties.
- (ii) The company is a investment company. Accordingly it does not hold any physical inventory of goods. Thus paragraph 3 (ii) of the order is not applicable to the company.
- (iii) The company has not granted loans to any company covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with any of the provisions of section 185 and 186 with respect to loans and investments made.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) a) According to information and explanations given to us and the records examined by us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues, wherever applicable, including provident fund, investor education and protection fund, employees' state insurance, income tax, value added tax, wealth tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2019, for a period of more than six months from the date they became payable.  
b) According to the records of the Company, there were no dues outstanding in respect of income tax, wealth-tax, service tax, cess, etc, on account of any dispute.
- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.



- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable to the company.
- (x) According to information and explanations given to us, no material 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) According to information and explanations given to us and based on our examination of the records of the company, the company has not paid any managerial remuneration during the period under review.
- (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 to the company.
- (xiii) According to information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to information and explanations given 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 debenture during the year under review.
- (xv) According to 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 to the company.
- (xiv) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N



  
Mukesh Kumar Thakur  
Partner  
Membership No.095977

New Delhi  
20 May 2019

**Sea Bird Securities Private Limited**  
**Balance Sheet as at 31st March 2019**

	Note No.	As At 31st March 2019 Amount Rs.	As At 31st March 2018 Amount Rs.
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Financial Assets			
(i) Investments	1	81,00,000	81,00,000
<b>Total Non-current assets</b>		<b>81,00,000</b>	<b>81,00,000</b>
<b>(2) Current assets</b>			
(a) Financial Assets			
(i) Cash and cash equivalents	2	893	2,360
<b>Total current assets</b>		<b>893</b>	<b>2,360</b>
<b>Total Assets</b>		<b>81,00,893</b>	<b>81,02,360</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	3	1,00,000	1,00,000
(b) Other Equity	4	(3,62,702)	(3,45,205)
<b>Total Equity</b>		<b>(2,62,702)</b>	<b>(2,45,205)</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	5	83,34,500	83,34,500
<b>Total non-current liabilities</b>		<b>83,34,500</b>	<b>83,34,500</b>
<b>(2) Current liabilities</b>			
(a) Other current liabilities	6	29,095	13,065
<b>Total current liabilities</b>		<b>29,095</b>	<b>13,065</b>
<b>Total equity and liabilities</b>		<b>81,00,893</b>	<b>81,02,360</b>

Significant accounting policies

See accompanying Notes to the Financial Statements 1-9

MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

Mukesh Kumar Thakur  
Partner  
Membership no. 095977

New Delhi  
20 May 2019



For and on behalf of Board of Directors  
Sea Bird Securities Private Limited

Anil Girotra  
Director  
DIN: 00110631

K.K.Kohli  
Director  
DIN: 00127337

**Sea Bird Securities Private Limited**  
**Statement of Profit and Loss for the year ended 31st March 2019**

	<u>Note No.</u>	<u>Current Year Amount Rs</u>	<u>Previous Year Amount Rs</u>
<b>INCOME</b>			
Revenue from operation		-	-
<b>Total income</b>		<u>-</u>	<u>-</u>
<b>EXPENDITURE</b>			
Other expenses	7	17,497	21,585
<b>Total expenses</b>		<u>17,497</u>	<u>21,585</u>
Net loss before tax		(17,497)	(21,585)
Tax expenses:			
Prior period tax adjustments	-	-	-
Current Tax	-	-	-
Deferred Tax	-	-	-
Net loss after tax		(17,497)	(21,585)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(17,497)	(21,585)
Earnings per equity share of face value of Rs 10 eac	8		
(a) Basic		(1.75)	(2.16)
(b) Diluted		(1.75)	(2.16)
Significant accounting policies			
See accompanying Notes to the Financial Statements 1-9			

MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

Mukesh Kumar Thakur  
Partner  
Membership no. 095977



New Delhi  
20 May 2019

For and on behalf of Board of Directors  
Sea Bird Securities Private Limited

Anil Girotra  
Director  
DIN: 00110631

K.K.Kohli  
Director  
DIN: 00127337

*(Handwritten signatures of Anil Girotra and K.K.Kohli)*

**Sea Bird Securities Private Limited**  
**Statement of Changes in Equity for the year ended 31st March 2019**

Amount in Rupees

**A EQUITY SHARE CAPITAL**

Balance at the beginning of 1st April 2017	Changes in equity share capital during the year 2017-18	Balance at the end of 31st March 2018	Changes in equity share capital during the year 2018-19	Balance at the end of 31st March 2019
1,00,000	-	1,00,000	-	1,00,000

**B OTHER EQUITY**

Particulars	Equity instruments	Retained Earnings	Total
As at 31st March 2018			
Balance at the beginning of the 1st April 2017	(3,23,620)	-	(3,23,620)
Total Comprehensive income for the year	-	(21,585)	(21,585)
Balance at the end of the 31st March 2018	(3,23,620)	(21,585)	(3,45,205)
As at 31st March 2019			
Balance at the beginning of the 1st April 2018	(3,45,205)		(3,45,205)
Total Comprehensive income for the year	-	(17,497)	(17,497)
Balance at the end of the 31st March 2019	(3,45,205)	(17,497)	(3,62,702)

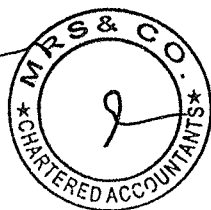
Significant accounting policies

See accompanying Notes to the Financial Statements 1-9

MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

For and on behalf of Board of Directors  
Sea Bird Securities Private Limited

Mukesh Kumar Thakur  
Partner  
Membership no. 095977



Anil Girotra  
Director  
DIN: 00110631

K.K.Kohli  
Director  
DIN: 00127337

New Delhi  
20 May 2019

Sea Bird Securities Private Limited  
Statement of Cash Flows for the year ended 31st March 2019

	Year Ended 31st March 2019 Amount Rs.	Year Ended 31st March 2018 Amount Rs.
<b>(A) Cash flow from operating activities:</b>		
Net loss before tax as per statement of Profit and Loss	(17,497)	(21,585)
Operating profit before working capital changes	(17,497)	(21,585)
Increase/(Decrease) in other current liabilities	16,030	(13,581)
Adjustments for changes in working capital :	16,030	(13,581)
Cash generated from / (used in) operations	(1,467)	(35,166)
Income tax (paid) / received	-	-
Net cash from / (used in) operating activities	<u>(1,467)</u>	<u>(35,166)</u>
<b>(B) Cash flow from Investing activities:</b>		
Net cash from / (used in) investing activities	<u>-</u>	<u>-</u>
<b>(C) Cash flow from financing activities:</b>		
Loan term borrowings from directors	-	30,000
Net cash from / (used in) financing activities	<u>-</u>	<u>30,000</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,467)	(5,166)
Cash and cash equivalents at beginning of the year	2,360	7,526
Cash and cash equivalents at end of the year	<u>893</u>	<u>2,360</u>
	<u>(1,467)</u>	<u>(5,166)</u>

**Notes :**

(1) Closing Cash and cash equivalents comprise :

Cash in hand	437	437
Balance with Scheduled Banks:		
- in Current Accounts	456	1,923
[ Refer Note 2]		
	<u>893</u>	<u>2,360</u>

(2) The above Cash flow statement has been prepared under the indirect method set out in IND AS-7 notified u/s 133 of the Companies Act, 2013

(3) Figures in brackets indicate cash outgo.

(4) Previous Year's figures have been regrouped/re-classified wherever necessary to conform to current year's classification

(5) Notes 1 to 9 form an integral part of the Cash Flow Statement.

This is the Cash Flow Statement referred to in our report of even date.

MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

Mukesh Kumar Thakur  
Partner  
Membership no. 095977

New Delhi  
20 May 2019



For and on behalf of Board of Directors  
Sea Bird Securities Private Limited

Anil Girotra  
Director  
DIN: 00110631

K.K.Kohli  
Director  
DIN: 00127337

# Sea Bird Securities Private Limited

## Notes to the financial statements for the year ended 31st March 2019

Note No.	As at 31st March 2019		As at 31st March 2018	
	Units	Amount Rs	Units	Rs
<b>1 NON-CURRENT INVESTMENTS</b>				
Investments measured at Cost				
Unquoted, fully paid up				
In Equity Shares of structured entities				
LPJ Holdings Private Limited	600	81,00,000	600	81,00,000
<b>Total of Investments measured at Cost</b>		<b>81,00,000</b>		<b>81,00,000</b>
<b>1.1 Category-wise Non current investment</b>				
Financial assets measured at cost		81,00,000		81,00,000
<b>2 CASH AND CASH EQUIVALENTS</b>				
<b>Cash in hand</b>		437		437
Balance with bank				
-in Canara Bank-0307201023118		456		1,923
<b>Total cash and cash equivalents</b>		<b>893</b>		<b>2,360</b>
<b>3 EQUITY SHARE CAPITAL</b>				
<b>a Authorized Share Capital</b>				
20,00,000 (Previous year 20,00,000, As at 1st April 2017-20,00,000) Equity Shares of Rs.10/- each.		2,00,00,000		2,00,00,000
<b>Total</b>		<b>2,00,00,000</b>		<b>2,00,00,000</b>
<b>b Issued, subscribed and paid up capital</b>				
10,000 (Previous year 10,000, As at 1st April 2017 10,000) Equity Shares of 10/- each fully paid up		1,00,000		1,00,000
<b>Total</b>		<b>1,00,000</b>		<b>1,00,000</b>

### 3.1 Terms/rights attached to Equity Shares:-

The Company has only one class of Equity Shares having par value of Rs 10/- per share. Each 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 remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



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# Sea Bird Securities Private Limited

## Notes to the financial statements for the year ended 31st March 2019

Note No.	As at 31st March 2019		As at 31st March 2018	
	Units	Amount Rs	Units	Amount Rs

### 3.2 The details of Shareholders holding more than 5% shares :

	% held	No. of Shares	% held	No. of Shares
a Jagatjit Industries Limited	80%	8,000	78%	7,800
b Jagatjit Industries Limited J/w Mr K K Kohli	0%	-	2%	200
c Hybrid Holdings Private Limited	19%	1,900	19%	1,900

### 3.3 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

Particulars	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	10,000	10,000
Equity Shares at the end of the period	10,000	10,000

### 4 OTHER EQUITY

#### Reserves and Surplus

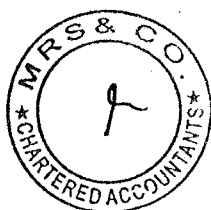
##### (a) Retained Earnings

Opening balance	(3,45,205)	(3,23,620)
Add: total Comprehensive Income for the year	(17,497)	(21,585)
Closing balance	(3,62,702)	(3,45,205)

Total

(3,62,702)

(3,45,205)



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# Sea Bird Securities Private Limited

## Notes to the financial statements for the year ended 31st March 2019

Note No.	As at 31st March 2019 Amount Rs.	As at 31st March 2018 Amount Rs.
<b>5 BORROWINGS</b>		
(Unsecured)		
[ Refer item no. E(i) of Note No, 9 ]		
From structured entities:		
-Hybrid Holdings Private Limited	1,60,000	1,60,000
-Hyderabad Distillers and Wineries Pvt. Ltd.	81,00,000	81,00,000
From directors	74,500	74,500
<b>Total for borrowings</b>	<b>83,34,500</b>	<b>83,34,500</b>
<b>6 OTHER CURRENT LIABILITIES</b>		
Other payable	29,095	13,065
<b>Total for other current liabilities</b>	<b>29,095</b>	<b>13,065</b>
<b>7 OTHER EXPENSES</b>		
Professional charges	4,130	7,700
Filing fees	2,400	3,688
Bank charges	1,527	757
Audit fees	9,440	9,440
<b>Total for other expenses</b>	<b>17,497</b>	<b>21,585</b>
<b>8 EARNING PER EQUITY SHARE (EPS)</b>		
Net loss after tax as per Statement of Profit and Loss attributable to equity shareholders	(17,497)	(21,585)
Weighted average number of Equity Shares	10,000	10,000
Basic earnings per Share	(1.75)	(2.16)
Diluted earnings per Share	(1.75)	(2.16)
Face value per equity share	10	10



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## Sea Bird Securities Private Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

Note No. 9

### A. Corporate Information

Sea Bird Securities Private Limited ( "the Company" ) is an Indian company incorporated on August 27, 2010, vide registration no. U65993PB2006PTC030689. The company is registered with the Registrar of Companies, Punjab and Chandigarh its registered office is situated at P.O. Jagatjit Nagar-144802, District Kapurthala, Punjab. The Company's main objects are to make investments in securities/funds.

Company's accounts are prepared for the year from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March 2019 and previous year figures are for the year from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March, 2018.

### B. ACCOUNTING POLICIES

#### B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for certain financial assets which have been measured at fair value amount.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

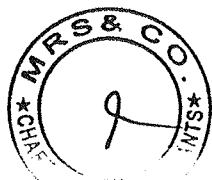
Company's financial statements are presented in Indian Rupees which is its functional currency.

#### B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### (a) Property, plant and equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably.



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## Sea Bird Securities Private Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

### Note No. 9

Depreciation on property, plant and equipment is provided using written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

#### (b) Provisions and Contingencies:

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

#### (c) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

##### (i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

##### ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.



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## Sea Bird Securities Private Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

Note No. 9

### (d) Revenue recognition

Revenue from sale of goods, is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

Revenue from operations includes sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excluding taxes or duties collected on behalf of the government.

Interest Income from a financial asset is recognised using effective interest rate method.

Dividend Income from financial assets is recognized when company's right to receive payment is established.

### (e) Financial instruments

#### (I) Financial Assets

##### Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised using trade date accounting.

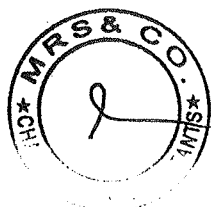
##### Subsequent measurement:

#### i) Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

#### ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it 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.



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## Sea Bird Securities Private Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

Note No. 9

### iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

#### Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

Financial assets at amortised cost

Financial assets measured at fair value through Other Comprehensive income

The Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses historical loss experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

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

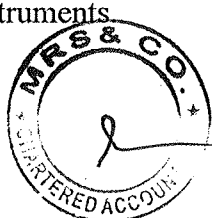
### (II) Financial liabilities

#### Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

#### Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.



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## Sea Bird Securities Private Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

Note No. 9

### C. Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### i) Estimated useful lives of tangible assets:

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

#### ii) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

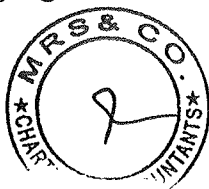
### D. First time adoption of Ind AS:

The Company has adopted Ind AS with effect from 1st April 2017. There are no adjustments on translation of the financial results in accordance with Ind AS from the previous Indian GAAP for the corresponding period ended 31st March, 2018 and opening balance as at 1st April, 2017.

### Exemptions from retrospective application:

#### i) Fair value as deemed cost exemption:

The Company has elected to measure items of property, plant and equipment at its carrying value at the transition date.



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## Sea Bird Securities Private Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

Note No. 9

### ii) Investments in subsidiaries, joint ventures and associates

The Company has elected to measure investment in subsidiaries, joint venture and associate at cost.

## E. NOTES TO THE ACCOUNTS

### (i) Related Party Disclosures

(a) As per Ind AS-24, the disclosure of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationship:

S.No.	Name of related party	Relationship
1.	Jagatjit Industries Limited	Holding Company
2.	Anil Girotra	Director
3.	K KKohli	Director
4.	Amarjeet Kapoor	Director
5.	Hemant Kumar	Director

(b) Transactions during the year with related parties

S. No.	Description	Relationship	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
1.	Borrowings	Director	Nil	30,000

### (ii) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid or is payable under the terms of the MSMED Act, 2006.

### (iii) Reconciliation of Reserves between Ind AS and Previous GAAP

There are no reconciliation items of its Net loss and Reserves between Ind AS and Previous GAAP for the earlier periods.



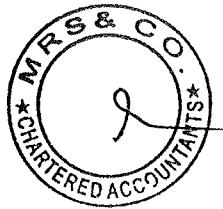
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## Sea Bird Securities Private Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

Note No. 9

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



For and on behalf of the Board of Directors  
Sea Bird Securities Private Limited

Anil Girotra  
Director  
DIN: 00110631

K K Kohli  
Director  
DIN: 00127337

New Delhi  
20 May 2019



S.R.K. Investments Private Limited

Audited Financial Statement  
for the year ended 31<sup>st</sup> March 2019



## Independent Auditors' Report

To the Members of  
S.R.K. Investments Private Limited

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of S.R.K. Investments Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditors' Responsibility for the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.



- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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, as amended, 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 has no material foreseeable losses, as required under the applicable law or accounting standards, on long-term contracts including derivative contracts.
  - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

New Delhi  
20 May 2019



For MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

Mukesh Kumar Thakur  
Partner  
Membership No.095977

## Annexure-"A" to the Independent Auditors' Report

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of , S.R.K. Investments Private Limited of even date]

### Report on the Internal Financial Controls Over Financial Reporting 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 S.R.K. Investments Private Limited ("the Company") as of March 31, 2019 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 Board of Directors of the Company 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. 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, 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



## Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisation 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.

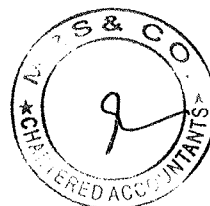
## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, to the best of our information and according to the explanations given to us, 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, 2019, 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.

New Delhi  
20 May 2019



For MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

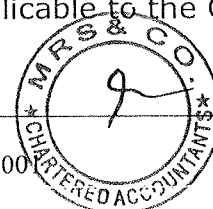
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Mukesh Kumar Thakur  
Partner  
Membership No.095977

## Annexure-"B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of S.R.K. Investments Private Limited of even date)

We report that:

- (i). (a) The company does not have any fixed asset. Accordingly, paragraph 3 (i)(a) and 3 (i)(b) of the order are not applicable to the company in respect of fixed assets.  
  
(b) The company has paid advance for purchase of immovable property under construction yet to be registered in the name of the company.
- (ii) The company is a investment company. Accordingly it does not hold any physical inventory of goods. Thus paragraph 3 (ii) of the order is not applicable to the company.
- (iii) The company has not granted loans to any company covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with any of the provisions of section 185 and 186 with respect to loans and investments made.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) a) According to information and explanations given to us and the records examined by us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues, wherever applicable, including provident fund, investor education and protection fund, employees' state insurance, income tax, value added tax, wealth tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2018, for a period of more than six months from the date they became payable.  
  
b) According to the records of the Company, there were no dues outstanding in respect of income tax, wealth-tax, service tax, cess, etc, on account of any dispute.
- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.




- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable to the company.
- (x) According to information and explanations given to us, no material 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) According to information and explanations given to us and based on our examination of the records of the company, the company has not paid any managerial remuneration during the period under review.
- (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 to the company.
- (xiii) According to information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to information and explanations given 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 debenture during the year under review.
- (xv) According to 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 to the company.
- (xiv) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

New Delhi  
20 May 2018



For MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

  
Mukesh Kumar Thakur  
Partner  
Membership No.095977




**S.R.K. Investments Private Limited**  
**Balance Sheet as at 31st March 2019**

	Note No.	As At 31st March 2019 Amount Rs.	As At 31st March 2018 Amount Rs.
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Other non-current assets	1	29,70,60,000	29,70,60,000
<b>Total non-current assets</b>		<b>29,70,60,000</b>	<b>29,70,60,000</b>
<b>(2) Current assets</b>			
(a) Financial Assets			
(i) Cash and cash equivalents	2	24,144	50,972
<b>Total current assets</b>		<b>24,144</b>	<b>50,972</b>
<b>Total Assets</b>		<b>29,70,84,144</b>	<b>29,71,10,972</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	3	1,00,000	1,00,000
(b) Other Equity	4	(11,68,767)	(7,41,978)
<b>Total Equity</b>		<b>(10,68,767)</b>	<b>(6,41,978)</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	5	29,78,29,580	29,77,33,834
<b>Total non-current liabilities</b>		<b>29,78,29,580</b>	<b>29,77,33,834</b>
(a) Other current liabilities	6	3,23,330	19,115
<b>Total current liabilities</b>		<b>3,23,330</b>	<b>19,115</b>
<b>Total equity and liabilities</b>		<b>29,70,84,144</b>	<b>29,71,10,972</b>

Significant accounting policies  
See accompanying Notes to the Financial Statements 1-9

MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

  
Mukesh Kumar Thakur  
Partner  
Membership no. 095977



For and on behalf of Board of Directors  
S.R.K. Investments Private Limited

  
K K Kohli  
Director  
DIN: 00127337


  
Gautam Pal  
Director  
DIN: 05200503

New Delhi  
20 May 2019

**S.R.K. Investments Private Limited**  
**Statement of Profit and Loss for the year ended 31st March 2019**

	<u>Note No.</u>	<u>Current Year Amount Rs.</u>	<u>Previous Year Amount Rs.</u>
<b>INCOME</b>			
Revenue from operation		-	-
<b>Total income</b>		<u>-</u>	<u>-</u>
<b>EXPENDITURE</b>			
Other expenses	7	4,26,789	53,766
<b>Total expenses</b>		<u>4,26,789</u>	<u>53,766</u>
Net loss before tax		(4,26,789)	(53,766)
Tax expenses:			
Prior period tax adjustments	-	3,446	
Current Tax	-	-	
Deferred Tax	-	-	3,446
Net loss after tax		<u>(4,26,789)</u>	<u>(57,212)</u>
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>(4,26,789)</u>	<u>(57,212)</u>
Earnings per equity share of face value of Rs 10 each.	8		
(a) Basic		(42.68)	(5.72)
(b) Diluted		(42.68)	(5.72)
Significant accounting policies			
See accompanying Notes to the Financial Statements	1-9		

MRS & Co.  
Firm's Registration No. 016610N


  
Mukesh Kumar Thakur  
Partner  
Membership no. 095977



New Delhi  
20 May 2019

For and on behalf of Board of Directors

  
K K Kohli  
Director  
DIN: 00127337

  
Gautam Pal  
Director  
DIN: 05200503

**S.R.K. Investments Private Limited****Statement of Changes in Equity for the year ended 31st March 2019**

Amount in Rupees

**A EQUITY SHARE CAPITAL**

Balance at the beginning of 1st April 2017	Changes in equity share capital during the year 2017-18	Balance at the end of 31st March 2018	Changes in equity share capital during the year 2018-19	Balance at the end of 31st March 2019
1,00,000	-	1,00,000	-	1,00,000

**B OTHER EQUITY**

Particulars	Retained Earnings		Total
<b>As at 31st March 2018</b>			
Balance at the beginning of the 1st April 2017	(6,84,766)	-	(6,84,766)
Total Comprehensive income for the year	-	(57,212)	(57,212)
<b>Balance at the end of the 31st March 2018</b>	<b>(6,84,766)</b>	<b>(57,212)</b>	<b>(7,41,978)</b>
<b>As at 31st March 2019</b>			
Balance at the beginning of the 1st April 2018	(7,41,978)	-	(7,41,978)
Total Comprehensive income for the year	-	(4,26,789)	(4,26,789)
<b>Balance at the end of the 31st March 2019</b>	<b>(7,41,978)</b>	<b>(4,26,789)</b>	<b>(11,68,767)</b>

Significant accounting policies

See accompanying Notes to the Financial Statements 1-9

MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

Mukesh Kumar Thakur  
Partner  
Membership no. 095977

New Delhi  
20 May 2019



For and on behalf of Board of Directors  
S.R.K. Investments Private Limited

K K Kohli  
Director  
DIN: 00127337

Gautam Pal  
Director  
DIN: 05200503

**S.R.K. investments Private Limited**  
**Statement of Cash Flows for the year ended 31st March 2019**

Amount in Rupees

	Year Ended 31st March 2019 Rs.	Year Ended 31st March 2018 Rs.
<b>(A) Cash flow from operating activities:</b>		
Net loss before tax as per statement of Profit and Loss	(4,26,789)	(53,766)
Operating profit before working capital changes	(4,26,789)	(53,766)
Increase/(Decrease) in other current liabilities	3,04,215	(33,290)
Adjustments for changes in working capital :	3,04,215	(33,290)
Cash generated from / (used in) operations	(1,22,574)	(87,056)
Income tax (paid) / received	-	-
Net cash from / (used in) operating activities	<u>(1,22,574)</u>	<u>(87,056)</u>
<b>(B) Cash flow from Investing activities:</b>		
Net cash from / (used in) investing activities	<u>-</u>	<u>-</u>
<b>(C) Cash flow from financing activities:</b>		
unsecured borrowings from holding company	95,746	-
Repayment of borrowings to holding company	(11,75,00,000)	-
Borrowing received from related parties	11,75,00,000	-
Net cash from / (used in) financing activities	<u>95,746</u>	<u>-</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	(26,828)	(87,056)
Cash and cash equivalents at beginning of the year	50,972	1,38,027
Cash and cash equivalents at end of the year	<u>24,144</u>	<u>50,972</u>

**Notes :**

- (1) Closing Cash and cash equivalents comprise :
 

Cash in hand	2,883	595
Balance with Scheduled Banks:		
- in Current Accounts	23,719	50,377
[ Refer Note 2]	<u>24,144</u>	<u>50,972</u>
- (2) The above Cash flow statement has been prepared under the indirect method set out in IND AS-7 notified u/s 133 of the Companies Act, 2013
- (3) Figures in brackets indicate cash outgo.
- (4) Previous Year's figures have been regrouped/re-classified wherever necessary to conform to current year's classification.
- (5) Notes 1 to 9 form an integral part of the Cash Flow Statement.

This is the Cash Flow Statement referred to in our report of even date.

MRS & Co.  
 Chartered Accountants  
 Firm's Registration No. 016610N

Mukesh Kumar Thakur  
 Partner  
 Membership no. 095977

New Delhi  
 20 May 2019



For and on behalf of Board of Directors  
 S.R.K. Investments Private Limited

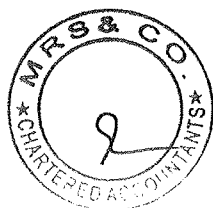
K K Kohli  
 Director  
 DIN: 00127337

Gautam Pal  
 Director  
 DIN: 05200503

**S.R.K. Investments Private Limited**

Notes to the financial statements for the year ended 31st March 2019

Note No.	As at 31st March 2019 Amount Rs.	As at 31st March 2018 Amount Rs.
<b>1 OTHER NON-CURRENT ASSETS</b> (Unsecured and Considered Good)		
-Capital Advances: [ for residential flat at Mumbai to M/s Orbit Corporation Limited ] [ Estimated amount of contract on capital account and other commitments remaining to be executed and not provided for in accounts Rs 198,040,000 (Previous year Rs 198,040,000, As on 1st April 2017 Rs 198,040,000) ]	29,70,60,000	29,70,60,000
<b>Total for other non-current assets</b>	<b>29,70,60,000</b>	<b>29,70,60,000</b>
<b>2 CASH AND CASH EQUIVALENTS</b>		
Cash in hand	425	595
Balance with bank		
-in Canara Bank-0307201055708	17,689	41,987
-in State Bank of India-65085708760	6,030	8,390
<b>Total cash and cash equivalents</b>	<b>24,144</b>	<b>50,972</b>
<b>3 EQUITY SHARE CAPITAL</b>		
20,00,000 (Previous year 20,00,000, As at 1st April 2017-20,00,000) Equity shares of Rs 10/- each.	2,00,00,000	2,00,00,000
<b>Total</b>	<b>2,00,00,000</b>	<b>2,00,00,000</b>
<b>b Issued, subscribed and paid up capital</b>		
10,000 (Previous year 10,000, As at 1st April 2017-10,000) Equity share of Rs.10/- each fully paid up.	1,00,000	1,00,000
<b>Total issued, subscribed and paid up capital</b>	<b>1,00,000</b>	<b>1,00,000</b>



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**S.R.K. Investments Private Limited**

Notes to the financial statements for the year ended 31st March 2019

Note No.	As at 31st March 2019 Amount Rs.	As at 31st March 2018 Amount Rs.
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**3.1 Terms/rights attached to Equity Shares:-**

The Company has only one class of Equity Shares having par value of Rs 10/- per share. Each 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 remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**3.2 The details of Shareholders holding more than 5% shares :**

	No. of Shares	No. of Shares
Jagatjit Industries Limited	9,800	9,800
Jagatjit Industries Limited J/w Mr. K K Kohli	-	200
Jagatjit Industries Limited J/w Ms. Shakun Jaiswal	200	-

**3.3 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:**

Particulars	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	10,000	10,000
Equity Shares at the end of the period	10,000	10,000

**4 OTHER EQUITY****Reserves and Surplus****(a) Retained Earnings**

Opening balance	(7,41,978)	(6,84,766)
Add: total comprehensive income for the year	(4,26,789)	(57,212)
Closing balance	(11,68,767)	(7,41,978)

Total other equity	(11,68,767)	(7,41,978)
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**S.R.K. Investments Private Limited**

Notes to the financial statements for the year ended 31st March 2019

Note No.	As at 31st March 2019 Amount Rs.	As at 31st March 2018 Amount Rs.
<b>5 BORROWINGS</b> (Unsecured)		
Loans and advances from related parties: [ Refer item no. E(i) of Note No, 9 ]	11,75,00,000	-
-holding company: Jagatjit Industries Limited	18,03,13,080	29,77,17,334
-director:	16,500	16,500
<b>Total for borrowings</b>	<b>29,78,29,580</b>	<b>29,77,33,834</b>
<b>6 OTHER CURRENT LIABILITIES</b>		
Amount payable to Group company [ Ashwa Buildcon Limited ]	3,07,755	-
Other payable	15,575	19,115
<b>Total for other current liabilities</b>	<b>3,23,330</b>	<b>19,115</b>
<b>7 OTHER EXPENSES</b>		
Professional charges	4,12,496	7,700
Filing fees	1,850	2,460
Printing and stationary	120	-
Bank charges	2,883	3,396
Interest on delayed payment of taxes	-	30,770
Audit fees	9,440	9,440
<b>Total for other expenses</b>	<b>4,26,789</b>	<b>53,766</b>
<b>8 EARNING PER EQUITY SHARE (EPS)</b>		
Net loss after tax as per Statement of Profit and Loss attributable to equity shareholders	(4,26,789)	(57,212)
Weighted average number of Equity Shares	10,000	10,000
Basic earnings per Share	(42.68)	(5.72)
Diluted earnings per Share	(42.68)	(5.72)
Face value per equity share	10	10



**S.R.K. Investments Private Limited**

**Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 9**

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**A. Corporate Information**

S.R.K. Investments Private Limited ( "the Company" ) is an Indian company incorporated on June 29, 2009, vide registration no.U65999DL2009PTC191718 . The company is registered with the Registrar of Companies, Delhi and it's registered office is situated at 5th Floor, Bhandari House, 91, Nehru Place, New Delhi-110 019. The Company's main objects are to invest or trade in financial securities.

Company's accounts are prepared for the year from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March 2019 and previous year figures are for the year from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March, 2018.

**B. ACCOUNTING POLICIES**

**B.1 BASIS OF PREPARATION AND PRESENTATION**

The financial statements have been prepared on the historical cost basis except for certain financial assets which have been measured at fair value amount.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

Company's financial statements are presented in Indian Rupees which is its functional currency.

**B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Property, plant and equipment:**

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably.



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**S.R.K. Investments Private Limited**

**Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 9**

Depreciation on property, plant and equipment is provided using written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**(b) Provisions and Contingencies:**

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

**(c) Taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

**(i) Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

**ii) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.



**S.R.K. Investments Private Limited**

**Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 9**

**(d) Revenue recognition**

Revenue from sale of goods, is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

Revenue from operations includes sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excluding taxes or duties collected on behalf of the government.

Interest Income from a financial asset is recognised using effective interest rate method.

Dividend Income from financial assets is recognized when company's right to receive payment is established.

**(e) Financial instruments**

**(I) Financial Assets**

**Initial recognition and measurement:**

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised using trade date accounting.

**Subsequent measurement:**

**i) Financial assets carried at amortised cost (AC)**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

**ii) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it 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.



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**S.R.K. Investments Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 9**

**iii) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**Impairment of financial assets**

The Company assesses impairment based on expected credit loss (ECL) model to the following:

Financial assets at amortised cost

Financial assets measured at fair value through Other Comprehensive income

The Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses historical loss experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

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

**(II) Financial liabilities**

**Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

**Subsequent measurement:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.



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**S.R.K. Investments Private Limited**

**Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 9**

**C. Critical accounting judgements and key sources of estimation uncertainty:**

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**i) Estimated useful lives of tangible assets:**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

**ii) Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

**D. First time adoption of Ind AS:**

The Company has adopted Ind AS with effect from 1st April 2017. There are no adjustments on translation of the financial results in accordance with Ind AS from the previous Indian GAAP for the corresponding period ended 31st March, 2018 and opening balance as at 1st April, 2017.

**Exemptions from retrospective application:**

**i) Fair value as deemed cost exemption:**

The Company has elected to measure items of property, plant and equipment at its carrying value at the transition date.



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S.R.K. Investments Private Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

Note No. 9

ii) Investments in subsidiaries, joint ventures and associates

The Company has elected to measure investment in subsidiaries, joint venture and associate at cost.

E. NOTES TO THE ACCOUNTS

(i) Related Party Disclosures

(a) As per Ind AS-24, the disclosure of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationship:

S.No.	Name of related party	Relationship
1.	Jagatjit Industries Limited	Holding Company
2.	Gautam Pal	Director
3.	K K Kohli	Director
4.	Hemant Kumar	Director
5.	Ashwa Buildon Limited	Group company
6.	Hyderabad Distilleries and Wineries Private Limited	Group company under same management

(b) Transactions during the year with related parties

S. No.	Description	Relationship	Transactions	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
1.	Borrowings	Holding company	Taxes paid on company's behalf	95,746	-
2.	Borrowings	Holding company	Repayment	11,75,00,000	-
3.	Borrowings	Group company under same management	Acceptance	11,75,00,000	-
4.	Other current liabilities	Group company	Reimbursement of expense on company's behalf	3,07,755	-



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**S.R.K. Investments Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 9**

**(ii) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid or is payable under the terms of the MSMED Act, 2006.

**(iii) First time Ind AS adoption**

The Company has adopted Ind AS with effect from 1st April 2017. There are no adjustments on translation of the financial results in accordance with Ind AS from the previous Indian GAAP for the corresponding period ended 31st March, 2018 and opening balance as at 1st April, 2017.

**(iv) Reconciliation of Reserves between Ind AS and Previous GAAP**


There are no reconciliation items of its Net loss and Reserves between Ind AS and Previous GAAP for the earlier periods.

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



For and on behalf of the Board of Directors  
S.R.K. Investments Private Limited

  
K K Kohli  
Director  
DIN: 00127337

  
Gautam Pal  
Director  
DIN: 05200503

New Delhi  
20 May 2019

JIL Trading Private Limited

Audited Financial Statement  
for the year ended 31<sup>st</sup> March 2019



MRS & Co.  
Chartered Accountants

## Independent Auditors' Report

To the Members of  
JIL Trading Private Limited

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of JIL Trading Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibility for the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

1. As required by Section 143(3) of the Act, based on our audit we report that:

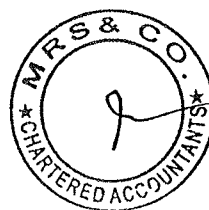
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.




- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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, as amended, 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 has no material foreseeable losses, as required under the applicable law or accounting standards, on long-term contracts including derivative contracts.
  - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

New Delhi  
20 May 2019



For MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

  
Mukesh Kumar Thakur  
Partner  
Membership No.095977

## Annexure-"A" to the Independent Auditors' Report

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of , JIL Trading Private Limited of even date]

### Report on the Internal Financial Controls Over Financial Reporting 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 JIL Trading Private Limited ("the Company") as of March 31, 2019 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

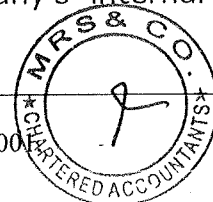
The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



## Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisation 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.

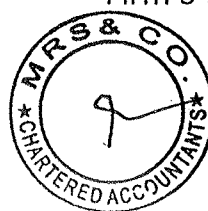
## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, to the best of our information and according to the explanations given to us, 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, 2019, 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.

New Delhi  
20 May 2019



For MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

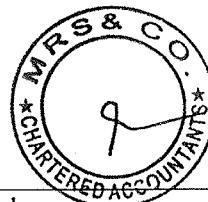
  
Mukesh Kumar Thakur  
Partner  
Membership No.095977

## Annexure-"B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JIL Trading Private Limited of even date)

We report that:

- (i). The company does not have any fixed asset or immovable property. Accordingly, paragraph 3 (i) of the order is not applicable to the company in respect of fixed assets and immovable properties.
- (ii) According to information and explanations given to us and based on our examination of the records of the company, the company has not made any business during the year. Thus, it does not have any physical inventory during the year under review. Thus, paragraph 3 (ii) of the order is not applicable to the company.
- (iii) The company has not granted loans to any company covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the company has not made any loan or investment during the year under review. Accordingly, paragraph 3 (iv) of the order is not applicable to the company.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) a) According to information and explanations given to us and the records examined by us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues, wherever applicable, including provident fund, investor education and protection fund, employees' state insurance, income tax, value added tax, wealth tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2019, for a period of more than six months from the date they became payable.  
b) According to the records of the Company, there were no dues outstanding in respect of income tax, wealth-tax, service tax, cess, etc, on account of any dispute.




- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable to the company.
- (x) According to information and explanations given to us, no material 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) According to information and explanations given to us and based on our examination of the records of the company, the company has not paid any managerial remuneration during the period under review.
- (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 to the company.
- (xiii) According to information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to information and explanations given 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 debenture during the year under review.
- (xv) According to 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 to the company.
- (xiv) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

New Delhi  
20 May 2019



For MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

  
Mukesh Kumar Thakur  
Partner  
Membership No.095977

**JIL Trading Private Limited**  
**Balance Sheet as at 31st March 2019**

	Note No.	As At 31st March 2019 Amount Rs.	As At 31st March 2018 Amount Rs.
<b>ASSETS</b>			
<b>(1) Current assets</b>			
(a) Financial Assets			
(i) Cash and cash equivalents	1	16,482	74,601
(ii) Other financial assets	2	4,06,712	-
<b>Total current assets</b>		<b>4,23,194</b>	<b>74,601</b>
<b>Total Assets</b>		<b>4,23,194</b>	<b>74,601</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	3	1,00,000	1,00,000
(b) Other Equity	4	(9,19,836)	(9,04,937)
<b>Total Equity</b>		<b>(8,19,836)</b>	<b>(8,04,937)</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	5	500	8,14,378
<b>Total non-current liabilities</b>		<b>500</b>	<b>8,14,378</b>
<b>(2) Current liabilities</b>			
(a) Other current liabilities	6	12,42,530	65,160
<b>Total current liabilities</b>		<b>12,42,530</b>	<b>65,160</b>
<b>Total equity and liabilities</b>		<b>4,23,194</b>	<b>74,601</b>

Significant accounting policies  
See accompanying Notes to the Financial Statements 1-9

MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

Mukesh Kumar Thakur  
Partner  
Membership no. 095977



For and on behalf of Board of Directors  
JIL Trading Private Limited

Sanjeev Kothiala  
Director  
DIN: 07122868

Neelam Tyagi  
Director  
DIN: 01572157

New Delhi  
20 May 2019

**JIL Trading Private Limited**  
**Statement of Profit and Loss for the year ended 31st March 2019**

	<u>Note No.</u>	<u>Current Year Amount Rs.</u>	<u>Previous Year Amount Rs.</u>
<b>INCOME</b>			
Revenue from operation		-	-
<b>Total income</b>		<u>-</u>	<u>-</u>
<b>EXPENDITURE</b>			
Other expenses	7	14,899	19,983
<b>Total expenses</b>		<u>14,899</u>	<u>19,983</u>
Net loss before tax		(14,899)	(19,983)
Tax expenses:			
Prior period tax adjustments	-	-	-
Current Tax	-	-	-
Deferred Tax	-	-	-
Net loss after tax		(14,899)	(19,983)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(14,899)	(19,983)
Earnings per equity share of face value of Rs 10 each. 8			
(a) Basic		(1.49)	(2.00)
(b) Diluted		(1.49)	(2.00)

Significant accounting policies

See accompanying Notes to the Financial Statements 1-9

MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

Mukesh Kumar Thakur  
Partner  
Membership no. 095977



New Delhi  
20 May 2019

For and on behalf of Board of Directors  
JIL Trading Private Limited

Sanjeev Kothiala  
Director  
DIN: 07122868

Neelam Tyagi  
Director  
DIN: 01572157



**JIL Trading Private Limited****Statement of Changes in Equity for the year ended 31st March 2019**

Amount in Rupees

**A EQUITY SHARE CAPITAL**

Balance at the beginning of 1st April 2017	Changes in equity share capital during the year 2017-18	Balance at the end of 31st March 2018	Changes in equity share capital during the year 2018-19	Balance at the end of 31st March 2019
1,00,000	-	1,00,000	-	1,00,000

**B OTHER EQUITY**

Particulars	Retained Earnings		Total
<b>As at 31st March 2018</b>			
Balance at the beginning of the 1st April 2017	(8,84,954)	-	(8,84,954)
Total Comprehensive income for the year	-	(19,983)	(19,983)
<b>Balance at the end of the 31st March 2018</b>	<b>(8,84,954)</b>	<b>(19,983)</b>	<b>(9,04,937)</b>
<b>As at 31st March 2019</b>			
Balance at the beginning of the 1st April 2018	(9,04,937)	-	(9,04,937)
Total Comprehensive income for the year	-	(14,899)	(14,899)
<b>Balance at the end of the 31st March 2019</b>	<b>(9,04,937)</b>	<b>(14,899)</b>	<b>(9,19,836)</b>

Significant accounting policies

See accompanying Notes to the Financial Statements 1-13

MRS & Co.  
Chartered Accountants  
Firm's Registration No. 016610N

Mukesh Kumar Thakur  
Partner  
Membership no. 095977

New Delhi  
20 May 2019



For and on behalf of Board of Directors  
JIL Trading Private Limited

Sanjeev Kothiala  
Director  
DIN: 07122868

Neelam Tyagi  
Director  
DIN: 01572157

**JIL Trading Private Limited**  
**Statement of Cash Flows for the year ended 31st March 2019**

	Year Ended 31st March 2019 Amount Rs.	Year Ended 31st March 2018 Amount Rs.
<b>(A) Cash flow from operating activities:</b>		
Net loss before tax as per statement of Profit and Loss	(14,899)	(19,983)
Operating profit before working capital changes	(14,899)	(19,983)
Increase/(Decrease) in other current liabilities	11,77,370	(2,53,740)
(Increase)/Decrease in other financial assets	(4,06,712)	-
Adjustments for changes in working capital :	7,70,658	(2,53,740)
Cash generated from / (used in) operations	7,55,759	(2,73,723)
Income tax (paid) / received	-	-
Net cash from / (used in) operating activities	<u>7,55,759</u>	<u>(2,73,723)</u>
<b>(B) Cash flow from Investing activities:</b>		
Net cash from / (used in) investing activities	<u>-</u>	<u>-</u>
<b>(C) Cash flow from financing activities:</b>		
Net borrowing from holding company	(8,13,878)	3,20,710
advance from director	-	500
Net cash from / (used in) financing activities	<u>(8,13,878)</u>	<u>3,21,210</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	(58,119)	47,487
Cash and cash equivalents at beginning of the year	74,601	27,114
Cash and cash equivalents at end of the year	<u>16,482</u>	<u>74,601</u>
	<u>(58,119)</u>	<u>47,487</u>

**Notes :**

- (1) Closing Cash and cash equivalents comprise :
 

Cash in hand	295	395
Balance with Scheduled Banks:		
- in Current Accounts	16,187	74,206
[ Refer Note 1]		
	<u>16,482</u>	<u>74,601</u>
- (2) The above Cash flow statement has been prepared under the indirect method set out in IND AS-7 notified u/s 133 of the Companies Act, 2013
- (3) Figures in brackets indicate cash outgo.
- (4) Previous Year's figures have been regrouped/re-classified wherever necessary to conform to current year's classification.
- (5) Notes 1 to 9 form an integral part of the Cash Flow Statement.

This is the Cash Flow Statement referred to in our report of even date.

MRS & Co.  
 Chartered Accountants  
 Firm's Registration No. 016610N

Mukesh Kumar Thakur  
 Partner  
 Membership no. 095977

New Delhi  
 20 May 2019



For and on behalf of Board of Directors  
 JIL Trading Private Limited

*Sanjeev Kothalia*  
 Sanjeev Kothalia  
 Director  
 DIN: 07122868

*Neelam Tyagi*  
 Neelam Tyagi  
 Director  
 DIN: 01572157

**JIL Trading Private Limited**

Notes to the financial statements for the year ended 31st March 2019

Note No.	As at 31st March 2019 Amount Rs.	As at 31st March 2018 Amount Rs.
<b>1 CASH AND CASH EQUIVALENTS</b>		
Cash in hand	295	395
Balance with bank -in Canara Bank-03207201055741	16,187	74,206
<b>Total cash and cash equivalents</b>	<b>16,482</b>	<b>74,601</b>
<b>2 OTHER FINANCIAL ASSETS</b>		
Unsecured Amount receivable from holding company [ M/s Jagatjit Industries Limited ]	4,06,712	-
<b>Total other financial assets</b>	<b>4,06,712</b>	<b>-</b>
<b>3 EQUITY SHARE CAPITAL</b>		
<b>a Authorized Share Capital</b>		
10,000 (Previous year 10,000, As at 1st April 2017-10,000) Equity share Rs 10/- each	1,00,000	1,00,000
<b>Total</b>	<b>1,00,000</b>	<b>1,00,000</b>
<b>b Issued, subscribed and paid up capital</b>		
10,000 (Previous year 10,000, As at 1st April 2017-10,000) Equity share of Rs.10/- each fully paidup	1,00,000	1,00,000
<b>Total</b>	<b>1,00,000</b>	<b>1,00,000</b>

**Terms/rights attached to Equity Shares:-**

The Company has only one class of Equity Shares having par value of Rs 10/- per share. Each 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 remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**3.1 The details of Shareholders holding more than 5% shares :**

	No. of Shares	No. of Shares
Jagatjit Industries Limited	9,999	9,999
Jagatjit Industries Limited J/w Mr K. K. Kohli	-	1
Jagatjit Industries Limited J/w Ms. Shakun Jaiswal	1	-

**3.2 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year**

Particulars	No. of Shares
Equity Shares at the beginning of the year	10,000
Equity Shares at the end of the period	10,000



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**JIL Trading Private Limited**

Notes to the financial statements for the year ended 31st March 2019

<u>Note No.</u>	<u>As at 31st March 2019 Amount Rs.</u>	<u>As at 31st March 2018 Amount Rs.</u>
<b>4 OTHER EQUITY</b>		
Reserves and Surplus		
(a) Retained Earnings		
Opening balance	(9,04,937)	(8,84,954)
Add: total Comprehensive Income for the year	(14,899)	(19,983)
Closing balance	(9,19,836)	(9,04,937)
	<u>(9,19,836)</u>	<u>(9,04,937)</u>
<b>5 BORROWINGS</b>		
(Unsecured)		
Loans and advances from related parties: [ Refer item no. E(i) of Note No, 9 ]		
-From holding company: Jagatjit Industries Limited	-	8,13,878
-From director: Neelam Tyagi	500	500
Total for borrowings	<u>500</u>	<u>8,14,378</u>
<b>6 OTHER CURRENT LIABILITIES</b>		
Statutory due	2,03,140	43,220
Other payable	10,39,390	21,940
Total for other current liabilities	<u>12,42,530</u>	<u>65,160</u>



## JIL Trading Private Limited

Notes to the financial statements for the year ended 31st March 2019

Note No.	Current Year Amount Rs.	Previous Year Amount Rs.
<b>7 OTHER EXPENSES</b>		
Legal and professional fees	4,197	7,700
Filing fees	1,000	1,406
Bank charges	262	60
Interest on delayed payment of taxes	-	1,377
Audit fees	9,440	9,440
<b>Total for other expenses</b>	<b>14,899</b>	<b>19,983</b>
<b>8 EARNING PER EQUITY SHARE (EPS)</b>		
Net loss after tax as per Statement of Profit and Loss attributable to equity shareholders	(14,899)	(19,983)
Weighted average number of Equity Shares	10,000	10,000
Basic earnings per Share	(1.49)	(2.00)
Diluted earnings per Share	(1.49)	(2.00)
Face value per equity share	10	10



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## JIL Trading Private Limited

Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

### Note No. 9

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#### A. Corporate Information

JIL Trading Private Limited ( "the Company" ) is an Indian company incorporated on August 27, 2010, vide registration no. U51109DL2010PTC207648. The company is registered with the Registrar of Companies, Delhi and it's registered office is situated at 4th Floor, Bhandari House, 91, Nehru Place, New Delhi-110 019. The Company's main objects are to do business of marketers, traders dealers, exporter and importers of Alcoholic and other beverages and to enter into manufacturing contracts with others, to purchase or otherwise acquire, own etc in the said business and acquire the trade marks, selling rights of other manufacturers and traders.

Company's accounts are prepared for the year from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March 2019 and previous year figures are for the year from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March, 2018.

#### B. ACCOUNTING POLICIES

##### B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for certain financial assets which have been measured at fair value amount.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

Company's financial statements are presented in Indian Rupees which is its functional currency.

##### B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

###### (a) Property, plant and equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets.



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**JIL Trading Private Limited**

**Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 9**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably.

Depreciation on property, plant and equipment is provided using written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**(b) Provisions and Contingencies:**

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

**(c) Taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

**(i) Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

**ii) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.



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**JIL Trading Private Limited**

**Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 9**

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

**(d) Revenue recognition**

Revenue from sale of goods, is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

Revenue from operations includes sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excluding taxes or duties collected on behalf of the government.

Interest Income from a financial asset is recognised using effective interest rate method.

Dividend Income from financial assets is recognized when company's right to receive payment is established.

**(e) Financial instruments**

**(I) Financial Assets**

**Initial recognition and measurement:**

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised using trade date accounting.

**Subsequent measurement:**

**i) Financial assets carried at amortised cost (AC)**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.



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**JIL Trading Private Limited**

**Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 9**

**ii) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it 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.

**iii) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**Impairment of financial assets**

The Company assesses impairment based on expected credit loss (ECL) model to the following:

Financial assets at amortised cost

Financial assets measured at fair value through Other Comprehensive income

The Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses historical loss experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

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

**(II) Financial liabilities**

**Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.



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**JIL Trading Private Limited**

**Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 9**

**Subsequent measurement:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**C. Critical accounting judgements and key sources of estimation uncertainty:**

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**i) Estimated useful lives of tangible assets:**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

**ii) Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

**D. First time adoption of Ind AS:**

The Company has adopted Ind AS with effect from 1st April 2017. There are no adjustments on translation of the financial results in accordance with Ind AS from the previous Indian GAAP for the corresponding period ended 31st March, 2018 and opening balance as at 1st April, 2017.



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**JIL Trading Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 9**

**Exemptions from retrospective application:**

**i) Fair value as deemed cost exemption:**

The Company has elected to measure items of property, plant and equipment at its carrying value at the transition date.

**ii) Investments in subsidiaries, joint ventures and associates**

The Company has elected to measure investment in subsidiaries, joint venture and associate at cost.

**E. NOTES TO THE ACCOUNTS**

**(i) Related Party Disclosures**

(a) As per Ind AS-24, the disclosure of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationship:

<b>S.No.</b>	<b>Name of related party</b>	<b>Relationship</b>
1.	Jagatjit Industries Limited	Holding Company
2.	NeelamTyagi	Director
3.	Hemant Kumar	Director
4.	SanjeevKothiala	Director

(b) Transactions during the year with related parties

<b>S. No.</b>	<b>Description</b>	<b>Relationship</b>	<b>As at 31<sup>st</sup> March 2019</b>	<b>As at 31<sup>st</sup> March 2018</b>
1.	Borrowings accepted	Holding company	-	3,20,710
2.	Borrowings accepted	Director	-	500
3.	Reimbursements of expenses claimed towards registration of Trade Mark, professional fees, advertisement and other related expenses.	Holding Company	12,20,590	4,11,810



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**JIL Trading Private Limited**

**Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 9**

**(ii) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid or is payable under the terms of the MSMED Act, 2006.

**(iii) First time Ind AS adoption**

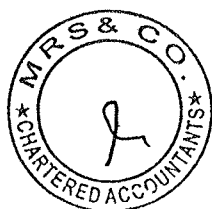
The Company has adopted Ind AS with effect from 1st April 2017. There are no adjustments on translation of the financial results in accordance with Ind AS from the previous Indian GAAP for the corresponding period ended 31st March, 2018 and opening balance as at 1st April, 2017.

**(iv) Reconciliation of Reserves between Ind AS and Previous GAAP**


There are no reconciliation items of its Net loss and Reserves between Ind AS and Previous GAAP for the earlier periods.

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

For and on behalf of the Board of Directors  
JIL Trading Private Limited



  
Sanjeev Kothhala  
Director  
DIN: 07122868

  
Neelam Tyagi  
Director  
DIN: 01572157

New Delhi  
20 May 2019



## **Independent Auditor's Report**

To  
The Members of  
Yoofy Computech Private Limited  
(formerly known as JILI Hotels & Resorts Private Limited)

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

### **Opinion**

We have audited the accompanying financial statements of Yoofy Computech Private Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, the Statement of Profit and Loss, Cash Flow Statement and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the 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 31<sup>st</sup> March, 2019, and its Loss for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company



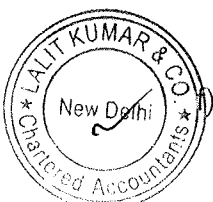
and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **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 is applicable to the company and Annexure "A" is enclosed.
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 dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2019, from being appointed as a director in terms of Section 164(2) of the Act.



As per Notification No. G.S.R. 583(E) dated 13th June, 2017, amendment to Notification No. G.S.R 464(E) dated 5th June 2015 with respect to reporting on adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls is applicable to the company and Annexure "B" is enclosed.

- 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, we report that:
- i. There is no pending litigations and as such no impact on its financial position.
  - ii. The Company did not have any long-term contracts including derivatives 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.

For Lalit Kumar & Co.  
Chartered Accountants  
Firm's Registration No. 002085N



Lalit Kumar  
New Delhi  
Proprietor  
Membership No. 081071

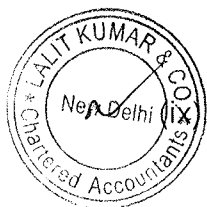
20 May 2019  
New Delhi

## Annexure-“A” to the Independent Auditors’ Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Yoofy Computech Private Limited of even date)

We report that:

- (i). The company does not have any fixed asset or immovable property. Accordingly, paragraph 3 (i) of the order is not applicable to the company in respect of fixed assets and immovable properties.
- (ii) The Company has neither purchased nor held any inventory. Thus paragraph 3 (ii) of the order is not applicable to the company.
- (iii) The company has not granted loans to any company covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the company has not granted any loans or made any investment. Accordingly, paragraph 3 (iv) of the order is not applicable to the company.
- (v) The Company has not accepted deposits during the period and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) a) According to information and explanations given to us and the records examined by us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues, wherever applicable, including provident fund, investor education and protection fund, employees’ state insurance, income tax, value added tax, wealth tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2019, for a period of more than six months from the date they became payable.  
b) According to the records of the Company, there were no dues outstanding in respect of income tax, wealth-tax, service tax, cess, etc, on account of any dispute.
- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.  
  
The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable to the company.





- (x) According to information and explanations given to us, no material 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) According to information and explanations given to us and based on our examination of the records of the company, the company has not paid any managerial remuneration during the period under review.
- (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 to the company.
- (xiii) According to information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to information and explanations given 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 debenture during the year under review.
- (xv) According to 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 to the company.
- (xiv) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

20 May 2019  
New Delhi

For Lalit Kumar & Co.  
Chartered Accountants  
Firm's Registration No. 002085N



  
Lalit Kumar  
Proprietor  
Membership No. 081071

## **Annexure-“B” to the Independent Auditors’ Report**

[Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of , Yoofy Computech Private Limited of even date]

Report on the Internal Financial Controls Over Financial Reporting 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 Yoofy Computech Private Limited (“the Company”) as of March 31, 2019 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**

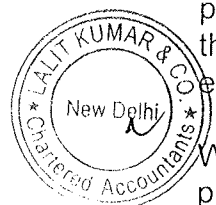
The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, 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 internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



## Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with

generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, to the best of our information and according to the explanations given to us, 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, 2019, 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.

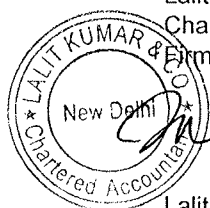
20 May 2019  
New Delhi

For Lalit Kumar & Co.  
Chartered Accountants  
Firm's Registration No. 002085N  
  
  
Lalit Kumar  
Proprietor  
Membership No. 081071

**Yoofy Computech Private Limited**  
**(Formerly known as JILI Hotels & Resorts Private Limited)**  
**Balance Sheet as at 31st March 2019.**

	<u>Note No.</u>	<u>As At 31st March 2019 Amount Rs.</u>	<u>As At 31st March 2018 Amount Rs.</u>
<b>ASSETS</b>			
<b>(1) Current assets</b>			
(a) Financial Assets			
(i) Cash and cash equivalents	1	49,408	69,650
<b>Total current assets</b>		<u>49,408</u>	<u>69,650</u>
<b>Total Assets</b>		<u>49,408</u>	<u>69,650</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	2	1,00,000	1,00,000
(b) Other Equity	3	(72,092)	(39,006)
<b>Total Equity</b>		<u>27,908</u>	<u>60,994</u>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	4	-	990
<b>Total non-current liabilities</b>		<u>-</u>	<u>990</u>
<b>(2) Current liabilities</b>			
(a) Other current liabilities	5	21,500	7,666
<b>Total current liabilities</b>		<u>21,500</u>	<u>7,666</u>
<b>Total equity and liabilities</b>		<u>49,408</u>	<u>69,650</u>

Significant accounting policies  
See accompanying Notes to the Financial Statements 1-8




Lalit Kumar & Co.  
Chartered Accountants  
Firm's Registration No. 002085N

Lalit Kumar  
Proprietor  
Membership No. 081071

New Delhi  
20 May 2019

For and on behalf of Board of Directors  
Yoofy Computech Private Limited  
(formerly known as JILI Hotels & Resorts Private Limited)

  
Naresh Kumar Rana  
Director  
DIN: 00112399

  
Neelam Tyagi  
Director  
DIN: 01572157

**Yoofy Computech Private Limited**  
**(Formerly known as JILI Hotels & Resorts Private Limited)**  
**Statement of Profit and Loss for the period ended 31st March 2019**

	Note No.	From 1st April 2018 to 31st March 2019 Amount Rs.	From 15th May 2017 to 31st March 2018 Amount Rs.
<b>INCOME</b>			
Revenue from operation		-	-
<b>Total income</b>		<b>-</b>	<b>-</b>
<b>EXPENDITURE</b>			
Preliminary expense written off		-	16,930
Other expenses	6	33,086	22,076
<b>Total expenses</b>		<b>33,086</b>	<b>39,006</b>
Net loss before tax		(33,086)	(39,006)
Tax expenses:			
Prior period tax adjustments	-	-	-
Current Tax	-	-	-
Deferred Tax	-	-	-
Net loss after tax		(33,086)	(39,006)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(33,086)	(39,006)
Earnings per equity share of face value of	7		
(a) Basic		(3.31)	(3.90)
(b) Diluted		(3.31)	(4.45)
Significant accounting policies			
See accompanying Notes to the Financial Stater 1-8			

Lalit Kumar & Co.  
Chartered Accountants  
Firm's Registration No. 002085N

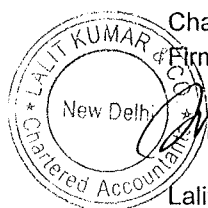
Lalit Kumar  
Proprietor  
Membership No. 081071

New Delhi  
20 May 2019

For and on behalf of Board of Directors  
Yoofy Computech Private Limited  
(formerly known as JILI Hotels & Resorts Private Limited)

Naresh Kumar Rana  
Director  
DIN: 00112399

Neelam Tyagi  
Director  
DIN: 01572157



*(Signature)*

*(Signature)*

**Yoofy Computech Private Limited**  
**(Formerly known as JILI Hotels & Resorts Private Limited)**  
**Statement of Changes in Equity for the period ended 31st March 2019**

Amount in Rupees

**A EQUITY SHARE CAPITAL**

Balance at the beginning of 1st April 2017	Changes in equity share capital during the year 2017-18	Balance at the end of 31st March 2018	Changes in equity share capital during the year 2018-19	Balance at the end of 31st March 2019
-	1,00,000	1,00,000	-	1,00,000

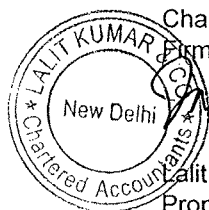
**B OTHER EQUITY**

Particulars	Retained Earnings		Total
<b>As at 31st March 2018</b>			
Balance at the beginning of the 1st April 2017	-	-	-
Total Comprehensive income for the year	-	(39,006)	(39,006)
<b>Balance at the end of the 31st March 2018</b>	-	(39,006)	(39,006)
<b>As at 31st March 2019</b>			
Balance at the beginning of the 1st April 2018	(39,006)	-	(39,006)
Total Comprehensive income for the year	-	(33,086)	(33,086)
<b>Balance at the end of the 31st March 2019</b>	(39,006)	(33,086)	(72,092)

Significant accounting policies

See accompanying Notes to the Financial Statements 1-8

Lalit Kumar & Co.  
Chartered Accountants  
Firm's Registration No. 002085N



Lalit Kumar  
Proprietor  
Membership No. 081071

New Delhi  
20 May 2019

For and on behalf of Board of Directors  
Yoofy Computech Private Limited  
(formerly known as JILI Hotels & Resorts Private Limited)

Naresh Kumar Rana  
Director  
DIN: 00112399

Neelam Tyagi  
Director  
DIN: 01572157

**Yoofy Computech Private Limited**  
**(Formerly known as JILI Hotels & Resorts Private Limited)**  
**Statement of Cash Flows for the period ended 31st March 2019**

	For Period Ended 31st March 2019 Amount Rs.	For Period Ended 31st March 2018 Amount Rs.
<b>(A) Cash flow from operating activities:</b>		
Net loss before tax as per statement of Profit and Loss	(33,086)	(39,006)
<b>Operating profit before working capital changes</b>	<b>(33,086)</b>	<b>(39,006)</b>
Increase/(Decrease) in other current liabilities	13,834	7,666
<b>Adjustments for changes in working capital :</b>	<b>13,834</b>	<b>7,666</b>
<b>Cash generated from / (used in) operations</b>	<b>(19,252)</b>	<b>(31,340)</b>
Income tax (paid) / received	-	-
<b>Net cash from / (used in) operating activities</b>	<b>(19,252)</b>	<b>(31,340)</b>
<b>(B) Cash flow from Investing activities:</b>		
Net cash from / (used in) investing activities	-	-
<b>(C) Cash flow from financing activities:</b>		
Equity share subscription	-	1,00,000
Loan term borrowings from directors	(990)	990
<b>Net cash from / (used in) financing activities</b>	<b>(990)</b>	<b>1,00,990</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(20,242)</b>	<b>69,650</b>
Cash and cash equivalents at beginning of the year	69,650	-
Cash and cash equivalents at end of the year	49,408	69,650
	<b>(20,242)</b>	<b>69,650</b>

**Notes :**

(1) Closing Cash and cash equivalents comprise :

Cash in hand

Balance with Scheduled Banks:

- in Current Accounts

[ Refer Note 1 ]

49,408

69,650

49,408

69,650

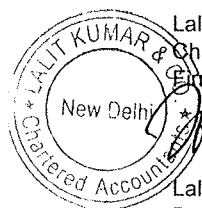
(2) The above Cash flow statement has been prepared under the indirect method set out in IND AS-7 notified u/s 133 of the Companies Act, 2013

(3) Figures in brackets indicate cash outgo.

(4) This being the first Balance Sheet subce incorporation therefore previous year's figures have not been provided.

(5) Notes 1 to 8 form an integral part of the Cash Flow Statement.

This is the Cash Flow Statement referred to in our report of even date.





Lalit Kumar & Co.  
Chartered Accountants  
Firm's Registration No. 02085N

Lalit Kumar  
Proprietor  
Membership No. 081071

New Delhi  
20 May 2019

For and on behalf of Board of Directors  
Yoofy Computech Private Limited  
(formerly known as JILI Hotels & Resorts Private Limited)

  
Naresh Kumar Rana  
Director  
DIN: 00112399

  
Neelan Tyagi  
Director  
DIN: 01572157

**Yoofy Computech Private Limited**  
**(Formerly known as JILI Hotels & Resorts Private Limited)**  
**Notes to the financial statements for the year ended 31st March 2019**

Note No.	As at 31st March 2019 Amount Rs.	As at 31st March 2018 Amount Rs.		
<b>1 CASH AND CASH EQUIVALENTS</b>				
Balance with bank in current account: -in HDFC Bank Limited-50200025084065	49,408	69,650		
<b>Total cash and cash equivalents</b>	<b>49,408</b>	<b>69,650</b>		
<b>2 EQUITY SHARE CAPITAL</b>				
<b>a Authorized Share Capital</b>				
10,000 Equity Shares of Rs.10/- each.	1,00,000	1,00,000		
<b>b Issued, subscribed and paid up capital.</b>				
10,000 Equity Shares of Rs.10/- each fully paid	1,00,000	1,00,000		
<b>Total</b>	<b>1,00,000</b>	<b>1,00,000</b>		
<b>2.1 Terms/rights attached to Equity Shares:-</b>				
The Company has only one class of Equity Shares having par value of Rs 10/- per share. Each 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 remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders				
<b>2.2 The details of Shareholders holding more than 5% shares :</b>				
	<b>No of shares</b>	<b>% held</b>	<b>No of shares</b>	<b>% held</b>
a Jagatjit Industries Limited	9,999	99.99%	9,999	99.99%
<b>2.3 Reconciliation of the no. of shares outstanding at the beginning and at the end of the reporting year:</b>				
<b>Particulars</b>	<b>No. of shares</b>		<b>No. of shares</b>	
Equity shares subscribed during the period	10,000		10,000	
Equity Shares at the end of the period	10,000		10,000	
<b>3 OTHER EQUITY</b>				
<b>Reserves and Surplus</b>				
<b>(a) Retained Earnings</b>				
Opening balance	(39,006)		-	
Total Comprehensive income for the period	(33,086)		(39,006)	
Closing balance	(72,092)		(39,006)	
<b>Total</b>	<b>(72,092)</b>		<b>(39,006)</b>	



*[Handwritten signature]*



**Yoofy Computech Private Limited**  
**(Formerly known as JILI Hotels & Resorts Private Limited)**  
**Notes to the financial statements for the year ended 31st March 2019**

<u>Note No.</u>	<u>As at 31st March 2019 Amount Rs</u>	<u>As at 31st March 2018 Amount Rs</u>
<b>4 BORROWINGS</b>		
(Unsecured)		
Loans and advances from director:		
-Naresh Rana	-	990
<b>Total for borrowings</b>	<u>-</u>	<u>990</u>
<b>5 OTHER CURRENT LIABILITIES</b>		
Other payable	21,500	7,666
<b>Total for other current liabilities</b>	<u>21,500</u>	<u>7,666</u>
	<u>From 1st April 2018 to 31st March 2019 Rs</u>	<u>From 15th May 2017 to 31st March 2018 Rs</u>
<b>6 OTHER EXPENSES</b>		
Professional charges	26,135	10,860
Filing fees	1,800	4,500
Bank charges	118	-
Miscellaneous expense	33	1,716
Audit fees	5,000	5,000
<b>Total for other expenses</b>	<u>33,086</u>	<u>22,076</u>
<b>7 EARNING PER EQUITY SHARE (EPS)</b>		
Net loss after tax as per Statement of Profit and Loss attributable to equity shareholders	(33,086)	(39,006)
Actual number of Equity Shares	10,000	10,000
Weighted average number of Equity Shares	10,000	8,767
Basic earnings per Share	(3.31)	(3.90)
Diluted earnings per Share	(3.31)	(4.45)
Face value per equity share	10	10



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**Yoofy Computech Private Limited**  
**(formerly known as JILI Hotels & Resorts Private Limited)**  
**Summary of significant accounting policies and other explanatory information**  
**annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 8**

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**A. Corporate Information**

Yoofy Computech Private Limited ( "the Company" ) is an Indian company incorporated on 15<sup>th</sup> May 2017, vide registration no. U74110DL2017PTC317426. The company is registered with the Registrar of Companies, Delhi and its registered office is situated at 4<sup>th</sup> Floor, Bhandari House, 91, Nehru Place, New Delhi-110019. The Company's main objects are Software designing and development etc.

The Company's accounts are prepared for the period from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019.

**B. ACCOUNTING POLICIES**

**B.1 BASIS OF PREPARATION AND PRESENTATION**

The financial statements have been prepared on the historical cost basis except for certain financial assets which have been measured at fair value amount.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

These financial statements are the Company's first Ind AS financial statements and as covered by Ind AS 101- This is first year of the company since its incorporation therefore first time adoption of Indian Accounting Standards.

Company's financial statements are presented in Indian Rupees which is its functional currency.

**B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Property, plant and equipment:**

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably.



A handwritten signature in black ink, consisting of a stylized 'J' followed by a horizontal line and a small flourish.

**Yoofy Computech Private Limited**

**(formerly known as JILI Hotels & Resorts Private Limited)**

**Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 8**

Depreciation on property, plant and equipment is provided using written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**(b) Provisions and Contingencies:**

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

**(c) Taxation**

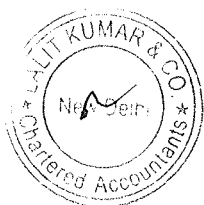
The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

**(i) Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

**ii) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.



A handwritten signature in black ink, consisting of a large loop followed by a vertical stroke and a small horizontal stroke at the end.

**Yoofy Computech Private Limited**

**(formerly known as JILI Hotels & Resorts Private Limited)**

**Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 8**

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting

period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

**(d) Revenue recognition**

Revenue from sale of goods, is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

Revenue from operations includes sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excluding taxes or duties collected on behalf of the government.

Interest Income from a financial asset is recognised using effective interest rate method.

Dividend Income from financial assets is recognized when company's right to receive payment is established.

**(e) Financial instruments**

**(I) Financial Assets**

**Initial recognition and measurement:**

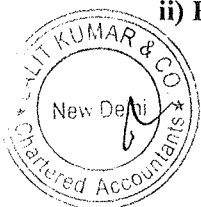
All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised using trade date accounting.

**Subsequent measurement:**

**i) Financial assets carried at amortised cost (AC)**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

**ii) Financial assets at fair value through other comprehensive income (FVTOCI)**



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## **Yoofy Computech Private Limited**

**(formerly known as JILI Hotels & Resorts Private Limited)**

**Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019**

### **Note No. 8**

A financial asset is subsequently measured at fair value through other comprehensive income if it 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.

### **iii) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### **Impairment of financial assets**

The Company assesses impairment based on expected credit loss (ECL) model to the following:

Financial assets at amortised cost

Financial assets measured at fair value through Other Comprehensive income

The Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses historical loss experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

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

### **(II) Financial liabilities**

#### **Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.



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**Yoofy Computech Private Limited**  
**(formerly known as JILI Hotels & Resorts Private Limited)**  
**Summary of significant accounting policies and other explanatory information**  
**annexed to and forming part of the Balance Sheet as at 31st March, 2019**

**Note No. 8**

**Subsequent measurement:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**C. Critical accounting judgements and key sources of estimation uncertainty:**

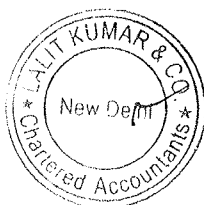
The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**i) Estimated useful lives of tangible assets:**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

**ii) Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.



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**Yoofy Computech Private Limited**  
(formerly known as JILI Hotels & Resorts Private Limited)  
Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019

Note No. 8

**Exemptions from retrospective application:**

**i) Fair value as deemed cost exemption:**

The Company has elected to measure items of property, plant and equipment at its carrying value at the transition date.

**ii) Investments in subsidiaries, joint ventures and associates**

The Company has elected to measure investment in subsidiaries, joint venture and associate at cost.

**D. NOTES TO THE ACCOUNTS**

**(i) Related Party Disclosures**

(a) As per Ind AS-24, the disclosure of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationship:

S. No.	Name of related party	Relationship
1.	Jagatjit Industries Limited	Holding Company
2.	Naresh Kumar Rana	Director
3.	Neelam Tyagi	Director
4.	Ravi Manchanda	Director
5.	Asha Saxena	Director

**(b) Transactions during the year with related parties**

S. No.	Description	Relationship	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
1.	Borrowings	Director	-	990



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**Yoofy Computech Private Limited**

**(formerly known as JILI Hotels & Resorts Private Limited)**

**Summary of significant accounting policies and other explanatory information  
annexed to and forming part of the Balance Sheet as at 31st March, 2019**

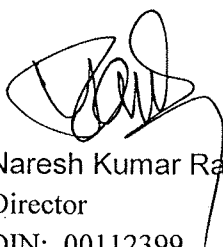
**Note No. 8**

**(ii) Disclosures required under Section 22 of the Micro, Small and Medium  
Enterprises Development Act, 2006**

Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 is Rs. Nil and no interest has been paid or is payable under the terms of the MSMED Act, 2006.

For and on behalf of the Board of Directors  
Yoofy Computech Private Limited  
(formerly as JILI Hotels & Resorts Private Limited)



  
Naresh Kumar Rana  
Director  
DIN: 00112399

  
Neelam Tyagi  
Director  
DIN: 01572157

New Delhi  
20 May 2019