



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

M/S NAROOMA BUILDERS & DEVELOPERS PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **M/s Narooma Builders & Developers Private Limited ("the Company")**, which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Statement of Cash Flows and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

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 the Ind AS financial statements that give a true and fair view of the financial position, financial performance including cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under.

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts, the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor





considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2018, and its financial performance, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

Without qualifying our opinion, attention is invited to Note No 21 of the financial statements whereby the company's net worth has completely eroded. However, the ultimate holding company has assured continued financial support for the future operations of the Company. Based on this, the financial statements have been prepared on a going concern basis.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law relating to preparation of aforesaid financial statements have been kept so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flow and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.






(f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure A" and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact the Ind AS financial position;
- ii. The Company did not have any long term Contracts including derivative contracts, hence the question of commenting on any material foreseeable losses does not arise;
- iii. There has not been an occasion in case of the company during the year under report to transfer the Investor Education and Protection Fund. The question of delay in transferring such sum does not arise;

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

For Anil & Anil,
(Formerly Atul Kulshrestha & Co)
Chartered Accountants
Firm Regn No. 013768N


R. Varadharajan
Partner
M.No.207728
Place: New Delhi
Date: 10th May 2018





Annexure "A" to the Auditor's Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act'2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s Narooma Builders & Developers Private Limited ("the Company") as of 31st March'2018 in conjunction with our audit of the Ind AS financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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





Meaning of Internal Financial Controls over Financial Reporting

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


Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Anil & Anil,
(Formerly Atul Kulshrestha & Co)
Chartered Accountants
Firm Regn No. 013768N


R. Varadharajan
Partner
M.No.207728
Place: New Delhi
Date: 10th May 2018





Annexure "B" referred to in paragraph-2 of our report on other legal & regulatory requirements even date on the accounts of M/s Narooma Builders & Developers Private Limited for the year ended 31st March'2018

- i. In our opinion and according to the information and explanations given to us, the Company is not having any Fixed Assets. Accordingly, clause (i) (b) & (i) (c) of paragraph 3 of the order is not applicable to the Company.
- ii. The Inventory of the company comprises of Land. In our opinion and according to information and explanation given to us, the inventory has been physically verified by the management in a phased periodical manner. No material discrepancies were noticed on such physical verification and the same has been dealt properly with the books of accounts.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured and unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, clause (iii) of paragraph 3 of the order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 of the Companies Act, 2013 are required to be complied with. Section 186 (loan and investment by company) is not applicable to this company since sub section 11 (a) of section 186 gives exemption from application of this section (except for maintaining the register under this section) for companies providing infrastructural facilities. Schedule VI, clause 5 of the Companies Act 2013 defines infrastructural companies to include real estate development companies. Accordingly, clause (iv) of paragraph 3 of the order is not applicable to the company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the order are not applicable to the Company.
- vi. According to the information and explanations given to us, the Companies (Cost Records and Audit) Rules made by the Central Government for the maintenance of Cost records under sub section (1) of section 148 of the Act are not applicable to the Company. Accordingly, clause (vi) of paragraph 3 of the order is not applicable to the Company.






- vii. In respect of statutory dues:
- a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period of more than six months from the date of becoming payable.
 - b) There are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2018 on account of disputes.
- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loans or borrowings from financial institutions, banks and government and no debentures have been issued by the company. Accordingly clause (viii) of paragraph 3 of the order is not applicable to the Company.
- ix. In our opinion and according to the information and explanations given to us, no monies were raised by way of term loans, initial public offer or further public offer (including debt instruments) by the Company during the year. Accordingly clause (ix) of paragraph 3 of the order is not applicable to the Company.
- x. In our opinion and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. Managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 is not applicable on the Company. Accordingly clause (xi) of paragraph 3 of the order is not applicable to the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 & Section 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the order is not applicable to the Company.





- xv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For Anil & Anil,
(Formerly Atul Kulshrestha & Co)
Chartered Accountants
Firm Regn No. 013768N


R. Varadharajan
Partner
M.No.207728
Place: New Delhi
Date: 10th May 2018



Narooma Builders & Developers Private Limited
U45200DL2006PTC155584
1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi 110055

Balance Sheet as at 31st March 2018

(Amount in Lac.)

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017
ASSETS			
Non-current assets			
a) Deferred tax assets (net)	3	0.94	0.66
		<u>0.94</u>	<u>0.66</u>
Current assets			
a) Inventories	4	4,259.80	4,246.36
b) Financial Assets			
(i) Cash and cash equivalents	5	0.67	0.68
		<u>4,260.47</u>	<u>4,247.04</u>
		<u>4,261.41</u>	<u>4,247.70</u>
EQUITY AND LIABILITIES			
Equity			
a) Equity Share capital	6	1.00	1.00
b) Other Equity		(7.14)	(6.26)
		<u>(6.14)</u>	<u>(5.26)</u>
Current liabilities			
a) Financial Liabilities			
(i) Trade payables	7	4,267.49	4,252.96
b) Other Current liabilities	8	0.06	-
		<u>4,267.55</u>	<u>4,252.96</u>
		<u>4,261.41</u>	<u>4,247.70</u>

Summary of significant accounting policies

1-2

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

This is the balance sheet referred to in our report of even date

For and on behalf of
Anil & Anil
(Formerly known as Atul Kulshrestha & Co.)
Chartered Accountants
FRN No. 013768N

R. Varadharajan
Partner
Membership No.207728



For and on behalf of the Board of Directors
Narooma Builders & Developers Private Li

Devender Hooda
Director
DIN-07109935

Devesh Nautiyal
Director
DIN-02135830

Place: Gurugram
Date: 10.05.2018

by

Narooma Builders & Developers Private Limited
U45200DL2006PTC155584
1E, Jhandewalan Extension, Naaz Cinema Complex , New Delhi 110055


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

Particulars	Note No.	(Amount in Lac.)	
		For the year ended 31st March 2018	For the year ended 31st March 2017
REVENUE		-	-
EXPENSES			
Purchase of Land	9	13.44	-
Change in Inventory	10	(13.44)	-
Finance costs	11	-	0.00
Other expenses	12	1.16	1.20
		<u>1.16</u>	<u>1.21</u>
Loss before tax		(1.16)	(1.21)
Tax expense			
Deferred tax	18	0.28	0.31
Loss for the year/previous year		<u>(0.88)</u>	<u>(0.90)</u>
Loss per share (₹) (Basic and diluted)	13	(8.80)	(8.97)
Summary of significant accounting policies	1-2		

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

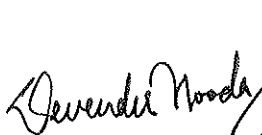

This is the statement of profit and loss referred to in our report of even date

For and on behalf of
Anil & Anil
(Formerly known as Atul Kulshrestha & Co.)
Chartered Accountants
FRN No. 013768N


R. Varadharajan
Partner
Membership No.207728



For and on behalf of the Board of Directors
Narooma Builders & Developers Private Limited

 
Devender Hooda **Devosh Nautiyal**
Director Director
DIN-07109935 DIN-02135830

Place: Gurugram
Date: 10.05.2018

Narooma Builders & Developers Private Limited
U45200DL2006PTC155584

Cash flow statement for the year ended 31st March 2018

(Amount in Lac.)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net loss before tax	(1.16)	(1.21)
Add: Adjustment for non-cash and other items	-	-
Operating loss before working capital changes	(1.16)	(1.21)
Adjustment for working capital changes:		
(Increase)/decrease in inventory	(13.44)	
Increase/(decrease) in trade payables	14.53	1.85
Increase/(decrease) in other liabilities	0.06	(0.02)
Cash used in operating activities	(0.01)	0.62
Direct taxes paid (net of refunds)	-	-
Net cash flow from (used in) operating activities	(0.01)	0.62
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net cash used in investing activities	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net cash flow from (used in) financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(0.01)	0.62
Cash and cash equivalents at the beginning of the year/ previous year	0.68	0.06
Cash and cash equivalents at the end of the year/ previous year	0.67	0.68
	(0.01)	0.62

This is the cash flow statement referred to in our report of even date.

For and on behalf of

Anil & Anil

(Formerly known as Atul Kulshrestha & Co.)

Chartered Accountants

FRN No. 013768N



R. Varadharajan

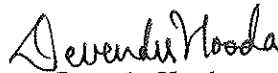
Partner

Membership No.207728



For and on behalf of the Board of Directors

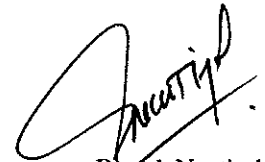
Narooma Builders & Developers Private Limited



Devender Hooda

Director

DIN-07109935



Devesh Nautiyal

Director

DIN-02135830

Place: Gurugram

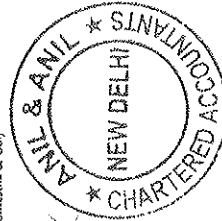
Date: 10.05.2018

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

A. EQUITY SHARE CAPITAL.

Particulars	(Amount in Lacs)													
	Balance at the beginning of the reporting year	Changes in equity above capital during the year	Balance at the end of the reporting year	Reserves and surplus				Equity component of compound financial instruments	Effective portion of Cash Flow Hedges	Revaluation surplus	Exchange difference on translating the financial statements of a foreign operation	Other items of other Comprehensive Income	Money received against share warrants	Total
B. OTHER EQUITY	1.06	-	1.06	-	-	-	-	-	-	-	-	-	-	-
Balance at the beginning of the reporting year, 1-Apr-2016 (Audited)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revised balance at the beginning of the reporting year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting year 31-March-2017 (Unaudited)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the beginning of the reporting year, 1-Apr-2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revised balance at the beginning of the reporting year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting year 31.3.2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-

For and on behalf of
 Anil & Anil
 (Formerly known as Anil Kubhresha & Co.)
 Chartered Accountants
 FSN No. 013768N



R. Yadavharjan
 Partner
 Membership No.207728

Place: Gurugram
 Date: 10.05.2018

For and on behalf of the Board of Directors
 Narooma Builders & Developers Private Limited

(Signature)
 Devesh Hooda
 Director
 DIN-07109935

(Signature)
 Devesh Nairiyal
 Director
 DIN-02135830

NAROOMA BUILDERS & DEVELOPERS PVT. LTD.

U45200DL2006PTC155584

Summary of significant accounting policies and other explanatory information for the year ended 31st March 2018

1. Corporate information

NAROOMA BUILDERS & DEVELOPERS PVT. LTD. is a company incorporated under the provision of Companies Act, 1956 read with relevant provisions of companies Act 2013 as on 16th November 2006. The company is primarily engaged in the business of construction, development and sale of real estate properties in India.

2. Summary of significant accounting policies

a) Basis of preparation of financial statement

These financial statements have been prepared under historical cost convention unless otherwise specified, on the accrual basis, in accordance with Indian Accounting Standards (Ind AS) and to comply with all material aspects with the Ind AS as per section 133 of the Companies Act, 2013 read with rules made thereunder and the relevant guidance notes issued by the Institute of Chartered Accountants of India (ICAI).

The financial statements for the year ended March 31, 2018 were authorized and approved for issue by the Board of Directors on 10.05.2018.

b) Use of estimates

The preparation of financial statements in conformity with IND AS requires management of the company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

c) Financial Assets and Liabilities

Financial Assets

Initial measurement is done at fair value (transaction cost is adjusted), which generally matches the transaction value of the receivable or loan. After initial measurement such financial assets are subsequently measured at amortised cost using the effective interest rate method. Cash and cash equivalents consists primarily of bank balances. For carrying amount please refer note no-5.

Financial Liabilities

Financial liabilities which are non-derivatives are initially measured at fair value (transaction cost is adjusted) which normally corresponds to the amount received. Subsequent measurement is carried out at amortised cost using the effective interest rate method. These consist of trade payables and deposit received against development agreement. For carrying amount Please refer note no -7 & 8.

d) Financial Risks and Capital

In the course of its business of real estate development, the company is exposed to a number of financial risks: credit risk, liquidity risk and market risk.

Credit risk refers to a risk that the counterparty will default on its contractual obligations resulting in financial loss to the company. Credit risk arises on liquid assets, non-current financial assets, derivative assets, trade and other receivables. The company does not have any of the above assets and hence it is not exposed to any credit risk. In respect of cash and cash equivalents, the said amount is in current account with Scheduled Bank where chances of default are minimum. The maximum exposure to credit risk is equal to the carrying amount of the



NAROOMA BUILDERS & DEVELOPERS PVT. LTD.
U45200DL2006PTC155584

Summary of significant accounting policies and other explanatory information for the year ended 31st March 2018

company's financial Assets.

Liquidity risk is the risk that the company may encounter difficulties in meeting its obligation associated with financial liabilities that are settled with delivering cash or other financial assets. The company does not foresee any liquidity problems as it has adequate inventories to back its financial liabilities.

Market risk refers to risk from movement in market prices that affects its assets and liabilities. The company is exposed to only changes in market price of inventory against which it has a development agreement in place on cost plus basis and as such there is no exposure to market risk.

e) Capital Risk Management

The company's capital management is driven by the impact on shareholders of the level of capital employed. It is the policy of the company to maintain a sound capital base to support the development of business. The company does not have any borrowings and the entire operations are funded through equity.

f) Revenue recognition

Revenue is recognized on accrual basis to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

g) Inventories

Inventory is valued at lower of cost or net realizable value as per IND AS 2.

h) Taxes

Provision for tax for the year comprises current income tax and deferred tax. Current income tax is determined in respect of taxable income with deferred tax being determined as the tax effect of timing differences representing the difference between taxable income and accounting income that originate in one year, and are capable of reversal in one or more subsequent year. Such deferred tax is quantified using rates and laws enacted or substantively enacted as at the end of the financial year.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

i) Earning per share

Earnings per share is calculated by dividing net profit/(loss) for the year/ previous year attributable to equity shareholders by weighted average no. of equity shares outstanding during the year/ previous year as per IND AS 33 on "Earning per share".



Narooma Builders & Developers Private Limited
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1E, Jhandewalan Extension, Naaz Cinema Complex , New Delhi 110055

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

Particulars	(Amount in Lacs)	
	As at 31st March 2018	As at 31st March 2017
3. DEFERRED TAX ASSETS (NET)		
Deferred tax asset arising on account of :		
Business Losses	0.94	0.66
	<u>0.94</u>	<u>0.66</u>
4. INVENTORIES		
Land (at cost)	4,259.80	4,246.36
	<u>4,259.80</u>	<u>4,246.36</u>
5. CASH AND CASH EQUIVALENTS		
Balances with Scheduled bank		
- in current account	0.67	0.68
	<u>0.67</u>	<u>0.68</u>
6. EQUITY SHARE CAPITAL		
(A) Authorised, issued, subscribed and paid-up share capital and par value per share		
Authorised		
20,000 (previous year - 20,000) equity shares of 10 each fully paid	2.00	2.00
	<u>2.00</u>	<u>2.00</u>
Issued, subscribed and paid-up share capital		
10,000 (previous year - 10,000) equity shares of 10 each fully paid	1.00	1.00
	<u>1.00</u>	<u>1.00</u>

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Narooma Builders & Developers Private Limited
U45200DL2006PTC155584
1E, Jhandewalan Extension, Naaz Cinema Complex , New Delhi 110055

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

(B) Reconciliation of numbers of equity shares outstanding at the beginning and at the end of the year/ previous year

Equity shares	As at 31st March 2018		As at 31st March 2017	
	No. of shares	Amount in Lac.	No. of shares	Amount in Lac.
At the beginning of the year/previous year	10,000	1.00	10,000	1.00
At the end of the year/previous year	10,000	1.00	10,000	1.00

(C) Rights, preferences and restrictions attached to equity shares :

The Company has only one class of equity shares having a par value of 10 per share. Each holder of equity shares is entitled to one vote per share.

(D) Details of shareholders holding more than 5% shares in the company

Equity shares	As at 31st March 2018		As at 31st March 2017	
	No of shares	% holding	No of shares	% holding
DLF Home Developers Limited (Holding company w.e.f 25/11/2016)*	10,000	100%	10,000	100%

(E) Shareholding in the Company of the Holding Company, Ultimate Holding Company and their subsidiaries/ associates in aggregate:

Class of shares	Shareholder	Relation	As at 31st March 2018	As at 31st March 2017
Equity Shares of face value of Rs.10 each	DLF Home Developers Limited (Holding company w.e.f 25/11/2016)*	Holding Company	10,000	10,000

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Narooma Builders & Developers Private Limited
U45200DL2006PTC155584
1E, Jhandewalan Extension, Naaz Cinema Complex , New Delhi 110055

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

Particulars	(Amount in Lac.)	
	As at 31st March 2018	As at 31st March 2017
7. TRADE PAYABLES		
Expense payables	0.26	0.04
Audit Fees payables	0.42	0.11
Advance received from related parties	4,266.81	4,252.81
	<u>4,267.49</u>	<u>4,252.96</u>
8. OTHER CURRENT LIABILITIES		
Statutory dues	0.06	-
	<u>0.06</u>	<u>-</u>

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Narooma Builders & Developers Private Limited
U45200DL2006PTC155584
IE, Jhandewalan Extension, Naaz Cinema Complex , New Delhi 110055

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

Particulars	(Amount in Lac.)	
	For the year ended 31st March 2018	For the year ended 31st March 2017
REVENUE	-	-
9. PURCHASE OF LAND	13.44	-
Additional stamp duty & legal Exps	13.44	-
10. CHANGE IN INVENTORY		
Opening stock	4,246.36	4,246.36
Closing stock	4,259.80	4,246.36
Cost Of Material Consumed	(13.44)	-
11. FINANCE COSTS		
Guarantee and bank charges	-	0.00
	-	0.00
12. OTHER EXPENSES		
Rates and taxes	0.03	0.03
Miscellaneous expense	0.00	0.00
Legal and professional	0.62	0.92
Auditor's remuneration - Audit fees	0.43	0.22
Indirect tax	0.08	0.03
	1.16	1.20
13. LOSS PER SHARE (₹)		
Loss for the year/previous year attributable to equity shareholders	(87,962)	(89,696)
Weighted average of equity shares outstanding	10,000	10,000
Nominal value of equity share (₹)	10	10
Basic and diluted loss per equity share (₹)	(8.80)	(8.97)

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Narooma Builders & Developers Private Limited
U45200DL2006PTC155584
IE, Jhandewalan Extension, Naaz Cinema Complex , New Delhi 110055
Notes to the Financial Statements for the year ended 31st March 2018

14 Related party disclosures

I Relationship:

Information required to be disclosed under IND AS 24 on "Related Party Disclosures".

a. During the period :

DLF Home Developers Limited - Holding Company

During the previous year:

DLF Universal Limited up to 24.11.2016

DLF Home Developers Limited* w.e.f 25.11.2016

b. Ultimate holding company at any time during the year/previous year :

DLF Limited (up to 31.03.2018)

Rajdhani Investments Agencies Pvt Ltd w.e.f 12.03.2018

II There were following transactions during the year/ previous year carried out with related parties in the ordinary course of business.

Description	Holding Company		Subsidiary Company and other related parties	
	DLF Home Developers Ltd		Rational Builders & Developer	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Transactions with related parties:				
Business Advance received				
Business Advance	14.00	-	-	-

III Balance outstanding at the end of the year/previous year

Share Capital Account				
DLF Home Developers Ltd	1.00	1.00	-	-
Business Advance received				
DLF Home Developers Ltd	4,266.81	4,252.81	-	-

* Note - Pursuant to sanction of Scheme of arrangement involving amalgamation of four companies and demerger of real estate undertaking of DLF Universal Limited with DLF Home Developers Limited vide Order dated 11.11.2016 of the Hon'ble High Court of Delhi at New Delhi and Order dated 29.03.2016 of Punjab & Haryana at Chandigarh filed with ROC on 25th November, 2016. The Company has become Wholly-owned Subsidiary of DLF Home Developers Limited.

15 As per the information available with the Company, no transactions have been entered with suppliers as defined under The Micro, Small and Medium Enterprises Development Act, 2006. Therefore, no disclosures are made as required under the said Act.

16 **Contingent Liabilities :** Nil. (Previous Year: Nil)



Narooma Builders & Developers Private Limited
U45200DL2006PTC155584
1E, Jhandewalan Extension, Naaz Cinema Complex , New Delhi 110055
Notes to the Financial Statements for the year ended 31st March 2018

17 Capital and other commitments

Particulars	31st March 2018	31st March 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil
Other Commitments	Nil	Nil

18 Tax expenses

a) Note for the financial statement for the year ended 31st March 2018.

Particular	(Amount in Lac.)	
	31st March 2018	31st March 2017
Tax Expenses	-	-
Current tax (Including earlier years)	-	-
Minimum alternate tax credit entitlement (Including earlier years)	-	-
Deferred Tax	0.28	0.31

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.75% and the reported tax expense in profit of loss are as follows:

b) Reconciliation of tax expense and deferred tax expense

Particular	(Amount in Lac.)	
	31st March 2018	31st March 2017
Accumulated tax profit/(loss)	(3.66)	(2.50)
Deferred tax created	(0.94)	(0.66)
Tax effect of amounts which are not deductible (taxable) in calculating income:-		
Deferred tax on unabsorbed losses	0.94	0.66
DTA recognized till previous year	0.66	0.35
DTA expenses for the year	0.28	0.31

- 19 The Company is engaged in the business of Real Estate, which as per Ind- AS 108 "Operating Segments" of Companies (Accounting Standard) Rules, 2006, is considered to be the only reportable business segment. The Company is operating only in India and there is no other significant geographical segment.
- 20 Figures of previous year have been regrouped / recasted wherever considered necessary to make them comparable with that of current year.
- 21 The net worth of the Company as at March 31, 2018 has been completely eroded. However, the ultimate holding company has assured continued financial support for the future operations of the Company. Based on this, the financial statements have been prepared on a going concern basis.
- 22 All amounts have been rounded to the nearest lacs, unless otherwise indicated.

For and on behalf of
Anil & Anil
 (Formerly known as Atul Kulshrestha & Co.)
 Chartered Accountants
 FRN No. 013768N



R. Varadharajan
 Partner
 Membership No.207728



Place: Gurgaon
 Date: 10.05.2018

For and on behalf of the Board of Directors
Narooma Builders & Developers Private Limited


Devender Hooda
 Director
 DIN-07109935


Devesh Nautiyal
 Director
 DIN-02135830