INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BENGAL KDC HOUSING DEVELOPMENT LTD. REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Standalone Financial Statements of BENGAL KDC HOUSING DEVEPOLMENT LTD. ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity 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 Standalone Financial Statements give the information required by the Companies Act,2013, as amended ('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, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 Act 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 audit opinion on the Standalone Financial Statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information,

we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related
- Disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order;

2. As required by Section 143(3) of the Act, we report that:

A) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

D) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

E) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

G) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

- The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 32 to the Standalone Financial Statements;
- The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

- There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Monu Jain & Company
Firm Regn. No. 327900E
Chartered Accountants

Monu Jain
Partner
Membership No. 302721

Place: Kolkata
Date: The 24th May, 2019

Annexure 1

To the Independent Auditor's Report of even date on the Standalone Financial Statements of BENGAL KDC HOUSING DEVEPOLMENT LTD.

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

(i) The Company does not have any fixed assets. Hence this clause is not applicable.

(ii) The Company does not have any inventory. Hence this clause is not applicable.

(iii) The Company has granted unsecured loan to companies covered in the register maintained under section 189 of the Act. Accordingly, the provisions of the said act has been fully complied with.

(iv) According to the information and explanations given to us, in our opinion, in respect of loans, investment, guarantees and security, provisions of section 185 and 186 of the Act have been complied with by the company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) In our opinion and according to the information and explanation given to us, in respect of goods produced by the company, maintenance of cost records has not been specified by the Central Government under section148(1) of the Act.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Services tax, Service tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.

(b) According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Sales Tax, Goods and Service tax, Service tax, Duty of custom, Duty of excise, Value added tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there is no amount disputed in respect of Income –Tax, Value Added Tax, Sales Tax, Excise Duty, Custom duty, Service Tax and Cess.

(viii) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in re-payment of loan & borrowings dues to a financial institution, bank, Government or dues to debenture holders during the year.

(ix) The Company did not raise any money by way of initial public offer (including debt instrument) during the year.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations provided by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations provided by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures

(xv) During the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.

(xvi) According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvii) According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Monu Jain & Company
Firm Regn. No. 327900E
Chartered Accountants

Monu Jain
Partner
Membership No. 302721

Place: Kolkata
Date: The 24th May, 2019

Annexure 2

To the Independent Auditor's Report of even Date on the Standalone Financial Statements of BENGAL KDC HOUSING DEVEPOLMENT LTD.

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 BENGAL KDC HOUSING DEVEPOLMENT LTD. ("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 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. 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 the 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 with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, 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 internal financial controls system over financial reporting with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

A company's internal financial control over financial reporting with reference to these standalone financial statements 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 with reference to these standalone financial statements 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 WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, 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 with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements 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, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls system over financial reporting with reference to these standalone financial statements 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.

For Monu Jain & Company
Firm Regn. No. 327900E
Chartered Accountants

Monu Jain
Partner
Membership No. 302721

Place: Kolkata
Date: The 24th May, 2019

BENGAL KDC HOUSING DEVELOPMENT LIMITED

Balance Sheet as at March 31, 2019

Rs in lakhs

	Notes	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(I) ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	04	-	-	5.74
		-	-	5.74
(a) Financial assets				
(i) Investments				
a) Investments in equity instruments	05	2.79	0.35	0.35
(ii) Loans	07	1,173.67	1,080.33	413.77
(iii) Other financial asset	07	0.10	-	-
(e) Deferred tax assets (Net)	08	2.37	-	-
(f) Income tax assets (net)	09	-	3.44	0.10
		1,178.93	1,084.12	419.96
(2) Current Assets				
(a) Financial assets				
(i) Trade receivables	10	-	-	6.57
(ii) Cash and cash equivalent	11	1.04	45.13	1.12
(iii) Other balances with Bank	11	2.20	2.20	-
(iv) Other financial assets	12	-	-	677.47
		3.24	47.33	685.16
TOTAL ASSETS		1,182.17	1,131.45	1,105.12
(II) EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	13	20.00	20.00	20.00
(b) Other equity	14	53.60	(1.42)	(12.52)
		73.60	18.58	7.48
(2) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	1,097.33	1,097.33	1,097.33
		1,097.33	1,097.33	1,097.33
(3) Current liabilities				
(a) Financial liabilities				
(i) Trade payables	16			
a) Total outstanding dues of micro enterprises and small enterprises		-	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		5.71	12.94	0.31
(b) Income tax liabilities (Net)	09	4.79	-	-
(c) Other current liabilities	17	0.74	2.60	-
		11.24	15.54	0.31
TOTAL EQUITY AND LIABILITIES		1,182.17	1,131.45	1,105.12

See accompanying notes forming part of the financial statements

As per terms of our report attached

Monu Jain & Co
FRN- 327900E
Chartered Accountants

Monu Jain
Partner
M. No. 302721

For and on behalf of the Board of Directors

Prashant Mehra

Managing Director

Ramesh Kumar Mehra

Director

Karan Mehra

CFO

Puja Singh

Company Secretary

Place: Kolkata
Date: 24th May, 2019

BENGAL KDC HOUSING DEVELOPMENT LIMITED

Statement of Profit and Loss for the year ended March 31, 2019

		Notes	For the year ended 31.03.2019	For the Year ended 31.03.2018
(1)	Other business income	18	94.13	37.71
(2)	**Total Revenue**		94.13	37.71
(3)	**EXPENSES**			
	(a) Employee benefits expense	19	18.56	17.00
	(b) Depreciation and amortisation expense	20	-	1.58
	(c) Other expenses	21	7.72	5.69
	Total Expenses (3)		26.28	24.27
(4)	**Profit before tax (2) - (3)**		67.85	13.44
(5)	**Tax Expense**	22		
	(a) Current tax		17.64	2.34
	(b) Deferred tax		(2.37)	-
	Total tax expense (5)		15.27	2.34
(6)	**Profit for the year (4) - (5)**		52.58	11.10
(7)	**Other comprehensive income**			
	(a). Items that will be reclassified to statement of profit and loss		-	-
	(b). Items that will not reclassified to statement of profit and loss		2.44	-
	Total other comprehensive income (7)		2.44	-
(8)	**Total Comprehensive Income (6) + (7)**		55.02	11.10
	Earnings per equity share(in rupees): (Face value of share of Rs 10 each)	24		
	(a) Basic		26.29	5.55
	(b) Diluted		26.29	5.55

See accompanying notes forming part of the financial statements

As per terms of our report attached

Monu Jain & Co
FRN- 327900E
Chartered Accountants

Monu Jain
Partner
M. No.

For and on behalf of the Board of Directors

Prashant Mehra

Managing Director

Ramesh Kumar Mehra

Director

Karan Mehra

CFO

Puja Singh

Company Secretar

Place: Kolkata
Date: 24th May, 2019

BENGAL KDC HOUSING DEVELOPMENT LIMITED

Cash Flow Statement for the year ended 31 March 2019

Rs in lakhs

	For the year ended 31.03.2019	For the Year ended 31.03.2018
A. Cash Flow from Operating activities:		
Profit for the year	**67.85**	13.44
Adjustments for:		
Depreciation expense	**-**	1.58
Interest income	**(94.13)**	(37.71)
(Profit)/loss on sale of property, plant & equipments	**-**	4.16
Operating profit before working capital changes	**(26.28)**	(18.53)
Adjustments for (increase)/decrease in operating assets		
Trade receivables	**-**	6.57
Other current financial assets	**-**	677.47
Other non current financial assets	**(0.10)**	**-**
Adjustments for increase/(decrease) in operating liabilities		
Trade Payables	**(7.23)**	12.63
Other current liabilities	**(1.86)**	2.60
Cash generated from/ (used in) operations	**(35.47)**	680.74
Direct taxes paid	**(9.41)**	(5.68)
Net cash generated from/ (used in) operating activities	**(44.88)**	675.06
B. Cash Flow from Investing activities:		
Movement in fixed deposit held as margin	**-**	(2.20)
Purchase of fixed Asset	**-**	-
Interest received	**94.13**	37.71
Loan given	**(93.34)**	(666.56)
Net cash generated/(used in) investing activities	**0.79**	(631.05)
C. Cash Flow from Financing activities:		
Net cash generated/(used in) financing activities	**-**	-
Net increase/(decrease) in cash and cash equivalents	**(44.09)**	44.01
Cash and cash equivalents at the beginnning of the year	**45.13**	1.12
Cash and cash equivalents at end of the year	**1.04**	45.13

See accompanying notes forming part of the financial statements

1. Cash and cash equivalents represents cash, cheques on hand and balances with banks. (Refer Note. 11)
2. Figures in brackets represent outflows.

As per terms of our report attached

Monu Jain & Co
FRN- 327900E
Chartered Accountants

Monu Jain
Partner
M. No. 302721

For and on behalf of the Board of Directors

Prashant Mehra

Managing Director

Ramesh Kumar Mehra

Director

Karan Mehra

CFO

Puja Singh

Company Secretary

Place: Kolkata
Date: 24th May, 2019

BENGAL KDC HOUSING DEVELOPMENT LIMITED

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital

Particulars	**Amount Rs. lakhs**
Balance as at April 1,2017	20.00
Changes in equity share capital during the year ended March 31, 2017	-
Balance as at March 31, 2018	20.00
Changes in equity share capital during the year ended March 31, 2018	-
Balance as at March 31, 2019	20.00

B. Other Equity **Rs. lakhs**

Statement of Changes in Equity	**Reserves and surplus**		**Other Comprehensive Income**	**Total Other Equity**
	Retained Earnings	**Preference share Redemption Reserve**	**Investment Revaluation Reserve**	
Balance at April 1,2017	(12.52)	-	-	(12.52)
Profit for the year	11.10	-	-	11.10
Other Comprehensive Income	-	-	-	-
Balance at March 31, 2018	(1.42)	-	-	(1.42)
Profit for the year	52.58	-	-	52.58
Other Comprehensive Income	-	-	2.44	-
Transferred to Preference Share Redemption reserve	(50.00)	-	-	-
Transferred from Retained Earnings	-	50.00	-	-
Balance at March 31, 2019	**1.16**	**50.00**	**2.44**	**51.16**

See accompanying notes forming part of the financial statements

As per terms of our report attached
Monu Jain & Co
FRN- 327900E
Chartered Accountants

Monu Jain
Partner
M. No. 302721

Place: Kolkata
Date: 24th May, 2019

For and on behalf of the Board of Directors

Prashant Mehra

Managing Director

Ramesh Kumar Mehra

Director

Karan Mehra

CFO

Puja Singh

Company Secretary

1. General corporate information

Bengal KDC Housing Development Limited is a Public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is a subsidiary company of M/s Kaushalya Infrastructure Development Corporation Limited. The shares are not listed on any Stock Exchange in India. The Company has been incorporated with the object of dealing in Housing projects. The Company carries on its business in domestic markets only.

The Company's services are limited to domestic markets only.

2. Application of new and revised Ind As

New Ind AS that has been issued but is not effective as of the closing day of the reporting period:
"Ind AS 116 "Leases"
On March 30,2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying as set is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

This will have no impact on the company as the company does not have any leased asset

3. Summary of significant accounting policies

03.01 Statement of compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standard) Rules, 2015. Upto the financial year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP. which includes Standards notified under the Section 133 of the Companies Act, 2013. These are the Companies first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Refer Note 33 for the details of first time adoption exemptions availed by the Company.

3.02 Basis of preparation and presentation

These Standalone financial statements of the Company are prepared under the historical cost except for certain financial instruments that are measured at fair value at end of each reporting period. Historical cost is generally based on fair value of the consideration given in exchange for goods and services

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In these Standalone financial statements, the fair value for measurement and/or disclosure purpose is determined on such basis except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.
In addition, for financial reporting purposes, fair value measurements are catergorised in to Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.03 Use of Estimates

The preparation of separate financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the separate financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

3.04 Revenue recognition

Revenue is measured at fair value of the consideration received or receivable and is reduced by rebates, allowances and taxes and duties collected on behalf of the government. The Company has assumed the recovery of excise duty flows to the Company on its own account, for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Accordingly revenue includes excise duty.

i). Contract Income

The Company follows the policy of recognizing the revenue as soon as the work is completed, irrespective of the certification. However, whenever the work gets certified, the company takes the certified portion of the previously uncertified revenue in the turnover and deducts the same amount from the uncertified portion of the revenue of the respective financial year.

ii). Other Income

Interest: Interest income is generally recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
Others: Income from agricultural activities, consultancy etc. is recognized on accrual basis.

3.05 Taxation

i). Current tax

Current tax is payable based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to setoff the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

ii). Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from the deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which the benefits of the temporary difference can be utilised and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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 is realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

iii). Minimum alternate tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as an asset in the balance sheet when there is convincing evidence that the Company will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Company.

iv). Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. The current and deferred tax arising from the initial accounting for business combination, are included in the accounting for the business combination.

3.06 Property, Plant and equipment

Land, buildings, Plant and equipment, Furniture and Fixtures and Vehicles held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. Cost includes purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs of bringing an asset to the location and condition of its intended use and borrowing costs capitalised in accordance with the Company's accounting policy.

Properties in the course of construction for production or supply of goods or services or for administrative purposes are carried at cost, less any recognised impairment losses

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight-line method. Depreciation of assets commences when the assets are ready for their intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes is accounted as change in estimate on a prospective basis.

Assets acquired under finance leases are depreciated over their expected useful lives on the same basis as owned asset. When there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Estimated useful lives of the assets are as follows:

Furniture and Fixtures	: **10 years**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit and loss.

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.07 Provisions, Contingent liabilities and Contingent assets

03.07.01 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliable.

03.07.02 Contingent liabilities and assets

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. Contingent assets are neither recognised nor disclosed.

3.08 Financial instruments

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

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

3.09 Financial assets

All purchases or sales of financial assets which require delivery of assets within the time frame established by regulation or convention in the market place are recognised and derecognized on a trade date basis. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

03.09.01 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit and loss on initial recognition):

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit and loss on initial recognition):

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

Interest income is recognised in profit and loss for FVTOCI debt instruments. For the purpose of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus exchange differences on the amortised cost are recognised in profit and loss and other changes in the fair value of FVTOCI financial assets in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit and loss.

All other financial assets are subsequently measured at fair value.

03.09.02 Effective interest method

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

Income is recognised on a effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit and loss and is included in the "Other income" line item.

03.09.03 Investments in equity instruments at FVTOCI

On initial recognition, the Company make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in the fair value of investments in equity instruments (other than investments held for trading) in other comprehensive income. These instruments are initially measured at fair value plus transaction costs. Subsequently they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for Equity through other comprehensive income'. On disposal of these investments the cumulative gain or loss is not reclassified to profit and loss.

The Company has equity investments in two entities, and elected to FVTOCI irrevocable option for both of these investments.

Dividends on these investments in equity instruments are recognised in profit and loss when the Company's right to receive dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends are included as part of 'Other income' in the profit and loss.

03.09.04 Financial assets at fair value through profit and loss (FVTPL)

Financial assets which meets the criteria of financial assets held for trading are designated as 'Financial Assets at FVTPL'. The Company has derivatives that are not designated and effective as a hedge instrument which are designated as 'Financial Assets at FVTPL'. Financial assets at FVTPL are measured at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on measurement recognised in profit and loss.

03.09.05 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on trade receivables, other contractual rights to receive cash or other financial instruments. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risks on that financial instrument has increased significantly since initial recognition. If the credit risk on financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses.

If the Company measures the loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risks has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 month expected credit losses.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures loss allowance at an equal to life time expected credit losses. For the purpose of measuring lifetime expected credit loss allowance for trade receivables the Company has used practical expedient as permitted under Ind AS 109. The expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

03.09.06 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flow from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of financial asset in its entirety, the difference between the asset's carrying amounts and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit and loss if such gain or loss would have otherwise been recognised in profit and loss on disposal of that financial asset.

3.10 Financial liabilities and equity instruments

03.10.01 Classification as debt or equity

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

03.10.02 Classification as debt or equity

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

Repurchases of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments

03.10.03 Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

03.10.04 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL, when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- ➡ it has been incurred principally for the purpose of repurchasing it in the near term; or
- ➡ on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern to short-term profit-taking; or
- ➡ it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit and loss. The net gain or loss recognised in profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

03.10.05 Financial liabilities subsequently measured at amrotised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

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

03.10.06 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

03.10.07 Rounding-off

The financial statements has been prepared in Indian rupees(Rs.) rounded off to two nearest decimal places in lakhs, unless otherwise mentioned.

BENGAL KDC HOUSING DEVELOPMENT LIMITED

Notes forming part of the financial statements

04. Property, plant and equipment

		Rs in lakhs
	Furniture and fixtures	**Total**
Cost or deemed cost		
Balance at April 1, 2017	8.14	8.14
Disposals	(8.14)	(8.14)
Balance at March 31, 2018	-	-
Additions	-	-
Balance at March 31, 2019	**-**	**-**
Accumulated depreciation		
Balance at April 1, 2017	2.40	2.40
Depreciation expense	1.58	1.58
Disposals	(3.98)	(3.98)
Balance at March 31, 2018	-	-
Depreciation expense	-	-
Balance at March 31, 2019	**-**	**-**
Carrying amount		
Balance at April 1, 2017	5.74	5.74
Balance at March 31, 2018	-	-
Balance at March 31, 2019	**-**	**-**

	As at 31.03.2019		As at 31.03.2018		As at 01.04.2017	
	Qty	Amount	Qty	Amount	Qty	Amount
	Nos.	Rs in lakhs	Nos.	Rs in lakhs	Nos.	Rs in lakhs
05. Non-current investments						
(A). Investments in Equity Instruments						
Total Investments carrying value						
Investments in Group Company						
Investments in Equity Instruments of:-						
Flare Realty Engineers Private Limited	2,600	2.70	2,600	0.26	2,600	0.26
Kaushalya Township Private Limited	880	0.09	880	0.09	880	0.09
	3,480	2.79	3,480	0.35	3,480	0.35
Total aggregate quoted investments		-		-		-
Aggregate book value of unquoted investments		2.79		0.35		0.35
Aggregate market value of quoted investments		-		-		-

	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
06. Loans	Rs in lakhs	Rs in lakhs	Rs in lakhs
Long term advances	447.67	510.33	387.77
Loan to holding company	726.00	570.00	26.00
	1,173.67	1,080.33	413.77

	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
07. Other Financial Asset- Non Current	Rs in lakhs	Rs in lakhs	Rs in lakhs
Security Deposit -NSDL	0.10	-	-
	0.10	-	-

	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
	Rs in lakhs	Rs in lakhs	Rs in lakhs
08. Deferred Tax Asset			
Brought forward losses as per Income Tax	9.10	-	-
Tax Rate	26%	-	-
Deferred tax income/ (expense) for the year	2.37	-	-

	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
	Rs in lakhs	Rs in lakhs	Rs in lakhs
09. Advance Income tax assets/ Provision for Income tax (net)			
At beginning of year	3.44	0.10	-
Changes for the year	(3.88)	(0.53)	0.10
Tax paid (Net) during year	(4.35)	3.87	-
At end of year- Advance tax/ (Provision for Tax)	(4.79)	3.44	0.10

Note:- Advance Income Tax has been netted off with the provision for income tax

	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
	Rs in lakhs	Rs in lakhs	Rs in lakhs
10. Trade receivables (Current)			
(a) Unsecured, considered good	-	-	6.57
	-	-	6.57

	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
	Rs in lakhs	Rs in lakhs	Rs in lakhs
11. Cash and bank balances			
(a). **Cash and cash equivalents**			
(i). Cash in hand	**0.48**	2.32	0.76
(ii). Balances with banks			
In current accounts	**0.56**	42.81	0.36
Total cash and cash equivalents	**1.04**	45.13	1.12
(b). **Other bank balances**			
(i) In deposit account	**2.20**	2.20	-
	2.20	2.20	-
Total cash and bank balances	**3.24**	47.33	1.12

	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
	Rs in lakhs	Rs in lakhs	Rs in lakhs
12 Other financial assets- Current			
(a). Receivable from group company	**-**	-	677.47
	-	-	677.47

Note:- "Receivable from group company" represent amount receivable on account of transfer of Land (Capital Asset) to group companies. It has been reclassified under "Other Financial Asset" from the previous grouping "Trade Receivables", as the same does not represents amount receivable on account of ordinary business activities.

13. Share capital

	As at 31.03.2019 Rs in lakhs	As at 31.03.2018 Rs in lakhs	As at 01.04.2017 Rs in lakhs
Authorised:			
2,00,000 Equity Shares of Rs. 10 each	**1,120.00**	**1,120.00**	**1,120.00**
(as at March 31, 2018 : 2,00,000 Equity Shares of Rs. 10 each; as at April 1, 2017: 2,00,000 Equity Shares of Rs. 10 each)			
	1,120.00	1,120.00	1,120.00
Issued, Subscribed and fully paid up:			
2,00,000 Equity Shares of Rs. 10 each	**20.00**	20.00	20.00
(as at March 31, 2018 : 2,00,000 Equity Shares of Rs. 10 each; as at April 1, 2017: 2,00,000 Equity Shares of Rs. 10 each)			
	20.00	20.00	20.00

Reconciliation of Number of shares and amount outstanding at the beginning and end of the reporting period

	For the year ended 31.03.2019		For the year ended 31.03.2018	
	No. of Shares Qty	Amount Rs in lakhs	No. of Shares Qty	Amount Rs in lakhs
Equity shares				
Issued, subscribed and fully paid up:				
At beginning & end of the year	**2,00,000**	**20.00**	2,00,000	20.00
	2,00,000	**20.00**	2,00,000	20.00

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31.03.2019		As at 31.03.2018	
	No. of Shares	%	No. of Shares	%
Kaushlya Infracstructure Development Corporation Limited	**1,02,000**	**51.00%**	1,02,000	51.00%
Prashant Mehra	**28,500**	**14.25%**	28,500	14.25%
Rahul Mehra	**24,000**	**12.00%**	24,000	12.00%
Srishty Mehra	**19,000**	**9.50%**	19,000	9.50%
West Bengal Housing Board	**22,000**	**11.00%**	22,000	11.00%

Rights, preferences and restrictions attached to shares

Equity Shares

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

	As at 31.03.2019 Rs in lakhs	As at 31.03.2018 Rs in lakhs	As at 01.04.2017 Rs in lakhs
14. Other Equity			
a). Retained Earnings	**1.16**	(1.42)	(12.52)
b). Preference Share Redemption Reserve	**50.00**	-	-
c). Investment Revaluation Reserve	**2.44**	-	-
	53.60	(1.42)	(12.52)

	For the year ended 31.03.2019 Rs in lakhs	For the Year ended 31.03.2018 Rs in lakhs	As at 01.04.2017 Rs in lakhs
Retained Earnings			
Opening balance	**(1.42)**	(12.52)	(9.86)
Add:Profit/(Loss) for the year	**52.58**	11.10	(2.66)
Less: Transferred to Preference share redemption reserve	**(50.00)**	-	-
Closing balance	**1.16**	(1.42)	(12.52)
Investment Revaluation Reserve			
Opening balance	**-**	-	-
Changes during the year	**2.44**	-	-
Closing balance	**2.44**	-	-
Preference Share Redemption Reserve			
Opening balance	**-**	-	-
Add: Transferred from Retained earnings	**50.00**	-	-
Closing balance	**50.00**	-	-

Notes forming part of the financial statements

Financial Liabilities

15 Long-term Borrowings

	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
	Rs in lakhs	Rs in lakhs	Rs in lakhs
(a). 10% Non-Cumulative Redeemable Preference Shares	1,097.33	1,097.33	1,097.33
	1,097.33	1,097.33	1,097.33

Note-

10% Non-Cumulative Compulsorily Redeemable Preference Shares have been reclassified as long term borrowings.
During the financial year 2017-18 (First year of adoption of Ind AS), it was incorrectly classified as Equity. The error has now been rectified and to present the effect of such rectification, additional balance sheet for the 1st day of comparative period (i.e. for 1.4.2017) has been presented, in line with the requirements of Ind AS 8: Accounting policies, changes in accounting estimates and errors.
Due to such reclassification, Equity has reduced by Rs. 1,097.33 (Lakhs) and Long term borrowings (Financial Liabilities) has increased by an equal amount i.e. Rs 1,097.33 (Lakhs)

	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
	Rs in lakhs	Rs in lakhs	Rs in lakhs
16 Trade Payables			
(a). Total outstanding dues of micro enterprises and small enterprises	-	-	-
(b). Total outstanding dues of creditors other than micro enterprises and small enterprises	5.71	12.94	0.31
Total trade payables	5.71	12.94	0.31

Note:- The company does not have any outstanding dues to micro, small and medium enterprise for more than 45 days during the period and as on March 31, 2019.

17 Other Current Liabilities

	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(a). Statutory dues	0.74	2.60	-
Total other liabilities	0.74	2.60	-

Notes forming part of the financial statements

	For the year ended 31.03.2019	For the Year ended 31.03.2018
	Rs in lakhs	Rs in lakhs
18 Other business income		
(a). Interest income		
i). From fixed deposits	0.15	-
ii). From loan and advances given	93.98	37.71
Total other income	94.13	37.71

	For the year ended 31.03.2019	For the Year ended 31.03.2018
	Rs in lakhs	Rs in lakhs
19 Employee benefits expense		
(a). Salaries and wages, including bonus	18.30	17.00
(b). Staff welfare expenses	0.26	-
Total employee benefits expense	18.56	17.00

	For the year ended 31.03.2019	For the Year ended 31.03.2018
	Rs in lakhs	Rs in lakhs
20 Depreciation and amortisatiion expense		
(a). Depreciation on property, plant and equipment (Refer Note 05)	-	1.58
Total depreciation and amortisation expense	-	1.58

	For the year ended 31.03.2019	For the Year ended 31.03.2018
	Rs in lakhs	Rs in lakhs
21 Other expenses		
(a). Rates, taxes and licenses	0.02	0.17
(b). Legal and professional fee	0.43	0.20
(c). Travelling and conveyance expenses	0.28	0.24
(d). Commission to Managing Director	3.57	-
(e). Loss on sale of fixed assets	-	4.16
(f). Audit fees (Statutory audit fees)	0.06	0.06
(g). Rent	1.74	-
(h). Other general expenses	1.62	0.85
Total other expenses	7.72	5.69

22 Income tax recognised in profit and loss

	For the year ended 31.03.2019	For the Year ended 31.03.2018
	Rs in lakhs	Rs in lakhs
Current tax		
In respect of the current year	17.64	2.34
	17.64	2.34
Deferred tax		
In respect of the current year	(2.37)	-
	(2.37)	-
Total tax expense	15.27	2.34

The income tax expense for the year can be reconciled to the accounting profi	For the year ended 31.03.2019	For the Year ended 31.03.2018
	Rs in lakhs	Rs in lakhs
Profit before tax for the year	67.85	13.44
Income tax expense calculated at 26 % (2017-18: 25.75 %)	17.64	3.46
Effect of benefit of brought forward losses under Income Tax Act, 1961 and excess depreciation under Income Tax Act, 1961	2.37	1.12
Total tax expense for the year	15.27	2.34

23 Earnings per share (In rupees)

Basic and diluted earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

	For the year ended 31.03.2019	For the Year ended 31.03.2018
	Rs in lakhs	Rs in lakhs
Profit/(Loss) for the year	52.58	11.10
Weighted average number of equity shares for the purpose of basic earnings per share (Nos)	2,00,000	2,00,000
Basic and diluted earnings per share	26.29	5.55

The Company is not having any potential ordinary shares which are dilutive in nature. Hence diluted earnings per share is not calculated separately.

BENGAL KDC HOUSING DEVELOPMENT LIMITED

Notes forming part of the financial statements

24 Related party disclosures:

Information on related party transactions as per Indian Accounting Standards (Ind AS) 24 - Related party Disclosures

A). List of related parties and relationship

Name of the related party	Nature of Relationship
Kaushalya Infrastructure Development Corporation Limited	Holding Company
Orion Abasaan Private Limited	Associate of Holding Company
Kaushalya Township Private Limited	Associate of Holding Company
Kaushalya Nirman Private Limited	Associate of Holding Company
Azur Solar KDC Pvt Ltd	Fellow Subsidiary
Kaushalya Energy Private Limited	Fellow Subsidiary
KDC Nirman Ltd	Fellow Subsidiary
Key Managerial Person	
Prashant Kumar Mehra	Managing Director
Ramesh Kumar Mehra	Director
Karan Mehra	Chief Financial Officer
Puja Singh	Company Secretary

24.01 Related party disclosures:

Rs in lakhs

		For the year ended 31.03.2019	For the Year ended 31.03.2018
a) Transactions during the year			
i)	**Advances Repaid/Given**		
	Kaushalya Infrastructure Development Corporation Limited	156.00	545.08
ii)	**Advance received against transfer of land**		
	Kaushalya Township Private Limited	-	-
	Orion Abasaan Private Limited	-	-
	Kaushalya Nirman Private Limited	-	-
iii)	**Remuneration/commission paid to Key Managerial Personnel**		
	Prashant Mehra	#REF!	-
	Ramesh Mehra	15.00	15.00
	Puja Singh	2.10	2.10

	b) Balances at the end of year	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
i)	**Advances Repaid/Given**			
	Kaushalya Infrastructure Development Corporation Limited	726.00	570.00	26.00
ii)	**Advance received against transfer of land**			
	Kaushalya Township Private Limited			
	Orion Abasaan Private Limited			
	Kaushalya Nirman Private Limited			
iii)	**Investment in group company**			
	Flare Realty Engineering Private Limited	0.26	0.26	0.26
	Kaushalya Township Private Limited	0.09	0.09	0.09
iv)	**Remuneration/ Commission Payable**			
	Prashant Mehra	3.21	-	-
	Ramesh Mehra	-	*12.40*	-
	Puja Singh	0.18	*0.18*	-

BENGAL KDC HOUSING DEVELOPMENT LIMITED

Notes forming part of the financial statements

25 Additional information to the Financial Statements

25.01 Contingent Liabilities

There are no outstanding litigations or demands as at 31st March ,2019 and 31st March 2018 hence no amount has been disclosed as contingent liabilities.

	As at 31.03.2019 Rs in lakhs	As at 31.03.2018 Rs in lakhs
25.02 Capital and other commitments		
a). Capital commitments		
Estimated value of contracts remaining to be executed on capital account	-	-
b). Others	-	-

Notes forming part of the financial statements

26 Financial instruments

26.01 Interest rate risk management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long -term debt obligations with floating interest rates.

26.02 Other price risks

The Company is exposed to equity price risks arising from equity investments.

26.03 Credit risk management

Credit risks refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables, finance receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks. The Company does not engage in speculative treasury activity but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments.

The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. On going credit evaluation is performed on the financial condition of accounts receivable.

The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

26.04 Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.
The Company has obtained fund and non-fund based working capital lines from various banks. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following tables detail the maturity profile of Company's non-derivative financial liabilities with agreed repayment period. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Rs in lakhs

	Carrying amount	Less than 1 month	1 - 3 months	3 months to 1 year	1 to 5 years	> 5 years
As at 31.03.2019						
Borrowings	1,097.33	-	-	-	-	1,097.33
Trade payables	5.71	-	-	5.71	-	-
Other financial liabilities	0.74	-	-	0.74	-	-
	1,103.78	**-**	**-**	**6.45**	**-**	**1,097.33**
As at 31.03.2018						
Borrowings	1,097.33	-	-	-	-	1,097.33
Trade payables	12.94	-	-	12.94	-	-
Other financial liabilities	2.60	-	-	2.60	-	-
	1,112.87	**-**	**-**	**15.54**	**-**	**1,097.33**
As at 01.04.2017						
Borrowings	1,097.33	-	-	-	-	1,097.33
Current Borrowings	-	-	-	-	-	-
Trade payables	0.31	-	-	0.31		-
	1,097.64	**-**	**-**	**0.31**	**-**	**1,097.33**

27 Financial instruments

27.01 Capital management

The Company manages its capital to ensure that entities will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Company consists of net debt (borrowings as detailed in notes 13 offset by cash and bank balances) and the total equity of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, long term-term borrowings, short-term borrowings, less cash and short-term deposits.

Gearing Ratio

The gearing ratio at end of the reporting period was as follows

	As at 31.03.2019 Rs. In Lakhs	As at 31.03.2018 Rs. In Lakhs	As at 01.04.2017 Rs. In Lakhs
Debt			
Long-term debt	**1,097.33**	1,097.33	1,097.33
Net debt	**1,097.33**	1,097.33	1,097.33
Total equity	**73.60**	18.58	7.48
Equity share capital	**20.00**	20.00	20.00
Other equity	**53.60**	(1.42)	(12.52)
Net debt to equity ratio	**14.91**	59.06	146.70

27.02 Categories of financial instruments

	31.03.2019	31.03.2018	01.04.2017
Financial assets			
Measured at amortised cost			
(a). Cash and bank balances (including earmarked non-current cash and bank balances)	**3.24**	47.33	1.12
(b). Other financial assets at amortised cost	**-**	-	684.04
Trade receivables	-	-	6.57
Other current financial assets	-	-	677.47
Financial liabilities			
Measured at amortised cost	**1,103.04**	1,110.27	1,097.64
Long-term borrowings	**1,097.33**	1,097.33	1,097.33
Trade payables	**5.71**	12.94	0.31

27.03 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

The corporate treasury management reports on quarterly basis to the board of directors that monitors risks and policies implemented to mitigate risk exposures.

27.04 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Foreign currency sensitivity analysis

The company is not involved in any foreign currency transaction, therefore it is not exposed to foreign currency risk

BENGAL KDC HOUSING DEVELOPMENT LIMITED

Notes forming part of the financial statements

28 Financial instruments

28 Fair value measurements

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note

Financial assets and Liabilities

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosure are required):

	As at March 31, 2019			
	Fair vaue through Other Comprehensive Income	**Amortised Cost**	**Total Carrying Value**	**Total Fair Value**
Financial Assets:				
Investment in Unquoted Equity instrument	2.79	-	2.79	2.79
Loans- Non current	-	1,173.67	1,173.67	1,173.67
Other non current financial asset	-	0.10	0.10	0.10
Trade receivable	-	-	-	-
Cash and cash equivalents	-	1.04	1.04	1.04
Other bank balances	-	2.20	2.20	2.20
Other current financial assets	-	-	-	-
Total	**2.79**	**1,177.01**	**1,179.80**	**1,179.80**
Financial Liabilities				
Long term borrowings	-	1,097.33	1,097.33	1,097.33
Trade payable	-	5.71	5.71	5.71
Total	**-**	**1,103.04**	**1,103.04**	**1,103.04**

	As at March 31, 2018			
	Fair vaue through Other Comprehensive Income	**Amortised Cost**	**Total Carrying Value**	**Total Fair Value**
Financial Assets:				
Investment in unquoted equity instrument	0.35	-	0.35	0.35
Loans- Non current		1,080.33	1,080.33	1,080.33
Other non current financial asset		-	-	-
Trade receivables	-	-	-	-
Cash and cash equivalents	-	45.13	45.13	45.13
Other bank balances		2.20	2.20	2.20
Other current financial assets	-	-	-	-
Total	**0.35**	**1,127.66**	**1,128.01**	**1,128.01**
Financial Liabilities				
Long term borrowings	-	1,097.33	1,097.33	1,097.33
Trade payable	-	12.94	12.94	12.94
Total	**-**	**1,110.27**	**1,110.27**	**1,110.27**

	As at April 1, 2017			
	Fair vaue through Other Comprehensive Income	**Amortised Cost**	**Total Carrying Value**	**Total Fair Value**
Financial Assets:				
Investment in unquoted equity instrument	0.35	-	0.35	0.35
Loans- Non current		413.77	413.77	413.77

Other non current financial asset		-	-	-
Trade receivables	-	6.57	6.57	6.57
Cash and cash equivalents	-	1.12	1.12	1.12
Other bank balances		-	-	-
Other current financial assets	-	677.47	677.47	677.47
Total	**0.35**	**1,098.93**	**1,099.28**	**1,099.28**
Financial Liabilities				
Trade payable	-	0.31	0.31	0.31
Long term borrowings	-	1,097.33	1,097.33	1,097.33
Total	**-**	**1,097.64**	**1,097.64**	**1,097.64**

Fair Value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:
• Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
• Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
• Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

Rs lakhs

	As at March 31, 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets:				
Investment in Unquoted Equity instrument	-	-	2.79	2.79
	-	-	2.79	2.79

Rs lakhs

	As at March 31, 2018			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets:				
Investment in Unquoted Equity instrument	-	-	0.35	0.35
	-	-	0.35	0.35

	As at April 1, 2017			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets:				
Investment in Unquoted Equity instrument	-	-	0.35	0.35
	-	-	0.35	0.35

29 Approval of financial statements

The financial statements were approved for issue by the board of directors on May 23, 2019

As per terms of our report attach
Monu Jain & Co
FRN- 327900E
Chartered Accountants

Monu Jain
Partner
M. No. 302721

For and on behalf of the Board of Directors
Prashant Mehra

Managing Director

Ramesh Kumar Mehra

Director

Karan Mehra — **CFO**

Puja Singh — **Company Secretary**

Place: Kolkata

Date: 24th May, 2019