S K AGRAWAL & CO
Chartered Accountants
Firm Registration No. 306033E

SUITE NOS : 606-608
THE CHAMBERS, OPP. GITANJALI STADIUM
1865, RAJDANGA MAIN ROAD, KASBA
KOLKATA - 700 107
PHONE : 033-4008 9902 / 9903 / 9904
FAX : 033-40089905, Website : www.skagrawal.co.in

INDEPENDENT AUDITOR'S REPORT

To the Members of A A Infraproperties Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of A A Infraproperties Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at March 31, 2019, its profit, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

Responsibility of Management and Those Charged with Governance for Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate

S. K. AGRAWAL & CO. Chartered Accountants Kolkata

SUITE NOS : 606-608
THE CHAMBERS, OPP. GITANJALI STADIUM
1865, RAJDANGA MAIN ROAD, KASBA
KOLKATA - 700 107
PHONE : 033-4008 9902 / 9903 / 9904
FAX : 033-40089905, Website : www.skagrawal.co.in

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

In preparing the Ind AS 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act,2013, 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

S. K. AGRAWAL & CO. Kolkata Chartered Accountants

S K AGRAWAL & CO
Chartered Accountants
Firm Registration No. 306033E

SUITE NOS : 606-608
THE CHAMBERS, OPP. GITANJALI STADIUM
1865, RAJDANGA MAIN ROAD, KASBA
KOLKATA - 700 107
PHONE : 033-4008 9902/9903/9904
FAX : 033-40089905, Website : www.skagrawal.co.in

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 book

(c) The Balance Sheet, the Statement of Profit and Loss including 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 Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the matter to be included in the Auditor's Report under section 197(16)

In our opinion and according to the information and explanation given to us, no remuneration has been paid by the Company to its directors during the current year as the provisions of section 197 of the Act is not applicable on the Company.

(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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note No. 21

S.K. AGRAWAL & CO. Kolkata Chartered Accountants

S K AGRAWAL & CO
Chartered Accountants
Firm Registration No. 306033E

SUITE NOS : 606-608
THE CHAMBERS, OPP. GITANJALI STADIUM
1865, RAJDANGA MAIN ROAD, KASBA
KOLKATA - 700 107
PHONE : 033-4008 9902 / 9903 / 9904
FAX : 033-40089905, Website : www.skagrawal.co.in

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no such sum which needs to be transferred to the Investor Education and Protection Fund by the Company.

For **S K AGRAWAL & CO**
Chartered Accountants
Firm Registration No.306033E

S. K. AGRAWAL & CO. ★ Kolkata ★ Chartered Accountants

J.K. Choudhary
Partner
Membership No. 9367

Place: Kolkata
Dated: 22nd June 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **A A Infraproperties Private Limited** ("the Company") as of March 31, 2019 to the extent of records available with us 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

S. K. AGRAWAL & CO. Kolkata Chartered Accountants

S K AGRAWAL & CO
Chartered Accountants
Firm Registration No. 306033E

SUITE NOS : 606-608
THE CHAMBERS, OPP. GITANJALI STADIUM
1865, RAJDANGA MAIN ROAD, KASBA
KOLKATA - 700 107
PHONE : 033-4008 9902 / 9903 / 9904
FAX : 033-40089905, Website : www.skagrawal.co.in

(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 Ind AS 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 Ind AS financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company.

For **S K AGRAWAL & CO**
Chartered Accountants
Firm Registration No.306033E

S. K. AGRAWAL & CO. ★ Kolkata ★ Chartered Accountants

J.K. Choudhary
Partner
Membership No. 9367

Place: Kolkata
Dated: 22nd June 2019

Branch Office : C/o. SKN INDUSTRIAL HOUSE, 320, SHYAMSHANTI MARKET, 3RD FLOOR, ROOM NO. 160, AJMERI GATE, DELHI-110 006, PH. : 9811109505
A701, EXPRESS ZONE BUILDING, WESTERN EXPRESS HIGHWAY, GORGAON EAST (NEAR OBEROI MALL) MUMBAI - 400 063
HIG-2/121, SATYASI ENCLAVE, KHANDAGIRI, BHUBANESWAR, ORISSA-751 030
488/2, ADARSH NAGAR, DURGA MANDIR ROAD, HIRAPUR, DHANBAD - 826 001, ☎ : 94301 36226
591, MITRA COMPOUND, BORING ROAD, PATNA-800 001, ☎ : 99035 90022

S K AGRAWAL & CO
Chartered Accountants
Firm Registration No. 306033E

SUITE NOS : 606-608
THE CHAMBERS, OPP. GITANJALI STADIUM
1865, RAJDANGA MAIN ROAD, KASBA
KOLKATA - 700 107
PHONE : 033-4008 9902 / 9903 / 9904
FAX : 033-40089905, Website : www.skagrawal.co.in

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. According to the information and explanations given to us and on the basis of our examination of the books of account, the company does not have any fixed assets. Accordingly, paragraph 3 (i) of the Order is not applicable to the Company.

ii. According to the information and explanations given to us and on the basis of our examination of the books of account, the company does not have any inventories. Accordingly, paragraph 3 (ii) of the Order is not applicable to the Company.

iii. The Company has granted unsecured loans to the companies covered in the Register maintained under section 189 of the Companies Act, 2013 ('the Act'). In respect of such loans:

a) In our opinion, the rate of interest and other terms and conditions on which loans has been granted to the company listed in the register maintained under section 189 of the Act is not, prima facie, prejudicial to the interest of the company;

b) In case of the loans granted to the company listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated; and

c) There are no overdue amounts in respect of the loan granted to the company;

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments, and providing guarantees and securities as applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

vi. The Maintenance of Cost Records as specified by the Central Government under section 148(1) of the Act is not applicable to the Company. Accordingly, paragraph 3 (vi) of the Order is not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, Income Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Income Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) According to the records of the company, the dues outstanding of income tax on account of any dispute, are as follows: -

Name of the Statute	Nature of Dues	Amount under dispute not yet deposited (Rs. in lakhs)	Financial year to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Income Tax	37.28	2013-14	CIT (Appeals)
Income Tax Act,1961	Income Tax	130.59	2014-15	DCIT
Income Tax Act,1961	Income Tax	641.80	2016-17	DCIT

S. K. AGRAWAL & CO. Kolkata Chartered Accountants

Branch Office : C/o. SKN INDUSTRIAL HOUSE, 320, SHYAMSHANTI MARKET, 3RD FLOOR, ROOM NO. 160, AJMERI GATE, DELHI-110 006, PH. : 98111095..
A701, EXPRESS ZONE BUILDING, WESTERN EXPRESS HIGHWAY, GORGAON EAST (NEAR OBEROI MALL) MUMBAI - 400 063
HIG-2/121, SATYASI ENCLAVE, KHANDAGIRI, BHUBANESWAR, ORISSA-751 030
488/2, ADARSH NAGAR, DURGA MANDIR ROAD, HIRAPUR, DHANBAD - 826 001, ☎ : 94301 36226
591, MITRA COMPOUND, BORING ROAD, PATNA-800 001, ☎ : 99035 90022

S K AGRAWAL & CO
Chartered Accountants
Firm Registration No. 306033E

SUITE NOS : 606-608
THE CHAMBERS, OPP. GITANJALI STADIUM
1865, RAJDANGA MAIN ROAD, KASBA
KOLKATA - 700 107
PHONE : 033-4008 9902/9903/9904
FAX : 033-40089905, Website : www.skagrawal.co.in

viii. In our opinion and according to the information and explanations given to us by the management, the Company has not taken any loans and borrowings from financial institutions, banks, Government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were applied for the purpose for which the loans were obtained.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration to the managerial personnel. Accordingly, paragraph 3 (xi) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 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 Ind AS financial statements as required by the applicable Indian accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its Directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.

xvi. According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **S K AGRAWAL & CO**
Chartered Accountants
Firm Registration No.306033E

S. K. AGRAWAL & CO. Kolkata Chartered Accountants

J.K. Choudhary
Partner
Membership No. 9367

Place: Kolkata
Dated: 22nd June 2019

A A INFRAPROPERTIES PRIVATE LIMITED

Balance Sheet as at 31st March 2019

	Notes	As at 31-Mar-2019	As at 31-Mar-2018
		Amount in Rupees	
ASSETS			
Non-current assets			
Financial assets			
(a) Investments	4	474,990,826	464,492,535
(b) Loans	5a	3,250,937,687	820,802,750
		3,725,928,513	**1,285,295,285**
Current assets			
Financial assets			
(a) Cash and cash equivalents	7	1,558,792	3,188,460
(b) Other financial assets	5b	243,257,756	28,304,564
Other current assets	9	11,843,984	23,205,984
		256,660,532	**54,699,008**
Total assets		**3,982,589,045**	**1,339,994,293**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	4,100,000	4,100,000
Other Equity	11	338,037,431	302,076,925
Total Equity		**342,137,431**	**306,176,925**
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Borrowings	12a	3,402,034,653	999,034,653
Deferred Tax Liabilities (Net)	6	5,373,629	3,759,908
		3,407,408,282	**1,002,794,561**
Current liabilities			
Financial liabilities			
(a) Other financial liabilities	12b	201,700,300	26,396,573
Other current liabilities	13	22,415,045	2,709,919
Current Tax Liabilities(Net)	8	8,927,987	1,916,315
		233,043,332	**31,022,807**
Total liabilities		**3,640,451,614**	**1,033,817,368**
Total equity and liablities		**3,982,589,045**	**1,339,994,293**

Significant Accounting Policies 3

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

As per our report on even date

For **S. K. AGRAWAL & CO**
Chartered Accountants
Firm Registration No : 306033E

J.K.Choudhury
Partner
Membership No-9367
Place: Kolkata
Dated: 22 JUN 2019

S. K. AGRAWAL & CO. Kolkata

AA INFRAPROPERTIES PVT. LTD.

Director

AA INFRAPROPERTIES PVT. LTD.

Director

A A INFRAPROPERTIES PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

		Amount in Rupees	
	Notes	2018-19	2017-18
Income			
Other income	16	274,007,343	42,737,496
Total income		**274,007,343**	**42,737,496**
Expenses			
Finance costs	17	224,033,445	27,046,192
Other expenses	18	614,882	256,767
Total expenses		**224,648,327**	**27,302,959**
Profit before tax		**49,359,016**	**15,434,537**
Tax expense			
Current Tax		10,224,596	3,209,472
Deferred Tax	6	1,613,721	3,252,771
Income Tax of Earlier Years		354,639	98,603
		12,192,956	**6,560,846**
Profit for the year (I)		**37,166,060**	**8,873,691**
Other Comprehensive income:		-	-
Other comprehensive income/(loss) for the year, net of tax (II)		-	-
Total comprehensive income for the year, net of tax (I + II)		**37,166,060**	**8,873,691**
Earnings per Equity Share of ₹ 10 each	19		
Basic & Diluted		90.65	21.64
Significant accounting policies	3		

The accompanying notes are an integral part of the financial statements.
As per our report on even date

For **S. K. AGRAWAL & CO**
Chartered Accountants
Firm Registration No : 306033E

J.K.Choudhury
Partner
Membership No 9367
Place: Kolkata
Dated:

S. K. AGRAWAL & CO Kolkata

AA INFRAPROPERTIES PVT. LTD.
Director

AA INFRAPROPERTIES PVT. LTD.
Director

A A INFRAPROPERTIES PRIVATE LIMITED
Statement of Changes in Equity for the year ended 31 March 2019

a. Equity Share Capital:

Equity shares of Re 10 each issued, subscribed and fully paid	No. of shares	Amount in Rupees
As 31 March 2017	410,000	4,100,000
Issue of share capital	-	-
At 31 March 2018	**410,000**	**4,100,000**
Issue of share capital	-	-
At 31 March 2019	**410,000**	**4,100,000**

b. Other equity

For the year ended 31 March 2019

Amount in Rupees

Particulars	Reserves & Surplus		Items of OCI	Total Equity
	Equity Component of Compound Financial Instruments(Preference shares)	Retained earnings	FVTOCI reserve	
As at 1 April 2018	140,965,347	161,111,578	-	302,076,925
Profit for the year		37,166,060	-	37,166,060
Other comprehensive income for the year			-	-
Total Comprehensive Income for the year	**-**	**37,166,060**	**-**	**37,166,060**
Dividends (Note 15)		(1,000,000)	-	(1,000,000)
Dividend distribution tax on dividend (Note 15)		(205,554)	-	(205,554)
As at 31 March 2019	**140,965,347**	**197,072,084**	**-**	**338,037,431**

For the year ended 31 March, 2018

Amount in Rupees

Particulars	Reserves & Surplus		Items of OCI	Total Equity
	Equity Component of Compound Financial Instruments(Preference shares)	Retained earnings	FVTOCI reserve	
As at 1st April 2017	140,965,347	153,441,463	-	294,406,810
Profit for the year	-	8,873,691	-	8,873,691
Other comprehensive income for the year	-	-	-	-
Total Comprehensive Income for the year	**-**	**8,873,691**	**-**	**8,873,691**
Dividends (Note 15)		(1,000,000)	-	(1,000,000)
Dividend distribution tax on dividend (Note 15)		(203,576)	-	(203,576)
As at 31 March 2018	**140,965,347**	**161,111,578**	**-**	**302,076,925**

As per our report on even date

For S. K. AGRAWAL & CO
Chartered Accountants
Firm Registration No.: 306033E

J.K.Choudhury
Partner
Membership No-9367
Place: Kolkata
Dated: 22 JUN 2019

AA INFRAPROPERTIES PVT. LTD.
Director

AA INFRAPROPERTIES PVT. LTD.
Director

A A INFRAPROPERTIES PRIVATE LIMITED

Statement of Cash Flows for the year ended 31 March 2019

Amount in Rupees

	Pariculars	March 31,2019	March 31,2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net profit before tax	49,359,016	15,434,537
	Adjustment to reconcile profit before tax to net cash flow		
	Finance costs	224,033,445	27,046,192
	Guarantee commission from subsidairy	(1,600,000)	(1,600,000)
	Fair value change of investments in Mutual Funds	(10,498,291)	(12,112,490)
	Sundry Balance Written Back	-	(2,044)
	Interest on Income Tax Refund	-	(718,398)
	Balance Written off	-	26,373
	Interest Income	(261,874,532)	(28,304,564)
	Operating profit before working capital changes	(580,362)	(230,394)
	Adjustments for-		
	Other Current Liability	-	1,400
	Other Financial liabilities	(1,978,400)	(4,999,000)
	Other Current Asset	13,036,618	(2,017,000)
	Cash generated in operations	**10,477,856**	**(7,244,994)**
	Income Tax Paid (net of refund)	(3,564,111)	(9,192,520)
	Net Cash inflow from Operating Activities	**6,913,745**	**(16,437,514)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Advance received from Subsidiary	-	2,621,310
	Interest Received	46,843,270	-
		46,843,270	**2,621,310**
	Less : Investment in shares of Subsidairy	-	(1,277,200)
	Loan given to Subsidiary	(2,430,134,937)	(820,802,750)
	Net cash flow from Investing Activities	**(2,383,291,667)**	**(819,458,640)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Loan taken	2,957,000,000	840,000,000
	Loan Repaid	(554,000,000)	-
	Dividend paid (including net dividend distribution tax)	(1,205,554)	(1,203,576)
	Interest paid(including tax thereon)	(27,046,192)	-
	Net cash flow from Financing Activities	**2,374,748,254**	**838,796,424**
	Net increase in cash and cash equivalents (A+B+C)	(1,629,668)	2,900,270
	Cash and Cash Equivalents at the beginning of the year (Refer note-7)	3,188,460	288,190
	Cash and Cash Equivalents at the end of the year (Refer note-7)	1,558,792	3,188,460

In terms of our attached report of even date

For **S. K. AGRAWAL & CO**
Chartered Accountants
Firm Registration No : 306033E

J.K.Choudhury
Partner
Membership No-9367
Place: Kolkata
Dated: 22 JUN 2019

AA INFRAPROPERTIES PVT. LTD.
Director

AA INFRAPROPERTIES PVT. LTD.
Director

A A INFRAPROPERTIES PRIVATE LIMITED

Statement of Cash Flows for the year ended 31 March 2019 (Contd.)

Notes :

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS - 7) - Statement of Cash Flow.

(b)

Amount in Rupees

Pariculars	As at 31.03.2019	As at 31.03.2018
Cash and Cash Equivalants comprises of		
Cash in hand	21,883	17,266
Balances with banks:		
- On current accounts	1,536,909	3,171,194
Cash and Cash Equivalants in Cash Flow Statement	**1,558,792**	**3,188,460**

			Non - Cash Changes		
Particulars	As at 31.03.2018	Cash Flow	Fair Value Changes	Current/ Non - Current Classification	As at 31.03.2019
Borrowings - Non Current	840,000,000.00	2,403,000,000		Non- current	3,243,000,000

As per our report of even date

For S. K. AGRAWAL & CO

Chartered Accountants

Firm Registration No : 329088E

J.K.Choudhury

Partner

Membership No-9367

Place: Kolkata

Dated 22 JUL 2019

AA INFRAPROPERTIES PVT. LTD.

JH

Director

AA INFRAPROPERTIES PVT. LTD.

MMK

Director

A A INFRAPROPERTIES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

1. Corporate Information

A A Infraproperties Private Limited (referred to as "the Company") is a private limited company established in 2009 under the Companies Act applicable in India. The Company is engaged in the business of real estate development . The Company is domiciled in India and has its registered office at 375, Prince Anwar Shah Road, Jadavpur, Kolkata – 700068.

2. Basis of Preparation of financial statements

a) Compliance with INDAS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind-AS") notified under section 133 of The Companies Act,2013 read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

b) Historical cost convention

The financial statements have been prepared on going concern basis in accordance with the accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis, except for certain assets and liabilities which have been measured at fair values as explained in relevant accounting principles.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3. Summary of Significant Accounting Policies

3.1. Operating Cycle

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as sixty months for ongoing projects and twelve months in case of completed projects for the purpose of current- noncurrent classification of assets and liabilities. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

3.2. Foreign Currencies

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

Transactions in foreign currencies are initially recorded in by the Company at spot rates at the functional currency spot rate (i.e. INR) at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Foreign exchange gains and losses resulting from the settlement of transactions in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit & Loss.

S K AGRAWAL & CO. Kolkata Chartered Accountants

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.3. Fair Value Measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

S. K. AGRAWAL & CO. Kolkata

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.4. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3.5. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of statement of cash flows; cash and cash equivalent, cash and short term deposits as defined above is net off outstanding bank overdrafts as they considered an integral part of the Company's cash management.

3.6. Revenue and Other Income

Revenue from contracts with customers

With effect from 1 April 2018, the Company has adopted IND AS 115 'Revenue from Contracts with Customers' which introduces a new five-step approach to measuring and recognising revenue from contracts with customers. Under IND AS 115, revenue is recognised on satisfaction of performance obligation at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The Company has elected to apply the Cumulative catch up method in adopting IND AS 115. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

Revenue is recognized when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of revenue transaction as set-out below:

Interest Income is recognised using the effective interest method and is included under the head 'Other Income' in the Statement of Profit and Loss.

Dividend Income is recognised when the Company's right to receive dividend is established.

AGRAWAL & CO

3.11. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

a. Debt instruments at amortised cost
b. Equity instruments measured at fair value through other comprehensive income FVTOCI

Debt instruments at amortised cost other than derivative contracts

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value other than equity investments measured at deemed cost. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iii. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred substantially all the risks and rewards of the asset

iv. Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL 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 entity expects to receive, discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This

Kolkata
Chartered Accountants

amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

B. Financial liabilities

i. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, investment in subsidiaries and joint ventures, net of directly attributable transaction costs.

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

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include derivatives, financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year. The amounts are generally unsecured. Trade and other payables are presented as current liabilities unless payment is not due within the Company's operating cycle. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the lender for a loss it incurs because the specified borrower fails to make a payment when due in accordance with the terms of a loan agreement. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

S. K. AGRAWAL & CO. Kolkata

A A INFRAPROPERTIES PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2019

Note 4. Financial assets - Investments

	Amount in Rupees	
	As at 31-Mar-2019	As at 31-Mar-2018
Investments (Fully Paid)		
At deemed cost:		
Equited shares-Unquoted		
In Subsidiary Companies		
Indocean Deveopers Private limited 6985317 Shares of LKR 100 each fully paid up (P.Y.2017-18, 6985317 Shares of LKR 100 each fully paid up)	289,568,996	289,568,996
AA Infra(Middle East) Ltd 20000 shares of $1.00 Each fully paid up (P.Y.2017-18 ,20000 shares of $1.00 Each fully paid up)	1,277,200	1,277,200
	290,846,196	**290,846,196**
At fair value through profit & Loss:		
In Units of Mutual Fund - Quoted		
Reliance Corporate Bond Fund (G) 11,992,564.610 units of Rs.10 eachfully paid up * (P.Y.2017-18, 11,992,564.610 units of Rs.10 eachfully paid up)	184,144,630	173,646,339
	184,144,630	**173,646,339**
Total Non Current Investments	**474,990,826**	**464,492,535**
Aggregate amount of Quoted Investments	**184,144,630**	**173,646,339**
Aggregate amount of Unquoted Investments	**290,846,196**	**290,846,196**
Aggregate Deemed Cost for those investments for which the Previous GAAP carrying amount is the deemed cost	-	-

* Represents securities pledged with bank as security against loan taken by the subsidairy.

Note 5a. Financial assets - Loans (Non - Current)

(Unsecured considered good unless otherwise stated)

	Amount in Rupees	
	As at 31-Mar-2019	As at 31-Mar-2018
Loans to related party (Refer Note 22) *		
Subsidiary Companies		
Considered Good		
Indocean Developers Pvt. Ltd	2,260,739,937	-
AA Infra(Middle East) Ltd	990,197,750	820,802,750
Total loans	**3,250,937,687**	**820,802,750**

Note 5b. Other Financial Assets (Current)

	Amount in Rupees	
	As at 31-Mar-2019	As at 31-Mar-2018
Interest Receivables	243,257,756	28,304,564
Total other financial assets	**243,257,756**	**28,304,564**

A A INFRAPROPERTIES PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2019

Note 6 - Deferred Tax Assets & Liabilities (Net)

	Amount in Rupees	
Nature - (liability) / asset	As at 31.03.2019	As at 31.03.2018
Deferred Tax Liabilities		
Fair valuation of Mutual funds	5,373,629	3,759,908
Total (A)	**5,373,629**	**3,759,908**
Net Deferred Tax (Liabilities)/Assets	(5,373,629)	(3,759,908)

	Amount in Rupees	
	As at 31.03.2019	As at 31.03.2018
The reconciliation of estimated income tax expenses at statutory income tax rate to income tax expenses reported in Statement of Profit & Loss is as follows :		
Accounting Profit Before Income Tax	**49,359,016**	**15,434,537**
Indian statutory Income Tax rate (%)	27.82%	27.5525%
Expected Income Tax Expenses	13,731,678	4,252,601
Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses :		
Income exempt from income taxes		-
Fair Value gain not recognised in taxable profit	(3,570,236)	
Additional Income	63,154	62,547
Impact of differential tax rate	-	(1,105,676)
Impact due to different head of income	-	-
Permanent differences	-	-
Deferred Tax (see note above)	1,613,721	3,252,771
Total Income Tax Expenses	**11,838,317**	**6,462,243**
Effective Tax Rate	23.98%	41.87%

A A INFRAPROPERTIES PRIVATE LIMITED

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

Note 7. Cash and Cash Equivalents

	Amount in Rupees	
	As at 31-Mar-2019	As at 31-Mar-2018
Balances with Banks on Current Accounts	1,536,909	3,171,194
Cash on hand	21,883	17,266
Total Cash and Cash Equivalents	**1,558,792**	**3,188,460**

Note 8. Current Tax Assets/ (Liabilities)

		Amount in Rupees	
		As at 31-Mar-2019	As at 31-Mar-2018
Current Tax Assets	(A)	56,058,591	52,491,028
Current Tax liabilities	(B)	64,986,578	54,407,343
Net Current Tax Assets/ (Liabilities)	**(A-B)**	**(8,927,987)**	**(1,916,315)**

Note 9. Other Current Assets

	Amount in Rupees	
	As at 31-Mar-2019	As at 31-Mar-2018
Advances to related parties (Refer Note 22) *		
Indocean Developers Pvt. Ltd.	1,698,508	13,055,510
AA Infra properties Ltd	254,996	260,994
Balance with Government Authorities	9,871,480	9,871,480
Advance for Expenses	19,000	18,000
Total other assets	**11,843,984**	**23,205,984**

Note - 10. Equity Share Capital

	Amount in Rupees	
	As at 31-Mar-2019	As at 31-Mar-2018
Authorised Capital		
10,00,000 Equity Shares of Rs. 10 each	10,000,000	10,000,000
Issued, Subscribed and Paid-up Capital		
4,10,000 Equity Shares of Rs. 10 each fully paid up in cash	4,100,000	4,100,000
(P.Y 2017-18, 4,10,000 Equity Shares of Rs. 10 each fully paid up in cash)		
Total Equity Share Capital	**4,100,000**	**4,100,000**

a) The Reconciliation of Share Capital is given below:

	As at 31-Mar-2019		As at 31-Mar-2018	
	No. of Shares	Amount in Rupees	No. of Shares	Amount in Rupees
At the beginning of the year	410,000	4,100,000	410,000	4,100,000
Issued during the Year	-	-	-	-
At the end of the year	**410,000**	**4,100,000**	**410,000**	**4,100,000**

b) Terms/Rights attached to class of shares

The Company has only one class of Equity Shares having a par value of Rs 10 each. Holder of each Equity Share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholders holding more than 5 percent of Equity Shares in the Company

	As at 31-Mar-2019		As at 31-Mar-2018	
	No. of Shares	% holding	No. of Shares	% holding
South City Projects (Kolkata) Ltd	358,750	87.50%	358,750	87.50%
Jaideep Halwasiya	51,250	12.50%	51,250	12.50%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares

S. A. AGRAWAL & CO. Kolkata

Note - 11. Other equity

	Amount in Rupees	
	As at 31-Mar-2019	As at 31-Mar-2018
Reserves & Surplus		
Retained earnings	197,072,084	161,111,578
Equity Component of Compound Financial instrument(Prefence shares)	140,965,347	140,965,347
Total other equity	**338,037,431**	**302,076,925**

Retained Earnings - Retained earnings includes surplus in the Statement of Profit and Loss, Ind-AS related adjustments as on the date of transition, remeasurement gains/ losses on defined benefit obligations.

Note 12a. Non-current Borrowings

	Amount in Rupees	
	As at 31-Mar-2019	As at 31-Mar-2018
Unsecured		
Loan from Related Parties		
From Holding Company -South City Projects(Kolkata) Ltd	3,243,000,000	840,000,000
Compound financial Instruments		
5% Redeemable Non-Cumulative Non- convertible Preference Shares	159,034,653	159,034,653
Total Non current Borrowings	**3,402,034,653**	**999,034,653**

The above Unsecured loans are carrying interest@11% p.a (P.Y.12% p.a) and are repayable after 5 years of drawdown.

Note 12 b. Other financial liabilities(Current)

	Amount in Rupees	
	As at 31-Mar-2019	As at 31-Mar-2018
Amount due to Holding Company	-	2,001,000
Interest accrued and due on borrowings	201,630,100	24,341,573
Others	70,200	54,000
Total other financial liabilities	**201,700,300**	**26,396,573**

Note 13. Other current liabilities

	Amount in Rupees	
	As at 31-Mar-2019	As at 31-Mar-2018
Statutory Dues	22,415,045	2,709,919
Total other current Liabilities	**22,415,045**	**2,709,919**

AGRAWAL & CO

A A INFRAPROPERTIES PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2019

Note 14a. Financial Assets

	Amount in Rupees	
	As at 31-Mar-2019	As at 31-Mar-2018
Financial Assets - Non Current		
At Amortised Cost		
(a) Loans	3,250,937,687	820,802,750
At Deemed Cost		
Investments	290,846,196	290,846,196
At Fair Value through profit or loss		
Investments	184,144,630	173,646,339
Total Non current financial assets (a)	**3,725,928,513**	**1,285,295,285**
Financial assets - current		
At Amortised cost		
(a) Cash and cash equivalents	1,558,792	3,188,460
(b) Other financial assets	243,257,756	28,304,564
Total Current financial assets (b)	**244,816,548**	**31,493,024**
Total financial assets (a + b)	**3,970,745,061**	**1,316,788,309**

Note 14b. Financial liabilities

	Amount in Rupees	
	As at 31-Mar-2019	As at 31-Mar-2018
Financial liabilities - non current		
At Amortised Cost		
(a) Borrowings	3,402,034,653	999,034,653
Total Non Current Financial Liabilities (a)	3,402,034,653	999,034,653
Financial Liabilities - Current		
At Amortised Cost		
Other financial liabilities	201,700,300	26,396,573
Total Current Financial Liabilities (b)	201,700,300	26,396,573
Total Financial Liabilities (a + b)	**3,603,734,953**	**1,025,431,226**

S. K. AGRAWAL & CO. Kolkata Chartered Accountants

Note 15. Distribution of Dividend

	Amount in Rupees	
	As at 31-Mar-2019	As at 31-Mar-2018
Dividends on Preference shares declared and paid:		
Final dividend for 31 March 2018- ₹ 0.50 per share (31st March 2017 - ₹ 0.50 per share)	1,000,000	1,000,000
DDT on final dividend	205,554	203,576
	1,205,554	**1,203,576**

Note:

The Board of directors has recommended dividend of 5% (Re.0.50per Preference Share of Rs.10/-) for finacial year ended 31st March 2019 subject to the appproval of shareholders in the Annual General Meeting. However the same has not been recognised as liabilities as on 31st Mrach 2019 in terms of IND AS 10 " Event after the Reporting Period"

A A INFRAPROPERTIES PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2019

Note 16. Other income

	Amount in Rupees	
	2018-19	2017-18
Income from Financial Assets		
Interest Income on Loan to Subsidiaries	261,874,532	28,304,564
Other non operating income		
Fair Value Change of Investments measured at FVTPL	10,498,291	12,112,490
Guarantee Commission (From a Subsidiary Company)	1,600,000	1,600,000
Interest on Income Tax Refund	-	718,398
Interest on Fixed Deposit	34,520	-
Balance Written Back	-	2,044
Total	**274,007,343**	**42,737,496**

Note 17. Finance Costs

	Amount in Rupees	
	2018-19	2017-18
Interest Expense on Loan from Related Parties	224,033,445	27,046,192
Total	**224,033,445**	**27,046,192**

Note 18.Other expenses

	Amount in Rupees	
	2018-19	2017-18
Rates & Taxes	2,150	2,150
Audit Fees	104,160	98,700
Bank Charges	1,799	9,045
Professional Fees	484,843	72,486
Travelling Expenses	-	11,926
Printing and Stationary	-	1,441
Conveyance Expenses	-	874
Balance Written off	-	26,373
Miscellaneous Expenses	21,930	33,772
Total	**614,882**	**256,767**

Note 18.1 Auditor's Remuneration

	Amount in Rupees	
	2018-19	2017-18
As Auditor:		
Audit fees	90,000	87,600
Tax audit fees	14,160	5,900
Miscellaneous certificates and other matters	-	5,200
Total	**104,160**	**98,700**

S.K. AGRAWAL & CO.

Note 19. Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	2018-19	2017-18
Net Profit for calculation of Basic and Diluted Earnings Per Share (Amount in Rupees)	37,166,060	8,873,691
Weighted average number of shares (Nos.)	410,000	410,000
Earning per equity share		
Basic & Diluted earning per share (₹)	90.65	21.64

Note 20. Significant accounting judgements, estimates and assumptions

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

Judgements, Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. In the process of applying the Company's accounting policies, management has made the following judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the Financial Statements:

Fair value measurement of financial instruments and guarantees

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability

S. K. AGRAWAL & CO

Note 21. Contingent Liabilities

	As at 31.03.2019	Amount in Rupees As at 31.03.2018
i) Claims against the Company not acknowledged as debts:		
Income Tax (Net of advances)	80,966,730	127,205,138
Total	**80,966,730**	**127,205,138**

	As at 31.03.2019	Amount in Rupees As at 31.03.2018
ii). Guarantees given		
Against Loans taken by a Subsidiary	160,000,000	2,910,000,000
Total	**160,000,000**	**2,910,000,000**

S K AGRAWAL & CO. Kolkata

Note 22. Disclosure in respect of Related Parties pursuant to Ind AS 24

List of Related Parties

I. Parent and Subsidiary Companies:

Name of related parties	Nature of relationship	% of Holding
South City Projects (Kolkata) Ltd	Parent	87.50%
Indocean Developers Private Ltd	Subsidiary	100%
AA Infra(Middle East) Ltd	Subsidiary	100%
AA Infra Properties Ltd	Step Down Subsidiary Company	100%

II. Other related parties with whom transactions have taken place during the year:

a) Key Management Personnel

Name of related parties	Nature of relationship
Mr. Jaideep Halwasiya	Director
Mr. Man Mohan Bagree	Director

b) Entities where Key Management Personnel & their relatives have significant influence with whom transactions have taken place during the year

S K AGRAWAL & CO

A A INFRAPROPERTIES PRIVATE LIMITED

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

C. Transactions :-

Particulars	Holding Co- South City Projects (Kolkata) Limited	Wholly Owned Subsidiary- Indocean Developers Private Limited	Wholly Owned Subsidiary- AA Infra(Middle East) Limited	Stepdown Subsidiary- AA Infra Properties ltd , JAFZA
Loan taken	2,957,000,000	-	-	-
	(840,000,000)	(-)	(-)	(-)
Loan Repayment	554,000,000	-		-
	-	(-)	(-)	(-)
Interest Payable	224,033,445	-	-	-
	(27,046,192)	(-)	(-)	(-)
Outstanding at the end of the year	**3,243,000,000**	**-**	**-**	**-**
	(840,000,000)	**(-)**	**(-)**	**(-)**
Loan Given	-	2,472,934,486	169,395,000	-
	(-)	(-)	820,802,750	(-)
Loan Repayment	-	212,194,550	-	-
	(-)	-	(-)	(-)
Interest Receivable	-	136,460,655	106,875,171	-
	(-)	-	28,304,564	(-)
Outstanding at the end of the year	**-**	**2,260,739,937**	**990,197,750**	**-**
	(-)	**(-)**	**(820,802,750)**	**(-)**
Investment	-	-	-	-
	(-)	-	(1,277,200)	(-)
Outstanding at the end of the year	**-**	**289,568,996**	**1,277,200**	**-**
	(-)	**(289,568,996)**	**(1,277,200)**	**(-)**
Advance Given	-	28,838,371	-	254,996
	(-)	(38,403,773)	(-)	(260,994)
Advance Repayment	-	40,195,372	-	-
	(-)	(41,286,078)	(-)	(-)
Guarantee Comission	-	1,600,000	-	-
	(-)	(1,600,000)	(-)	(-)
Outstanding at the end of the year	**-**	**1,698,508**	**-**	**254,996**
	(-)	**(13,055,510)**	**(-)**	**(260,994)**
Advances Received	-		78,070	-
	(20,409,977)		(-)	(-)
Advances Repayment	2,001,000	-	-	-
	(25,408,977)	(-)	(-)	(-)
Outstanding at the end of the year	**-**		**78,070**	**-**
	(2,001,000)		**(-)**	**(-)**
Guarantee given (Refer note 2.21(b))	-	160,000,000	-	-
	(-)	(2,910,000,000)	(-)	(-)
Outstanding at the end of the year	**-**	**160,000,000**	**-**	**-**
	(-)	**(2,910,000,000)**	**(-)**	**(-)**
Guarantee Received	-	160,000,000		
	(-)	(2,660,000,000)		
Outstanding at the end of the year	**-**	**160,000,000**	**-**	**-**
	(-)	**(2,660,000,000)**	**(-)**	**(-)**

Note : Figures as on 31.03.2018 are given in ( )

S. K. AGRAWAL & CO

Note 23. Fair Value Hierarchy

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs 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 for the asset or liability that are not based on observable market data (unobservable inputs)

a) **Financial assets and liabilities measured at fair value at 31 March 2019**

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
In Quoted units of Mutual funds	184,144,630			184,144,630
				-

Financial assets and liabilities measured at fair value at 31 March 2018

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
In Quoted units of Mutual funds	173,646,339			173,646,339
				-

(b) **Financial instruments at ammortized cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled

(c) During the year there has been no transfer from one level to another

S. K. AGRAWAL & CO. Kolkata

Note 24. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's working capital requirements . The Company has various financial assets such as trade receivables, loans, investments,short-term deposits and cash & cash equivalents , which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's Board of Directors assures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.

The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost.

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes security deposits, Loans given and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

a) Credit Risk Management

1. Credit Risk Rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A. Low Credit Risk
B. Moderate Credit risk
C. High credit risk

The Company provides for Expected Credit Loss based on the following:

Asset Group	Description
Low Credit Risk	Cash and cash equivalents, other bank balances, investments and other financial assets
Moderate Credit Risk	Loans

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

Credit Rating	Particulars	March 31, 2019	March 31, 2018
Low Credit Risk	Cash and cash equivalents, other bank balances, investments and other financial assets	719,807,374	495,985,559
Moderate Credit Risk	Loans	3,250,937,687	820,802,750

S.K. AGRAWAL & CO.

B. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of Financial Liabilities

The table below analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities

March 31, 2019

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings		3,402,034,653		3,402,034,653
Other Financial Liabilities	201,700,300		-	201,700,300

March 31, 2018

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	-	999,034,653	-	999,034,653
Other Financial Liabilities	26,396,573.00			26,396,573

C. Market Risk

a. Interest Rate Risk

The Company has taken debt to finance its working capital , which exposes it to interest rate risk. Borrowings issued at variable rates expose the Company to interest rate risk.

Interest Rate Risk Exposure

Particulars	March 31, 2019	March 31, 2018
Variable Rate Borrowing	3,243,000,000	840,000,000
Fixed Rate Borrowing		

Interest rate sensitivity

Profit or loss and equity is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	March 31, 2019	March 31, 2018
Interest Sensitivity*		
Interest Rates increase by 100 basis points	(32,430,000)	(8,400,000)
Interest Rates decrease by 100 basis points	32,430,000	8,400,000

*Holding all other variables constant

b. Price Risk

The Company's exposure to price risk arises from investments held and classified as FVTPL or FVOCI. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Sensitivity Analysis

Particulars	March 31, 2019	March 31, 2018
Price Sensitivity*		
Price increase by 5%- FVTPL	9,207,232	8,682,317
Price decrease by 5%- FVTPL	(9,207,232)	(8,682,317)

*Holding all other variables constant

S K AGRAWAL & CO

Note 25. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value . The Company's overall strategy remains unchanged from previous year.The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity ,internal fund generation and borrowed funds.. The Company's policy is to use short term and longterm borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents). Equity comprises share capital and free reserves (total reserves excluding OCI). The following table summarizes the capital of the Company:

		31-Mar-19	31-Mar-18
Borrowings		3,402,034,653	999,034,653
Other Financial Liabilities		201,700,300	26,396,573
Less: Cash and cash equivalents		244,816,548	31,493,024
Other Financial Assets		243,257,756	28,304,564
Net debt	(a)	**3,115,660,649**	**965,633,638**
Total capital	(b)	342,137,431	306,176,926
Capital and net debt	(a+b)	**3,457,798,080**	**1,271,810,564**
Gearing ratio	(a/a+b)	90.11%	75.93%

S K AGRAWAL & CO. * Kolkata * Chartered Accountants

Note 26:

The Company has assessed its Preference Share Capital with premium on redemption to be a Compound financial Instruments and accordingly split the same as per IND AS 109 into Financial Liability Instrument of INR 15,90,34,653 and Equity Instrument of INR 14,09,65,347.

Note 27 - Standards issued but not effective

On 30th March 2019, Ministry of Corporate Affairs ("MCA") has notified the IND AS 116, Leases, Appendix C of Ind As 12 "Uncertainty over Income Tax Treatment, Amendment to Ind AS 19 – Plan amendment, curtailment or settlement The effective date for adoption of the same is financial periods beginning on or after 1st April 2019. The company is in the process of evaluating the effect on its adoption.

Note 28 -

Figures for the Previous Year have been re-grouped and/or re-arranged wherever necessary.

As per our report on even date

For **S. K. AGRAWAL & CO**
Chartered Accountants
Firm Registration No : 306033E

J.K.Choudhury
Partner
Membership No-9367
Place: Kolkata
Dated: 22 JUN 2019

S. K. AGRAWAL & CO.
Kolkata
Chartered Accountants

AA INFRAPROPERTIES PVT. LTD.
Director

AA INFRAPROPERTIES PVT. LTD.
Director