

## Independent Auditors' Report

To  
The Members of  
**PIC REALCON LIMITED**

### Report on Audit of Financial Statements

#### Opinion

We have audited the Ind AS financial statements of **PIC REALCON LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss (including other comprehensive income), statement of cash flows and 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 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, and profit, its cash flows and changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the Ind AS financial statements and our auditor's report thereon. The Board's Report including Annexures to Board's Report is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



When we read the Board's report including annexures to Board's Report, If, we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance.

### **Responsibilities of Management and Those Charged With Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 financial statements.

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.

#### Other Matters

The comparative financial information of the Company for the year ended 31st March 2018 and the transition date opening balance sheet as at 1st April 2017 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us and our report for the year ended 31st March 2018 and 31st March 2017 dated 22<sup>nd</sup> May, 2018 and 15<sup>th</sup> May, 2017 respectively expressed an unmodified opinion on those financial statements. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us, on which we have expressed an unmodified opinion vide our report dated 18th May, 2019.

Our opinion is not qualified in respect of this matter.





## 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 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 books.

c) The Balance Sheet, the Statement of Profit and Loss, 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 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 B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, during the year, the Company has not paid/provided any remuneration to its directors.

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 does not have any pending litigations which would impact its financial position

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

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B. K. SHROFF & CO.**  
**Chartered Accountants**  
Firm Registration No.: 302166E

*L. K. Shroff*

**(L. K. SHROFF)**  
**PARTNER**  
Membership No. : 060742

Place: Kolkata  
Date: The 18<sup>th</sup> May, 2019



## Annexure – A to the Auditors' Report

Annexure referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory requirements" of our report of even date

(i)	The company has no Fixed Asset and as such clause (i) (a), (b) and (c) of the Order are not applicable to the company.
(ii)	Having regard to the company's business, the provision of clause (ii) of the Order is not applicable to the company since the company has no Inventories
(iii)	The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and as such clauses (iii) (a), (b) and (c) of the order are not applicable to the company.
(iv)	In our opinion and according to the information and explanations given to us no loans, investments, guarantees and security covered under section 185 and 186 of the Companies Act, 2013 has been given by the company and as such the provisions of clause (iv) of the order is not applicable to the company.
(v)	According to the information and explanation given to us, the company has not accepted any deposit from the public. Therefore, the provisions of clause (v) of the order are not applicable to the company.
(vi)	According to information & explanation given to us, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for any of the products of the Company, hence clause (vi) of the Order is not applicable to the Company.
(vii)	Having regard to the company's business, the provision of clause (vii) (a) & (b) of the Order are not applicable to the company since the company has no employee and no liability in relation to statutory dues till date.
(viii)	As per books & records maintained by the Company and according to information & explanations given to us, the Company has no dues to financial institutions, banks or debenture holders hence clause (viii) of the Order is not applicable to the Company.
(ix)	To the best of our knowledge and belief and according to the information and explanations given to us, no moneys has been raised by way of initial public offer or further public offer (including debt instruments) and no any term loans obtained by the company during the year. Therefore, the provisions of clause (ix) of the order are not applicable to the company.
(x)	According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.



(xi)	In our opinion and according to the information and explanation given to us, the company has not paid any managerial remuneration covered under the provisions of section 197 read with schedule V of the Companies Act, 2013. Therefore, the provisions of clause (xi) of the order are not applicable to the company.
(xii)	The company is not a nidhi company and hence provisions of clause (xii) of the order are not applicable to the company.
(xiii)	In our opinion all 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 etc. as required by the Accounting Standards (AS) 18, Related Party Disclosure specified under section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
(xiv)	During the year under review the company has not made any preferential allotment on private placement of shares or fully or partly convertible debentures.
(xv)	The company has not entered into any non cash transactions with directors or persons connected with him.
(xvi)	The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934

For **B. K. SHROFF & CO.**  
**Chartered Accountants**  
Firm Registration No.: 302166E

*L. K. Shroff*

**(L. K. SHROFF)**  
**PARTNER**  
Membership No. : 060742

Place: Kolkata  
Date: The 18<sup>th</sup> May, 2019



## Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **PIC REALCON LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /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:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles.





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

- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 issued by the ICAI".

Place: Kolkata  
Date: The 18th May, 2019



For B. K. SHROFF & CO.  
*Chartered Accountants*  
Firm Registration No.: 302166E

*L. K. Shroff*

(L. K. SHROFF)  
PARTNER  
Membership No. : 060742



# PIC REALCON LIMITED

(CIN : U70102WB2013PLC190163)

Balance Sheet as at 31st March, 2019

	NOTES	31st March 2019 ₹ in Lakhs	31st March 2018 ₹ in Lakhs	01st April, 2017 ₹ in Lakhs
<b>ASSETS</b>				
<b>Non Current Assets</b>				
Financial Assets				
- Investments	2	2,246.93	1,845.80	2,991.77
Other Non Current Assets	3	-	-	0.16
<b>Current Assets</b>				
Financial Assets				
- Cash and Cash Equivalents	4	3.21	1.09	3.63
Other Current Assets	5	-	0.94	7.43
<b>TOTAL</b>		<b>2,250.14</b>	<b>1,847.83</b>	<b>3,002.99</b>

## EQUITY AND LIABILITIES

### EQUITY

Equity Share Capital	6	5.00	5.00	5.00
Other Equity	7	1,936.24	1,509.88	2,464.23

### LIABILITIES

#### Non Current liabilities

Deferred Tax Liabilities	8	200.41	155.77	283.29
--------------------------	---	--------	--------	--------

#### Current liabilities

##### Financial Liabilities

- Borrowings	9	108.14	176.94	250.27
Other current liabilities	10	0.35	0.24	0.20

**2,250.14**      **1,847.83**      **3,002.99**

### Significant Accounting Policies 1

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For and on behalf of the Board of Directors

For B. K. SHROFF & Co.

Chartered Accountants

Firm Regn. No. 302166E

*L. K. Shroff*

L. K. Shroff

Partner

Membership No.060742

Place : Kolkata

Dated: 18th May, 2019



*Gautam Ganguli*

GAUTAM GANGULI  
DIN : 00871416

*Suresh Kumar Sharma*

SURESH KUMAR SHARMA  
DIN : 00304907

# PIC REALCON LIMITED

(CIN : U70102WB2013PLC190163)

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

	NOTES	31st March 2019 ₹ in Lakhs	31st March 2018 ₹ in Lakhs
<b>(I) Income</b>			
Revenue from operations	11	70.47	64.80
<b>Total Revenue (I)</b>		<b>70.47</b>	<b>64.80</b>
<b>(II) Expenses:</b>			
Other expenses	12	0.61	0.69
<b>Total expenses (II)</b>		<b>0.61</b>	<b>0.69</b>
<b>(III) Profit before Tax (I) - (II)</b>		<b>69.86</b>	<b>64.11</b>
<b>Tax expense:</b>			
Current Tax		-	-
Deferred tax		-	-
<b>(IV) Total Tax Expenses</b>		<b>-</b>	<b>-</b>
<b>(V) Profit after Tax (III-IV)</b>		<b>69.86</b>	<b>64.11</b>
<b>(VI) Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit and loss</b>			
- Changes in Fair Value of Equity Instrument		401.14	(1,145.98)
- Income Tax / Deferred Tax relating to above items		(44.64)	127.52
<b>Total Other Comprehensive Income (VI)</b>		<b>356.50</b>	<b>(1,018.46)</b>
<b>Total Comprehensive Income for the year (V+VI)</b>		<b>426.36</b>	<b>(954.35)</b>
<b>Earnings per Equity Shares [Nominal Value of Rs. 10/- each]</b>			
Basic & Diluted (in ₹)	13	139.73	128.21

### Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For and on behalf of the Board of Directors

For B. K. SHROFF & Co.  
Chartered Accountants  
Firm Regn. No. 302166E

*L. K. Shroff*

L. K. Shroff  
Partner  
Membership No. 060742

Place : Kolkata  
Dated: 18th May, 2019



*Gautam Ganguli*  
GAUTAM GANGULI  
DIN : 00871416

*Suresh Kumar Sharma*  
SURESH KUMAR SHARMA  
DIN : 00304907

**PIC REALCON LIMITED**  
(CIN : U70102WB2013PLC190163)

Cash flow Statement for the year ended 31st March, 2019

	31st March 2019 ₹ in Lakhs	31st March 2018 ₹ in Lakhs
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	69.86	64.11
Adjustments for :		
Preliminary Expenses-Written Off	-	0.16
<b>Operating profit before working capital changes</b>	<b>69.86</b>	<b>64.27</b>
Increase / (Decrease) in other current liabilities	0.11	0.03
(Increase) / Decrease in other current assets	0.94	6.49
<b>Cash generated from operations</b>	<b>70.91</b>	<b>70.79</b>
Direct tax paid	-	-
<b>Net cash flow from operating activities</b>	<b>70.91</b>	<b>70.79</b>
<b>B. Cash Flow from Investing Activities</b>	-	-
<b>Net cash flow from/(used in) investing activities</b>	-	-
<b>C. Cash Flows from Financing Activities</b>		
Repayment of Long Term Borrowing	(68.80)	(73.33)
<b>Net cash flow from / (used in) financing activities</b>	<b>(68.80)</b>	<b>(73.33)</b>
<b>D. Net increase in cash and cash equivalents (A+B+C)</b>	<b>2.11</b>	<b>(2.54)</b>
<b>E. Cash and Cash equivalents at the beginning of the year</b>	<b>1.09</b>	<b>3.63</b>
<b>F. Cash and Cash equivalents at the end of the year</b>	<b>3.21</b>	<b>1.09</b>
Components of cash and cash equivalents as indicated in Note 8 comprises of:		
Cash on hand	0.08	0.09
Balances with scheduled banks on current account	3.13	1.00
<b>Total</b>	<b>3.21</b>	<b>1.09</b>

As per our report of even date

For **B. K. SHROFF & Co.**  
Chartered Accountants  
Firm Regn. No. 302166E

*L. K. Shroff*

**L. K. Shroff**

Partner

Membership No.060742

Place : Kolkata

Dated: 18th May, 2019



For and on behalf of the Board of Directors

*Gautam Ganguli*

**GAUTAM GANGULI**  
DIN : 00871416

*Suresh Kumar Sharma*

**SURESH KUMAR SHARMA**  
DIN : 00304907

**PiC REALCON LIMITED**

**Statement of Changes in Equity for the period ended 31st March, 2019**

**a. Equity share capital**

Particulars	(₹ in Lakhs)
Balance as at 1 April 2017	5.00
Changes in equity share capital during 2017-18	-
Balance as at 31 March 2018	5.00
Changes in equity share capital during 2018-19	-
Balance as at 31 March 2019	5.00

**b. Other equity**

(₹ in Lakhs)

Particulars	Reserves and surplus		Total
	Retained earnings	Equity Instrument through Other Comprehensive Income	
Balance as at 1 April 2017	201.77	2,262.46	2,464.23
Total Comprehensive Income for the year	64.11	(1,018.46)	(954.35)
Balance as at 31 March 2018	265.88	1,244.00	1,509.88
Balance as at 1 April 2018	265.88	1,244.00	1,509.88
Total Comprehensive Income for the year	69.86	356.50	426.36
Balance as at 31 March 2019	335.74	1,600.50	1,936.24

As per our report of even date.

**For B. K. SHROFF & Co.**  
Chartered Accountants  
Firm Regn. No. 302166E

**For and on behalf of the Board of Directors**

*L. K. Shroff*  
L. K. Shroff  
Partner  
Membership No.060742

Place : Kolkata  
Dated: 18th May, 2019



*Gautam Ganguli*  
GAUTAM GANGULI  
DIN : 00871416

*Suresh Kumar Sharma*  
SURESH KUMAR BHARMA  
DIN : 00304907



# PIC REALCON LIMITED

Notes to the Ind AS Financial Statements for the year ended 31<sup>st</sup> March, 2019

## CORPORATE AND GENERAL INFORMATION

PIC Realcon Limited is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 as a Small & Medium sized Company as defined in the General Instruction in respect of Accounting Standard which notified under the Companies (Accounting Standard) Rules, 2006. Accordingly, the Company has complied with the Accounting Standard as applicable to Small & Medium sized Company.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### i) BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS IN COMPLIANCE WITH IND AS

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. For periods up to and including the year ended March 31st, 2018, the Company prepared its financial statements in accordance with the then applicable Accounting Standards in India ('previous GAAP'). These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2017. Refer policy (xiii) below, for the explanations of transition to Ind AS including the details of first-time adoption exemptions availed by the Company.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

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.

In addition, for financial reporting purposes, fair value measurements are categorised into 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.

**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.

#### ii) FUNCTIONAL AND PRESENTATION CURRENCY

These Ind AS Financial Statements are prepared in Indian Rupees which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs with two decimals..

#### iii) USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities (if any) on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known/ materialized.



## PIC REALCON LIMITED

Notes to the Ind AS Financial Statements for the year ended 31<sup>st</sup> March, 2019

### iv) PRESENTATION OF FINANCIAL STATEMENTS

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian Accounting Standards.

### v) CURRENT AND NON-CURRENT CLASSIFICATION

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 and Ind AS 1. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

### vi) FINANCIAL INSTRUMENTS

#### a) Financial Assets

**A. Initial recognition and measurement:** All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

#### B. Subsequent measurement:

a) Financial assets carried at amortised cost (AC): A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



## PIC REALCON LIMITED

Notes to the Ind AS Financial Statements for the year ended 31<sup>st</sup> March, 2019

b) Financial assets at fair value through other comprehensive income (FVTOCI): A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. **Investments:** Equity oriented investments are measured at fair value, with value changes recognised in 'Other Comprehensive Income'. Whereas investments other than equity are measured at cost.

### b) Financial Liabilities

A. **Initial recognition and measurement:** All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. **Subsequent measurement:** Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### c) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### vii) REVENUE RECOGNITION

Revenue is recognized based to the extent it is probable that the economic benefit will flow to the company and revenue can be reliably measured regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, and excludes taxes & duties collected on behalf of the Government and is reduced for estimated customer returns, rebates and other similar allowances.

1. **Dividend Income:** Dividend income is accounted in the period in which the right to receive the same is established.

2. **Other income:** Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.



## PIC REALCON LIMITED

Notes to the Ind AS Financial Statements for the year ended 31<sup>st</sup> March, 2019

### viii) TAX EXPENSES

Tax Expense for the period are recognised in profit or loss, except when they are relate to items that are recognised in other comprehensive income or directly in equity, in which case, the tax expense are also recognised in other comprehensive income or directly in equity respectively

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

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

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

### ix) EARNINGS PER SHARE

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders 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 adjusted for the effects of potential equity shares 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.

### x) EVENTS OCCURRING AFTER BALANCE SHEET DATE :

Events occurring after the balance sheet date have been considered in the preparation of financial statements.

### xi) PROVISIONS & CONTINGENT LIABILITIES :

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

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

Contingent Liabilities are disclosed by way of notes to the financial statements in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

### xii) STATEMENT OF CASH FLOWS :

The Company adopts the Indirect Method in preparation of Statement of Cash Flows. For the purpose of Statement of Cash Flows, Cash & Cash equivalents consists of Cash on Hand & Cash at Bank.





## PIC REALCON LIMITED

Notes to the Ind AS Financial Statements for the year ended 31<sup>st</sup> March, 2019

### xiii) FIRST TIME ADOPTION TO IND AS :

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2018, with a transition date of 1st April, 2017. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2019 for the company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

#### Applicable Mandatory Exceptions

Estimates: An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP.

The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at Fair Value through Other Comprehensive Income.



**2. Non - Current Investments****Investments at Fair Value through OCI****Investments in Equity Instruments**

	Face Value (₹ per share)	31st March 2019		31st March 2018		01st April, 2017	
		Nos.	(₹ in Lakhs)	Nos.	(₹ in Lakhs)	Nos.	(₹ in Lakhs)
<b>Quoted Equity Instruments (Fully Paid)</b>							
Cimmco Limited	10	70780	23.36	70780	55.46	70780	66.43
Hindustan Everest Tools Limited	10	52175	20.20	52175	20.20	52175	21.47
KDDL Limited	10	35000	154.07	35000	135.42	35000	67.87
Orient Cement Limited	1	425260	335.95	425260	592.60	425260	560.92
Orient Paper & Industries Limited	1	425260	148.84	425260	167.77	425260	345.31
Orient Electric Limited*	1	425260	648.30	425260	7.29	-	-
Sutlej Textiles & Industries Limited	10	171463	68.67	171463	124.91	171463	1,412.86
SIL Investment Limited	10	114309	503.19	114309	397.80	114309	172.61
Zenith Birla Limited	10	3432	0.07	3432	0.07	3432	0.02
			<u>1,902.65</u>		<u>1,501.52</u>		<u>2,647.49</u>
<b>Unquoted Equity Instruments (Fully Paid)</b>							
The Hindustan Times Limited	10	192000	2.18	192000	2.18	192000	2.18
Gmmco Limited	10	68249	342.10	68249	342.10	68249	342.10
			<u>344.28</u>		<u>344.28</u>		<u>344.28</u>
			<u>2,246.93</u>		<u>1,845.80</u>		<u>2,991.77</u>
Aggregate Value of Quoted Investments			1,902.65		1,501.52		2,647.49
Aggregate Value of Unquoted Investments			344.28		344.28		344.28
Market Value of Quoted Investments			1,902.65		1,501.52		2,647.47

\* During the FY 2017-18, Orient Electric Limited has issued 4,25,260 Eq. Shares to the company pursuant to Scheme of Demerger for equity shares held in Orient Paper & Industries Limited in the ratio of 1:1. However, such shares were listed on 14.05.2018 on NSE.

**3. Other Non Current Assets**

	31st March 2019	31st March 2018	01st April, 2017
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
<b>Others</b>			
Miscellaneous Expenditures			
Preliminary Expenses	-	-	0.16
	<u>-</u>	<u>-</u>	<u>0.16</u>



**4. Cash and Bank Balances**

	31st March 2019 (₹ in Lakhs)	31st March 2018 (₹ in Lakhs)	01st April, 2017 (₹ in Lakhs)
<b>Balance with Scheduled banks</b>			
On Current Accounts	3.13	1.00	3.54
<b>Cash on Hand</b>	0.08	0.09	0.09
	<u>3.21</u>	<u>1.09</u>	<u>3.63</u>

**5. Other Current Assets**

	31st March 2019 (₹ in Lakhs)	31st March 2018 (₹ in Lakhs)	31st March 2018 (₹ in Lakhs)
<b>Others</b>			
Dividend Receivable	-	0.94	7.43
	<u>-</u>	<u>0.94</u>	<u>7.43</u>

**6. Equity Share Capital**

	31st March,2019		31st March,2018		01st April,2017	
	Nos.	(₹ in Lakhs)	Nos.	(₹ in Lakhs)	Nos.	(₹ in Lakhs)
<b>Authorised Shares</b>						
Equity Shares of Rs 10/- each	50,000	5.00	50,000	5.00	50,000	5.00
<b>Issued,subscribed and fully paid-up shares</b>						
Equity Shares of Rs 10/- each	50,000	5.00	50,000	5.00	50,000	5.00
	<u>50,000</u>	<u>5.00</u>	<u>50,000</u>	<u>5.00</u>	<u>50,000</u>	<u>5.00</u>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	31st March,2019		31st March,2018		01st April,2017	
	Nos.	(₹ in Lakhs)	Nos.	(₹ in Lakhs)	Nos.	(₹ in Lakhs)
<b>Equity Shares</b>						
At the beginning of the Period	50,000	5.00	50,000	5.00	50,000	5.00
Add: Issued during the Period	-	-	-	-	-	-
<b>Outstanding at the end of the Period</b>	<u>50,000</u>	<u>5.00</u>	<u>50,000</u>	<u>5.00</u>	<u>50,000</u>	<u>5.00</u>

(b) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors, if any, is subject to the approval of the shareholders in the Annual General Meeting and payable in Indian Rupees.

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% shares in the Company**

	31st March,2019		31st March,2018		01st April,2017	
	Nos	% holding	Nos.	% holding	Nos.	% holding
Pilani Investment & Industries Corpn. Ltd	50000	100.00	50000	100.00	50000	100.00

As per the records of the company, including its register of shareholders, the above shareholding represents legal ownership of shares



**7. Other Equity**

	31st March 2019 (₹ in Lakhs)	31st March 2018 (₹ in Lakhs)	01st April, 2017 (₹ in Lakhs)
<b>Retained Earning</b>			
Opening Balance	265.88	201.77	201.77
Profit for the Year	69.86	64.11	-
Closing Balance	<u>335.74</u>	<u>265.88</u>	<u>201.77</u>
<b>Equity Instrument through Other Comprehensive Income</b>			
Opening Balance	1,244.00	2,262.46	-
Transitional Effect on Fair Value of Equity Instruments*	-	-	2,262.46
Changes in Fair Value of Equity Instruments for the year*	356.50	(1,018.46)	-
Closing Balance	<u>1,600.50</u>	<u>1,244.00</u>	<u>2,262.46</u>
<b>Total Other Equity</b>	<u>1,936.24</u>	<u>1,509.88</u>	<u>2,464.23</u>

\*Net of Tax

**8. Deferred Tax Liabilities**

	31st March 2019 (₹ in Lakhs)	31st March 2018 (₹ in Lakhs)	01st April, 2017 (₹ in Lakhs)
<b>On account of Fair Value of Equity Instruments</b>			
Opening Balance	155.77	283.29	-
Transitional Effect	-	-	283.29
Effect for the year	44.64	(127.52)	-
Closing Balance	<u>200.41</u>	<u>155.77</u>	<u>283.29</u>

**9. Current Borrowing**

	31st March 2019 (₹ in Lakhs)	31st March 2018 (₹ in Lakhs)	01st April, 2017 (₹ in Lakhs)
<b>Loan From Related Parties</b>			
<i>Unsecured Loan From Holding Company:-</i>			
Pilani Investment & Industries Corpn. Ltd (Interest Free Loan)	108.14	176.94	250.27
	<u>108.14</u>	<u>176.94</u>	<u>250.27</u>

**10. Other Current Liabilities**

	31st March 2019 (₹ in Lakhs)	31st March 2018 (₹ in Lakhs)	01st April, 2017 (₹ in Lakhs)
<b>Others</b>			
Liabilities for Expenses	0.35	0.24	0.20
	<u>0.35</u>	<u>0.24</u>	<u>0.20</u>





**11. Revenue from Operations**

	31st March 2019 (₹ in Lakhs)	31st March 2018 (₹ in Lakhs)
Dividend Income on		
-Non Current Investments	70.47	64.80
	<u>70.47</u>	<u>64.80</u>

**12. Other Expenses**

	31st March 2019 (₹ in Lakhs)	31st March 2018 (₹ in Lakhs)
Professional Charges	0.21	0.19
Demat/ Bank Charges	0.01	0.02
Filing Fees	0.04	0.05
Payment to Auditors		
-As Audit Fee	0.29	0.18
-For Others	0.06	0.09
Preliminary Expenses-Written Off	-	0.16
	<u>0.61</u>	<u>0.69</u>

**13. Earning Per Share**

	31st March 2019 (₹ in Lakhs)	31st March 2018 (₹ in Lakhs)
Profit after Tax as per Statement of Profit & Loss	69.86	64.11
Weighted Average no. of Equity Shares (Nos.)	50,000	50,000
Basic & Diluted Earning Per Share (₹)	<u>139.73</u>	<u>128.21</u>

14. The company has no dues to Micro, Small and Medium Enterprises as much to company's knowledge which are outstanding for more than 45 days as at 31st March 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information provided by the supplier.

15. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of Current Assets, Loans and Advances in the ordinary course of business, would not be less than the amount at which they are stated in the Balance Sheet.

16. A reconciliation between the opening and closing balances in the balance sheet for liabilities and financial assets arising from financing is illustrated below as per IND AS 7 :-

Particulars	₹ in Lakhs			
	Opening Balance	(Payment)/ Receipts	Non-Operating Cash	Closing Balance
Loan from Related Parties	176.94	(68.80)	-	108.14



## 17 First Time Adoption of Ind AS

## 17.1 Transition to Ind AS

The Company has adopted The Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act' 2013 from 1 April 2018 and accordingly financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS, prescribed under Section 133 of the Companies Act 2013 read with the relevant rules issued thereunder. These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented for the year ended 31 March 2018 and in the preparation of an opening Ind AS balance sheet as at 1 April 2017 (the transition date).

In preparing the opening Ind AS balance sheet as at 1 April 2017, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). The impact of transition has been made in the Reserves as at 1 April 2016 in accordance with the Ind AS 101 and the figures of the previous year ended 1 April 2017 and 31 Mar 2018 have been presented/restated after incorporating the applicable Ind AS adjustments.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

## 17.2 Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows, from as reported in accordance with previous GAAP. The following tables represent the reconciliations from previous GAAP to Ind AS.

## 17.2.1 Reconciliations of Balance Sheet as per previous GAAP and Ind AS \*

Particulars	Refer Note	Rs in lakh					
		As at 31st March 2018			As at 1st April 2017		
		Previous GAAP	Adjustment	Ind AS	Previous GAAP	Adjustment	Ind AS
<b>Assets</b>							
<b>NON CURRENT ASSETS</b>							
1 Financial Assets	(a)	446.03	1,399.77	1,845.80	446.03	2,545.75	2,991.77
2 Other Non-Current Assets		-	-	-	0.16	-	0.16
<b>Total Non-Current Assets</b>		<b>446.03</b>	<b>1,399.77</b>	<b>1,845.80</b>	<b>446.19</b>	<b>2,545.75</b>	<b>2,991.93</b>
<b>CURRENT ASSETS</b>							
1 Financial Assets							
Cash and cash equivalents		1.09	-	1.09	3.63	-	3.63
2 Other Current Assets		0.94	-	0.94	7.43	-	7.43
<b>Total Current Assets</b>		<b>2.03</b>	<b>-</b>	<b>2.03</b>	<b>11.06</b>	<b>-</b>	<b>11.06</b>
<b>Total Assets</b>		<b>448.06</b>	<b>1,399.77</b>	<b>1,847.83</b>	<b>457.25</b>	<b>2,545.75</b>	<b>3,002.99</b>

Particulars	Refer Note	Rs in lakh					
		As at 31st March 2018			As at 1st April 2017		
		Previous GAAP	Adjustment	Ind AS	Previous GAAP	Adjustment	Ind AS
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
1 Equity Share Capital		5.00	-	5.00	5.00	-	5.00
2 Other Equity		265.88	1,244.00	1,509.88	201.77	2,262.46	2,464.23
<b>Total Equity</b>		<b>270.88</b>	<b>1,244.00</b>	<b>1,514.88</b>	<b>206.77</b>	<b>2,262.46</b>	<b>2,469.23</b>
<b>NON-CURRENT LIABILITIES</b>							
Deferred Tax Liability	(b)	-	155.77	155.77	-	283.29	283.29
<b>Total Non Current liabilities</b>		<b>-</b>	<b>155.77</b>	<b>155.77</b>	<b>-</b>	<b>283.29</b>	<b>283.29</b>
<b>CURRENT LIABILITIES</b>							
1 Financial liabilities							
Borrowings		176.94	-	176.94	250.27	-	250.27
2 Other current liabilities		0.24	-	0.24	0.20	-	0.20
<b>Total Current liabilities</b>		<b>177.18</b>	<b>-</b>	<b>177.18</b>	<b>250.47</b>	<b>-</b>	<b>250.47</b>
<b>Total Equity and liabilities</b>		<b>448.05</b>	<b>1,399.77</b>	<b>1,847.83</b>	<b>457.26</b>	<b>2,545.75</b>	<b>3,002.99</b>

\* For the purpose of above disclosure, figures for the previous GAAP have been reclassified to conform presentation requirements under Ind AS and the requirements laid down in Division II to the Schedule III of the Companies Act 2013.



17.2.2 Reconciliation of total comprehensive income for the year ended 31 March 2018

Particulars	Refer Note	For the year ended 31st March 2018		
		Previous GAAP	Adjustment	Ind AS
<b>I REVENUE</b>				
Revenue from Operations		64.80	-	64.80
<b>Total Revenue</b>		<b>64.80</b>	<b>-</b>	<b>64.80</b>
<b>II EXPENSES</b>				
Other Expenses		0.69	-	0.69
<b>TOTAL EXPENSES</b>		<b>0.69</b>	<b>-</b>	<b>0.69</b>
<b>PROFIT BEFORE TAX</b>		<b>64.11</b>	<b>-</b>	<b>64.11</b>
<b>IV TAX EXPENSE</b>				
Current Tax & EARLIER YEAR TAX		-	-	-
Deferred Tax		-	-	-
<b>V PROFIT AFTER TAX</b>		<b>64.11</b>	<b>-</b>	<b>64.11</b>
<b>VI OTHER COMPREHENSIVE INCOME</b>				
Items that will not be classified subsequently to profit & loss	(c)	-	(1,145.98)	(1,145.98)
Income tax on above		-	127.52	127.52
<b>VI TOTAL COMPREHENSIVE INCOME</b>		<b>64.11</b>	<b>(1,018.46)</b>	<b>(954.35)</b>

17.2.3 Reconciliation of Total Equity as at 31 March 2018 and 1 April 2017

Particulars	Rs in lakh	
	As at 31st March 2018	As at 1st April 2017
Other equity as per previous GAAP	265.88	201.77
Fair value of Investments (Net of Tax)	1,244.00	2,262.46
Other Equity as per Ind AS	1,509.88	2,464.23

The Equity Share Capital Component of Total Equity has no change from previous GAAP, hence not considered above.

Explanatory Notes to First Time Adoption are as follows:

(a) **Equity Instrument at Fair Value**

Equity oriented investments are measured at fair value, with value changes recognised in 'Other Comprehensive Income'.

(b) **Deferred Tax Liability**

Deferred Tax effect on account of Fair Value of Equity through OCI.

(c) **Other comprehensive income**

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.



**18. Financial instruments**

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 1 to the financial statements.

**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 value of unquoted investments under Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value.

The following table summarises financial assets i.e. Investments in Equity Instruments measured at fair value

	(₹ in Lakhs)			
	Level 1	Level 2	Level 3	Total
As at April 01, 2017	2,647.49	-	344.28	2,991.77
As at March 31, 2018	1,501.52	-	344.28	1,845.80
As at March 31, 2019	1,902.65	-	344.28	2,246.93

**19. Related Party Disclosures as per IND AS – 24****Names of related parties and related party relationship****a. Name of the related parties where control exists**

Holding Company

Pilani Investment &amp; Industries Corpn. Ltd

**b. Name of other related parties**

Directors

R. P. Pansari  
Gautam Ganguly  
Suresh Kumar Sharma**Related Party Transactions for the relevant period:**

	2018-19 ₹ in Lakhs	2017-18 ₹ in Lakhs
<b>Holding Company</b>		
Repayment of Borrowings		
Pilani Investment & Industries Corpn. Ltd	68.80	73.33
<b>Borrowings Outstanding</b>		
Pilani Investment & Industries Corpn. Ltd	108.14	176.94

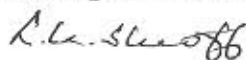
**20. The previous year figures have been re-arranged and / or regrouped wherever necessary.**

As per our report of even date.

For B. K. SHROFF &amp; Co.

Chartered Accountants

Firm Regn. No. 302166E



L. K. Shroff

Partner


Membership No. 060742

Place : Kolkata

Dated: 18th May, 2019



For and on behalf of the Board of Directors


GAUTAM GANGULI  
DIN : 00871416
  
SURESH KUMAR SHARMA  
DIN : 00304907



### INDEPENDENT AUDITOR'S REPORT

To the Members of PIC PROPERTIES LIMITED

Report on the Audit of the Ind AS Financial Statements

#### Opinion

We have audited the accompanying Ind AS financial statements of PIC PROPERTIES LIMITED ("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 Ind AS financial statements give the information required by the Companies Act, 2013("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 loss, 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 Ind AS 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 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 financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

#### Other Information

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 Ind AS financial statements and our auditor's report thereon.

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 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.



#### **Responsibility of Management for the Ind AS 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 Ind AS 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 Ind AS financial statements 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 judgment and maintain professional skepticism 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 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 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.



Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 financial statements.

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.

### Other Matter

The comparative financial information of the Company for the year ended March 31, 2018 and the transition date opening balance sheet as at April 01, 2017 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2014 audited by us, report for the year ended March 31, 2018 and March 31, 2017 dated April 19, 2018 and April 25, 2017 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

### 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 Ind AS 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 Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019;



- (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:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 25 to the Ind AS financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Singhi & Co.  
Chartered Accountants  
Firm's Registration No. 302049B



(Anurag Singhi)  
Partner

Membership No.066274

Place: Kolkata

Date: 27<sup>th</sup> May, 2019

**ANNEXURE "1" TO THE INDEPENDENT AUDITORS' REPORT**

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

- i) In respect of its fixed assets:
- (a) The Company has maintained proper records to show full particulars including quantitative details and situation of the fixed assets (included in Investment Property).
  - (b) The fixed assets were physically verified during the year by the management which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company
- ii) The Company is not trading in any goods. Therefore, the provision of clause 3(ii) of the Order relating to Inventory is not applicable to the Company.
- iii) The Company has not granted any loan to parties covered in the register maintained under section 189 of Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, the company has not given any loans, investments, guarantees and security. Therefore, this clause is not applicable to the company.
- v) The Company has not accepted any deposit from the public within the meaning of section 73 to 76 of Companies Act, 2013 and rules framed there under.
- vi) The company is not required to maintain cost records as prescribed by Central Government under section 148 (1) (d) of the Companies Act 2013.
- vii) In respect of statutory and other dues:
- a) According to the information and explanations given to us and on the basis of our examination of the books and account, the Company has generally been regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, GST, cess and any other statutory dues during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed dues as above were outstanding as at 31<sup>st</sup> March 2018 for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, wealth tax, duty of customs, GST, and cess as at 31<sup>st</sup> March, 2019 which have not been deposited on account of dispute and the forum where the dispute is pending as on 31<sup>st</sup> March, 2018 is as under:

Name of the statute	Nature of dues	Amount (Rs. Crores)	Year	Forum where dispute is pending
New Delhi Municipal Corporation Property Tax	New Delhi Property Tax	4.38	2016-17	Court of District Judge, Patiala House, New Delhi





- viii) The company has not taken any loan from any bank, financial institution or debenture holders during the year. Accordingly paragraph – 3 (viii) of the order is not applicable.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and no term loan has been raised by the company during the year. Therefore, this clause is not applicable for the company.
- x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the Year.
- xi) The company did not have any whole time director or manager during the financial year. 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. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, this clause 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 non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Singhi & Co.  
Chartered Accountants  
Firm's Registration No. 302049E



(Anurag Singhi)  
Partner  
Membership No. 066274

Place: Kolkata  
Date: 27<sup>th</sup> May, 2019

## ANNEXURE "2" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(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 Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ("the Company") as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls Over Financial Reporting

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



## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 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.

Place: Kolkata  
Date: 27<sup>th</sup> May, 2019



For Singhi & Co.  
Chartered Accountants  
Firm's Registration No. 302049E

A handwritten signature in black ink, appearing to be 'Anurag Singhi', written over a horizontal line.

(Anurag Singhi)  
Partner

Membership No. 066274

# PIC PROPERTIES LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 1. CORPORATE AND GENERAL INFORMATION

PIC Properties Limited ("the Company") is a public limited company domiciled and incorporated in India under the Companies Act 1956. The registered office of the Company is situated at Kolkata, West Bengal. The Company's principal business is Renting of Property.

## 2. BASIS OF PREPARATION & PRESENTATION OF FINANCIAL STATEMENT

### 2.1. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements for all periods up to and including the year ended 31st March, 2017, were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, which includes the accounting standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act (collectively referred to as "Indian GAAP"). These financial statements for the year ended 31st March, 2019 are the first Ind AS Financial Statements with comparatives, prepared under Ind AS. The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at 1st April, 2017 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101 "First Time Adoption of Indian Accounting Standards".

An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note No. 34. Certain of the Company's Ind-AS accounting policies used in the opening Balance Sheet differed from its Indian GAAP policies applied as at 31st March, 2017 and accordingly the adjustments were made to restate the opening balances as per Ind-AS. The resulting adjustment arising from events and transactions before the date of transition to Ind-AS were recognized directly through retained earnings as at 1<sup>st</sup> April, 2017 as required by Ind- AS 101. The financial statements of the Company for the year ended 31st March, 2019 has been approved by the Board of Directors in their meeting held on 27th May, 2019.

### 2.2. Basis of Measurement

The Company maintains accounts on accrual basis following the historical cost convention, except for followings:

- Certain Financial Assets and Liabilities is measured at Fair value/ Amortized cost (refer accounting policy regarding financial instruments).

### 2.3. Functional and Presentation Currency

The Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. The Company has prepared Ind As Financial Statement in full figure instead of nearest round off thousand, since the turnover of the Company is comparatively very low.

### 2.4. Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

### 2.5. Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian Accounting Standards.



# PIC PROPERTIES LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 2.6. Current and Non-current classification

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 and Ind AS 1. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

## 2.7. Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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:

- In the principal market for the asset or liability, or
- 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 economic best 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 input that is significant to the fair value measurement as a whole:

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

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.





## PIC PROPERTIES LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2019

### 2.8. New Standards / Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Company's Financial Statement are disclosed below:

**Ind AS116 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 AS 116 introduce 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 asset 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.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS17 immediately before the date of initial application. Certain practical expedients are available under both the methods. On completion of evaluation of the effect of adoption of Ind AS116, the Company is proposing to use the Modified Retrospective Approach for transitioning to Ind AS116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

**Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments** : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.



## PIC PROPERTIES LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2019

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

**Amendment to Ind AS 12 – Income taxes :** On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

**Amendment to Ind AS 19 – plan amendment, curtailment or settlement-** On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

### 3. ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

#### 3.1. 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 change in value.

#### 3.2. Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in the statement of profit & loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

##### 3.2.1. Current Tax:

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.



# PIC PROPERTIES LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 3.2.2. Deferred Tax

- Deferred Tax assets and liabilities is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

## 3.3. PROPERTY, PLANT AND EQUIPMENT

### 3.3.1. Tangible Assets

#### 3.3.1.1. Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any), except for freehold land which are carried at historical cost.
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

#### 3.3.1.2. Subsequent Expenditure:

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

#### 3.3.1.3. Depreciation and Amortization:

- Depreciation on Property, Plant & Equipment is provided on Written down value method in terms of life span of assets prescribed in Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation.



# PIC PROPERTIES LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2019

- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Buildings	Useful Life
Buildings	60

### 3.3.1.4. Disposal of Assets

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 determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

### 3.3.1.5. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

## 3.4. LEASES

### 3.4.1. Determining whether an arrangement contains a lease

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

### 3.4.2. Company as lessee

#### ➤ Finance Lease

Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease Payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly to the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Company will obtain the ownership by the end of lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

#### ➤ Operating Lease

Assets acquired on leases where a significant portion of risk and reward is retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on a straight-line basis over the lease term, except where scheduled increase in rent compensates the Company with expected inflationary costs.

## 3.5. REVENUE RECOGNITION

Revenue is recognized based to the extent it is probable that the economic benefit will flow to the company and revenue can be reliably measured regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, and excludes taxes & duties collected on behalf of the Government and is reduced for estimated customer returns, rebates and other similar allowances.

### 3.5.1. Rental Property:

Rental income from Investment Properties is recognized on time proportion basis.





# PIC PROPERTIES LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 3.5.2. Other Income:

- 3.5.2.1. Interest Income: For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.
- 3.5.2.2. Dividend Income: Dividend income is accounted in the period in which the right to receive the same is established.
- 3.5.2.3. Other Income: Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

## 3.6. EMPLOYEE BENEFITS

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as 'Employee Benefits Payable' within 'Other Current Liabilities' in the Balance Sheet.

## 3.7. BORROWING COSTS

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes foreign exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

## 3.8. 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.

### 3.8.1. Financial Assets

#### ➤ Recognition and Initial Measurement:

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured 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.

#### ➤ Classification and Subsequent Measurement:

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

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments designated at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.





## PIC PROPERTIES LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2019

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the statement of profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the company.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Equity instruments which are held for trading are classified as at FVTPL.
- Equity instruments designated at FVTOCI: For equity instruments, which has not been classified as FVTPL as above, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as 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 P&L, even on sale of investment.

### ➤ Derecognition:

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows 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 entity.

### ➤ Impairment of Financial Assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes impairment loss for trade receivables that do not constitute a financing transaction using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

## 3.8.2. Financial Liabilities

### ➤ Recognition and Initial Measurement:

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### ➤ Subsequent Measurement:

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate



## PIC PROPERTIES LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2019

method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

### ➤ Derecognition:

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

### 3.8.3. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

### 3.9. Earnings Per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders 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 adjusted for the effects of potential equity shares 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.

### 3.10. Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

### 3.11. Provisions, Contingent Liabilities and Contingent Assets

#### 3.11.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

#### 3.11.2. Contingent Liabilities

Contingent liability is a possible obligation arising 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 a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

#### 3.11.3. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.



## PIC PROPERTIES LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2019

### 3.12. Investment properties

- Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.
- Upon initial recognition, an investment property is measured at cost. Subsequently they are stated in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.
- Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the statement of profit and loss.
- The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act.
- Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

### 3.13. Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

The Company has identified one reportable segment "Rental of Property" based on the information reviewed by the CODM.

## 4. SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING ACCOUNTING POLICIES

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Information about Significant judgments and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Fair value measurement of financial Instruments:** 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 Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this 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.



Particulars	Note	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Investment Property	5	2,63,55,725	2,64,08,487	2,64,61,249
(b) Financial assets	6			
(i) Investments	6.1	48,67,350	48,91,748	47,19,295
(c) Deferred tax assets (net)	7	71,482	68,945	86,881
(d) Other non-current assets	8	8,100	8,100	8,100
<b>Total non-current assets</b>		<b>3,13,02,657</b>	<b>3,13,77,280</b>	<b>3,12,75,525</b>
<b>(2) Current assets</b>				
(a) Financial assets	9			
(i) Trade receivables	9.1	47,832	-	-
(ii) Cash and cash equivalents	9.2	8,04,775	19,91,493	17,73,835
(iii) Other financial assets	9.3	41,09,627	-	-
(b) Current tax assets (net)	10	1,51,859	75,898	22,465
(c) Other current assets	11	20,07,663	20,11,198	20,20,399
<b>Total current assets</b>		<b>71,21,754</b>	<b>40,78,589</b>	<b>38,16,699</b>
<b>Total assets</b>		<b>3,84,24,411</b>	<b>3,54,55,869</b>	<b>3,50,92,224</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	12.1	5,00,020	5,00,020	5,00,020
(b) Other equity	12.2	(2,21,38,609)	(2,07,50,333)	74,86,827
<b>Total equity</b>		<b>(2,16,38,589)</b>	<b>(2,02,50,313)</b>	<b>79,86,847</b>
<b>Liabilities</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial liabilities	13.1			
(i) Borrowings	13.2	-	48,09,182	2,67,09,182
<b>Total non-current liabilities</b>		<b>-</b>	<b>48,09,182</b>	<b>2,67,09,182</b>
<b>(2) Current liabilities</b>				
(a) Financial liabilities	14.1			
(i) Trade payables:				
- Total Outstanding Dues of Micro Enterprises & Small Enterprises.		-	-	-
- Total Outstanding Dues of Creditors other than Micro Enterprises & Small Enterprises.	14.2	54,000	59,000	97,650
(ii) Other financial liabilities	14.3	6,00,00,000	4,79,47,200	30,000
(b) Other current liabilities	15.1	9,000	28,90,800	27,000
(c) Current Tax Liabilities (Net)	16.1	-	-	2,41,545
<b>Total current liabilities</b>		<b>6,00,63,000</b>	<b>5,08,97,000</b>	<b>3,96,195</b>
<b>Total equity and liabilities</b>		<b>3,84,24,411</b>	<b>3,54,55,869</b>	<b>3,50,92,224</b>
<b>Corporate and General Information</b>	1			
<b>Basis of Preparation &amp; Presentation of Financial Statement</b>	2			
<b>Accounting Policies</b>	3			
<b>Significant Judgements and Key Sources of Estimation in Applying Accounting Policies</b>	4			

The accompanying notes are an integral part of the financial statements

As per our report of even date  
 For Singhi & Co.  
 Firm Registration No. 302049E  
 Chartered Accountants

CA. Anurag Singhi  
 Membership No. 066274  
 Partner

Place: Kolkata

Date: 27<sup>th</sup> May 2019



*G.K. Tulsian*

G.K. Tulsian  
 DIN : 00017786  
 Director

*S N Neotia*

S N Neotia  
 DIN : 01259207  
 Director



CIN : U70109WB1985PLC038472

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

(All amounts in Rs, unless otherwise stated)

Particulars	Note	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
I Revenue from operations	17.1	6,37,764	6,37,765
II Other Income	18.1	2,37,211	18,89,614
III <b>Total Income ( I+II)</b>		<b>8,74,975</b>	<b>25,27,379</b>
IV <b>Expenses</b>			
Employee benefit expenses	19.1	12,000	12,000
Finance Cost	20.1	14,17,610	34,68,821
Depreciation	5	52,762	52,762
Other expenses	21.1	7,83,416	8,72,673
<b>Total Expenses (IV)</b>		<b>22,65,788</b>	<b>44,06,256</b>
V <b>Profit/(Loss) Before Exceptional Items and Tax ( III-IV)</b>		<b>(13,90,813)</b>	<b>(18,78,877)</b>
VI Exceptional Items	22.1	-	2,62,80,000
VII <b>Profit/(Loss) Before Tax ( V-VI)</b>		<b>(13,90,813)</b>	<b>(2,81,58,877)</b>
VIII <b>Tax Expense:</b>			
- Current tax		-	60,347
- Deferred tax	23.1	(2,537)	17,936
IX <b>Profit / ( Loss ) After Tax ( VII-VIII)</b>		<b>(13,88,276)</b>	<b>(2,82,37,160)</b>
X <b>Other comprehensive income</b>		-	-
XI <b>Total comprehensive income for the period (IX+X)</b>		<b>(13,88,276)</b>	<b>(2,82,37,160)</b>
XII <b>Earnings per equity share: [Nominal value per share Rs.10 (Previous Year- Rs. 10)]</b>	24.1		
Basic and Diluted earnings per share (EPS)		(27.76)	(564.72)

Corporate and General Information	1
Basis of Preparation & Presentation of Financial Statement	2
Accounting Policies	3
Significant Judgements and Key Sources of Estimation in Applying Accounting Policies	4

The accompanying notes are an integral part of the financial statements

As per our report of even date  
 For **Singhi & Co.**  
 Firm Registration No.302049E  
 Chartered Accountants  
  
**CA. Anurag Singhi**  
 Membership No. 066274  
 Partner  
 Place : Kolkata  
 Date: 27<sup>th</sup> May '2019



  
**G.K. Tulsian**  
 DIN :00017786  
 Director  
  
**S N Neotia**  
 DIN :01259207  
 Director



	Year Ended 31st March, 2019 Rs.		Year Ended 31st March, 2018 Rs.	
<b>A. Cash Flow from Operating Activities</b>				
Profit/(Loss) before tax		(13,90,813)		(2,81,58,877)
<b>Adjustment for:</b>				
Depreciation	52,762		52,762	
Finance Expenses	14,17,310		34,68,221	
Income from Investments	(74,703)		(2,03,746)	
Net (Gain)/Loss on fair valuation of investments measured at fair value through Profit & Loss	24,398		(1,72,453)	
		14,20,067		31,45,364
<b>Operating profit before changes in operating assets and liabilities</b>		29,254		(2,50,13,493)
<b>Changes in operating assets and liabilities</b>				
Increase / (Decrease) in Trade Payables	(5,000)		(38,650)	
Increase in Provisions	-		-	
Increase in Other financial liabilities	5,99,70,000		-	
Increase in Other current liabilities	(28,81,800)		(27,000)	
(Increase) in trade receivables	(47,832)		-	
(Increase) in Other financial assets	(41,09,627)		-	
Decrease in Other non-current assets	-		-	
(Increase) / Decrease in Other current assets	3,535		9,201	
		5,29,29,276		(56,449)
<b>Cash used in Operations</b>		5,29,58,530		(2,50,69,942)
Direct Taxes (net of refund)		(75,961)		(3,56,325)
<b>Net cash used in Operating Activities</b>		5,28,82,569		(2,54,25,267)
<b>B. Cash Flow from Investing Activities</b>				
Income from Investments	74,703		2,03,746	
Purchase of tangible assets	-		-	
		74,703		2,03,746
<b>Net Cash used in Investing Activities</b>		74,703		2,03,746
<b>C. Cash Flow from Financing Activities</b>				
Proceeds from Short Term Borrowings		-		4,25,00,000
Proceeds of Long term Borrowings		-		2,62,80,000
Payment of Short term Borrowings		(5,41,43,992)		(4,33,40,821)
Net cash from Financing Activities		(5,41,43,992)		2,54,39,179
<b>Net Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>		(11,86,720)		2,17,658
Cash and Cash Equivalents at the beginning of the year (Refer Note 9.2)		19,91,493		17,73,835
Cash and Cash Equivalents at the end of the year (Refer Note 9.2)		8,04,773		19,91,493

**Notes:**

- The above Statement of Cash Flow has been prepared under the Indirect Method as set out in Ind AS -7 " Statement of Cash Flows". The accompanying notes are an integral part of these Statement of Cash Flows

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

As per our report of even date  
For **Singhi & Co.**  
Firm Registration No. 302049E  
Chartered Accountants

CA. Anurag Singhi  
Membership No. 066274  
Partner  
Place : Kolkata  
Date: 27<sup>th</sup> May ' 2019



On behalf of the Board

*G.K. Tulsian*

G.K. Tulsian  
DIN :00017786  
Director

*S N Neotia*

S N Neotia  
DIN :01259207  
Director

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

(All amounts in Rs ,unless otherwise stated)

**A. Equity share capital**

(All amounts in Rs ,unless otherwise stated)

Description	Note	Number	Amount
As at 1st April, 2017	12.1	50,002	5,00,020
Changes in equity share capital		-	-
As at 31st March, 2018	12.1	50,002	5,00,020
Changes in equity share capital		-	-
As at 31st March, 2019		50,002	5,00,020

**B. Other equity**

Description	Reserve and surplus			Total Other Equity
	Capital Redemption Reserve	General Reseve	Retained Earnings	
Balance as at 1st April, 2017	200	28,187	74,58,440	74,86,827
Profit for the year	-	-	(2,82,37,160)	(2,82,37,160)
Balance at 31st March 2018	200	28,187	(2,07,78,720)	(2,07,50,333)

Description	Reserve and surplus			Total Other Equity
	Capital Redemption Reserve	General Reseve	Retained Earnings	
Balance as at 1st April, 2018	200	28,187	(2,07,78,720)	(2,07,50,333)
Profit for the year	-	-	(13,88,276)	(13,88,276)
Balance as at 31st March 2019	200	28,187	(2,21,66,996)	(2,21,38,609)

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

As per our report of even date.

For **Singhi & Co.**

Firm Registration No.302049E

Chartered Accountants

CA. Anurag Singhi

Membership No. 066274

Partner

Place :Kolkata

Date: 27<sup>th</sup> May '2019



*G.K. Tulsian*

G.K. Tulsian

DIN :00017786

Director

*S N Neotia*

S N Neotia

DIN :01259207

Director

**PIC Properties Limited**

Notes to financial statements for the year ended 31 March 2019

Notes to Standalone Financial Statements as on and for the year ended 31st March, 2019

(All amounts in Rs ,unless otherwise stated)

**5. INVESTMENT PROPERTY**

Particulars	As at 31st March,2019	As at 31st March,2018	As at 31st March,2017
<b>Gross Carrying Amount</b>			
Opening gross carrying amount/Deemed Cost of Land & Building	2,64,61,249	2,64,61,249	2,64,61,249.00
Additions	-	-	-
Disposals	-	-	-
Addition/Other Adjustments	-	-	-
<b>Closing gross carrying amount</b>	<b>2,64,61,249</b>	<b>2,64,61,249</b>	<b>2,64,61,249</b>
<b>Accumulated Depreciation</b>			
Opening Accumulated Depreciation	52,762	-	-
Depreciation charged during the year	52,762	52,762	-
Deductions	-	-	-
Other Adjustments	-	-	-
Addition/Other Adjustments	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>1,05,524</b>	<b>52,762</b>	<b>-</b>
<b>Net Carrying Amount</b>	<b>2,63,55,725</b>	<b>2,64,08,487</b>	<b>2,64,61,249</b>

5.1 The fair value of the above investment property as at 1st April 2017, 31st March 2018 and 31st March 2019 is Rs.69,57,90,000/- respectively. The said fair value is based on valuation report obtained by the Company from a Registered Valuer.

5.2 The amounts recognized in Statement of Profit and Loss in relation to the above investment property :

Rental income derived From investment property

Direct operating expenses ( including repairs and maintenance ) generating rental income

Depreciation

**Profit arising From investment property before indirect expenses**

	For the year ended 31st March,2019	For the year ended 31st March,2018
Rental income derived From investment property	6,37,764	6,37,765
Direct operating expenses ( including repairs and maintenance ) generating rental income	25,413	17,902
Depreciation	52,762	52,762
<b>Profit arising From investment property before indirect expenses</b>	<b>5,59,589</b>	<b>5,67,101</b>



**RIC Properties Limited**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Rs, unless otherwise stated)

**6. NON-CURRENT FINANCIAL ASSETS**

**6.1 INVESTMENTS**

Particulars	Face value of each unit/Number	Unit / Number	As at 31 March 2019	Unit / Number	As at 31 March 2018	Unit / Number	As at 1st April, 2017
<b>Investments carried at fair value through Profit &amp; Loss</b>							
Investment in Equity Instruments (quoted) :							
Mangalore Refinery Petrochemicals Ltd.	Rs. 10	200	14,900	200	21,900	200	21,33
<b>Total</b>			<b>14,900</b>		<b>21,900</b>		<b>21,33</b>
<b>Investment in Mutual funds (unquoted)</b>							
Birla Sun Life Dividend Yield Plus - Dividend	Rs. 10	18,811.136	2,63,168	18,811.136	2,90,632	18,811.136	3,10,00
Birla Sun Life Midcap Fund - Plan - Dividend	Rs. 10	33,472.804	10,77,824	33,472.804	11,92,971	33,472.804	12,01,67
Birla Sunlife Short term Opportunity Fund-Growth	Rs. 10	16,671.767	5,15,383	16,671.767	4,80,980	16,671.767	4,52,15
Birla Sunlife Medium Term Plan-Growth	Rs. 10	50,782.902	11,57,297	50,782.902	11,15,193	50,782.902	10,35,84
Birla Sunlife Medium Term Plan-Growth	Rs. 10	58,746.460	13,38,779	58,746.460	12,90,072	58,746.460	11,98,28
<b>Total</b>			<b>43,52,450</b>		<b>43,69,848</b>		<b>41,97,96</b>
<b>Investments Carried at amortized cost</b>							
Investments in Tax Free Bonds :							
Housing and Urban Development Corporation Ltd.	Rs. 1,000	500	5,00,000	500	5,00,000	500	5,00,00
<b>Total</b>			<b>5,00,000</b>		<b>5,00,000</b>		<b>5,00,00</b>
<b>Grand Total</b>			<b>48,67,350</b>		<b>48,91,748</b>		<b>47,19,29</b>
<b>Aggregate amount of quoted investment &amp; market value</b>			<b>14,900</b>		<b>21,900</b>		<b>21,33</b>
<b>Aggregate amount of unquoted investment</b>			<b>48,52,450</b>		<b>48,69,848</b>		<b>46,97,96</b>



**PIC Properties Limited**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Rs, unless otherwise stated)

**7. Deferred tax Assets (net)**

The balance comprises temporary differences attributable to:

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1st April, 2017
<i>Deferred tax Assets</i>			
MAT Credit Entitlement	2,04,799	2,04,799	2,04,799
<i>Deferred tax liability</i>			
Fair value changes on financial assets in equity shares / mutual fund units	1,33,317	1,35,854	1,17,918
<b>Total</b>	<b>71,482</b>	<b>68,945</b>	<b>86,881</b>

**7.1 Movements in deferred tax assets and liabilities during the year ended 31.03.2019 and 31.03.2018**

Particulars	As at 31st March 2018	Recognised in Statement of Profit & Loss	As at 31st March 2019
<i>Deferred tax Assets</i>			
MAT Credit Entitlement	2,04,799	-	2,04,799
<i>Deferred tax liability</i>			
Investment in equity shares / mutual fund units	1,35,854	(2,537)	1,33,317
<b>Total</b>	<b>68,945</b>	<b>2,537</b>	<b>71,482</b>

Particulars	As at 1st April, 2017	Recognised in Statement of Profit & Loss	As at 31st March 2018
<i>Deferred tax Assets</i>			
MAT Credit Entitlement	2,04,799	-	2,04,799
<i>Deferred tax liability</i>			
Investment in equity shares / mutual fund units	1,17,918	17,936	1,35,854
<b>Total</b>	<b>86,881</b>	<b>(17,936)</b>	<b>68,945</b>

**8 OTHER NON-CURRENT ASSETS**

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1st April 2017
<b>Unsecured, considered good</b>			
Balances with Government & Other statutory Authorities	8,100	8,100	8,100
<b>Total</b>	<b>8,100</b>	<b>8,100</b>	<b>8,100</b>





**PIC Properties Limited**

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

(All amounts in Rs ,unless otherwise stated)

**9. CURRENT FINANCIAL ASSETS**

**9.1 TRADE RECEIVABLES**

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1st April 2017
<b>Unsecured, considered good</b>			
Unsecured, considered good	47,832	-	-
Unsecured, considered doubtful	-	-	-
Having significance increase in Credit Risk			
Credit Impaired	-	-	-
Less : Provision for expected credit loss	-	-	-
<b>Total</b>	<b>47,832</b>	<b>-</b>	<b>-</b>

**9.2 CASH AND CASH EQUIVALENTS**

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1st April 2017
<b>Balance with Scheduled Banks :</b>			
In Current Account	8,03,499	19,87,569	17,68,531
Cash in hand (As certified by the Management)	1,274	3,924	5,304
<b>Total</b>	<b>8,04,773</b>	<b>19,91,493</b>	<b>17,73,835</b>

**9.3 OTHER FINANCIAL ASSETS**

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1st April 2017
In Short Term Deposit ( Having maturity of less than 1 year and more than 3 months)	40,00,000	-	-
Interest accrued on deposits with bank	1,09,627	-	-
<b>Total</b>	<b>41,09,627</b>	<b>-</b>	<b>-</b>

**10. CURRENT TAX ASSETS (NET)**

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1st April 2017
Advance payment of Income Tax & Tax Deducted at Source	1,89,741	1,13,780	-
Less :- Provision for Taxation	(60,347)	(60,347)	-
Income Tax Refundable	22,465	22,465	22,465
<b>Total</b>	<b>1,51,859</b>	<b>75,898</b>	<b>22,465</b>

**11. OTHER CURRENT ASSETS**

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1st April 2017
<b>Unsecured , Cosidered Good</b>			
Prepaid Insurance	17,263	20,798	16,823
Advance to Others	-	-	13,175
Deposit with New Delhi Municipal Corporation against Appeal (Property Tax Demand)	19,90,400	19,90,400	19,90,400
<b>Total</b>	<b>20,07,663</b>	<b>20,11,198</b>	<b>20,20,399</b>



PIC Properties Limited

Notes to financial statements for the year ended 31 March 2019

(All amounts in Rs, unless otherwise stated)

12 EQUITY SHARE, CAPITAL AND OTHER EQUITY

12.1 SHARE CAPITAL

Particulars	As at 31st March, 2019		As at 31st March, 2018		As at 1st April, 2017	
	No. of Shares	Amount ₹	No. of Shares	Amount ₹	No. of Shares	Amount ₹
<b>Authorised</b>						
Equity Shares of par value Re. 10/- each	90,000	9,00,000	90,000	9,00,000	90,000	9,00,000
1,000-6% Non Cumulative Redeemable Preference Shares of Rs. 100/- each	1,000	1,00,000	1,000	1,00,000	1,000	1,00,000
<b>Issued, subscribed and fully paid</b>						
Equity Shares of par value Rs.10/- each	91,000	10,00,000	91,000	10,00,000	91,000	10,00,000
	50,002	5,00,020	50,002	5,00,020	50,002	5,00,020

a) There has been no change/movements in number of shares outstanding at the beginning & at the end of the reporting period.

b) The company has only one class of issued shares i.e. Ordinary shares having par value of Rs. 10/- per share. Each holder ordinary share is entitled to one vote per share & equal right for dividend. The dividend propose by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts in proportion to their shareholding.

c) 50002 Equity shares of Rs. 10 /- Each are held by M/s. Pilani Investment & Industries Corpn. Ltd. being the 100% holding Company.

e) Details of the Shareholders holding more than 5 % of the shares in the Company:

Sl. No.	Name of Shareholder	As at 31st March, 2019		As at 31st March, 2018		As at 1st April, 2017	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Holding	No. of Shares held
1	M/s. Pilani Investment & Industries Corpn. Ltd.	50,002	100	50,002	100	100	50,002

e) No ordinary share have been reserved for issue under options and contract/commitments for the sale of shares/investments as at the Balance Sheet date.

f) No shares have been allotted or has been bought back by the Company, during the period of 5 years preceding that date as at which the Balance Sheet prepared.

g) No securities convertible into Equity/Preference shares issued by the Company during the year.

h) No calls are unpaid by any Directors or Officers of the Company during the year.



**PIC Properties Limited**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Rs. unless otherwise stated)

**13. - NON-CURRENT FINANCIAL LIABILITIES**

**13.1 BORROWINGS**

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1st April, 2017
<b>Non Current Borrowings</b>			
<u>Unsecured :</u>			
* Loan from Holding Co. i.e. M/s. Piani Investment & Ind. Corpn. Ltd.)	-	48,09,182	48,09,182
Advance from - Body Corporate**	-	-	2,19,00,000
* Interest Free			
<b>Total</b>		<b>48,09,182</b>	<b>2,67,09,182</b>

**14. - CURRENT FINANCIAL LIABILITIES**

**14.1 TRADE PAYABLE**

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1st April, 2017
		₹	₹
<u>Trade Payable</u>			
Audit Fees Payable	54,000	59,000	34,650
Sundry Creditors for expenses	-	-	63,000
<b>Total</b>	<b>54,000</b>	<b>59,000</b>	<b>97,650</b>

**14.2 OTHER FINANCIAL LIABILITIES**

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1st April, 2017
<u>Secured :</u>			
Security Deposit against Rent*	6,00,00,000.00	30,000.00	30,000.00
Advance from - Body Corporate**	-	2,19,00,000	-
Interest accrued and due on borrowings	-	2,60,17,200	-
<b>Total</b>	<b>6,00,00,000</b>	<b>4,79,47,200</b>	<b>30,000</b>

\*As the rental Agreement is on Monthly Rent Basis without any reference to the period in term of years, discounting factor has been duly ignored

\*\* The Company agreed to repay Rs. 219 Lakhs (alongwith Interest) taken by the Company in an earlier year from a Body Corporate. Accordingly, the Interest liability of Rs. 289.08 Lakhs has been provided in the Accounts for the Financial Year 2017-18.

**15. OTHER CURRENT LIABILITIES**

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1st April, 2017
Statutory Dues	9,000	28,90,800	27,000
<b>Total</b>	<b>9,000</b>	<b>28,90,800</b>	<b>27,000</b>

**16. CURRENT TAX LIABILITIES (NET)**

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1st April, 2017
Provision for Income Tax	-	-	2,99,529
Less : Advance payment of Income Tax & Tax Deducted at Source	-	-	(57,984)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,41,545</b>



**17. REVENUE FROM OPERATIONS**

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Rent Income	6,37,764	6,37,765
<b>Total</b>	<b>6,37,764</b>	<b>6,37,765</b>

**18. OTHER INCOME**

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
<b>Dividends on investments measured at fair value through Profit&amp; Loss</b>		
From Shares- Long Term	600	-
From Mutual Fund Units- Long Term	74,103	1,63,046
<b>Interest Income on investments measured at amortized cost</b>		
Interest on Tax Free Bonds - Long Term	40,700	40,700
Interest on short Term Bank Deposit	1,21,808	-
Net Gain on fair valuation of investments measured at fair value through Profit & Loss	-	1,72,453
Recovery of Expenses	-	15,13,415
<b>Total</b>	<b>2,37,211</b>	<b>18,89,614</b>

**19. EMPLOYEE BENEFITS EXPENSES**

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Salaries	12,000	12,000
<b>Total</b>	<b>12,000</b>	<b>12,000</b>

**20. FINANCE COSTS**

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Interest on Inter Corporate Deposits	10,50,410	8,40,821
Interest on Long Term Borrowings	3,67,200	26,28,000
<b>Total</b>	<b>14,17,610</b>	<b>34,68,821</b>

**21. OTHER EXPENSES**

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Rates & Taxes	93,541	1,09,456
Insurance Charges	25,413	17,902
Bank Charges	713	46,893
General Expenses	11,351	28,207
Filing Fees	12,500	1,200
Audit Fees	59,000	59,000
Professional Fees	5,56,500	5,74,500
Travel & Conveyance	-	35,515
Net Loss on fair valuation of investments measured at fair value through Profit & Loss	24,398	-
<b>Total</b>	<b>7,83,416</b>	<b>8,72,673</b>

**22. EXCEPTIONAL ITEMS**

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Interest on Long Term Borrowings	-	2,62,80,000
<b>Total</b>	<b>-</b>	<b>2,62,80,000</b>

22.1 Interest for the earlier years has been considered as " Exceptional Items".



## 23 Income Tax Expenses

Particulars	Year ended 31st March, 2019 (Rs.)	Year ended 31st March, 2018 (Rs.)
<b>A. Amount Recognised in Profit or Loss</b>		
<b>Current Tax</b>		
Current Tax on Profits for the Year	-	60,347
Adjustment for Current Tax of Earlier Years	-	-
<b>Total Current Tax</b>	-	60,347
<b>Deferred Tax</b>		
MAT Credit Utilisation	-	-
Deferred Tax	(2,537)	17,936
<b>Total Deferred Tax Expense Charge/(Credit)</b>	<b>(2,537)</b>	<b>17,936</b>
<b>Total Income Tax Expense</b>	<b>(2,537)</b>	<b>78,283</b>

## B. Reconciliation of expected Income Tax Expense with reported Income Tax Expense

Particulars	Year ended 31st March, 2019 (Rs.)	Year ended 31st March, 2018 (Rs.)
Profit Before Tax	(13,90,813)	(2,81,58,877)
Income tax expense calculated @ 26% (2018- 25.75%)	(3,61,611)	(73,21,308)
<b>Adjustments:</b>		
Deferred Tax on unabsorbed Business losses not recognized	3,59,074	73,99,591
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	-	-
Income exempt from income taxes	-	-
Expenses not deductible for tax purposes	-	-
<b>Income Tax Expense</b>	<b>(2,537)</b>	<b>78,283</b>

The tax rate used for the year 2018-19 and 2017-18 reconciliations above is the corporate tax rate of 26% and 25.75% respectively payable on taxable profits under the Income Tax Act, 1961.

## 24 Earning Per Share

Particulars	As at March 31, 2019	As at March 31, 2018
Profit or (Loss) after tax	(13,88,276)	(2,82,37,160)
Profit available for Equity Shareholders	(13,88,276)	(2,82,37,160)
Weighted average number of Equity Shares outstanding during the year	50,002	50,002
Nominal value of equity shares	10	10
<b>Earning Per Share</b>	<b>(27.76)</b>	<b>(564.72)</b>





**25 Contingent liabilities:**

A demand of R. 4,37,77,380/- was raised by New Delhi Municipal Council towards Property Tax with retrospective effect from Financial year 2000-01 to 2016-17. The Company has not recognized it as a Liability in the Books of Accounts, being contingent in nature. The Company has filed an Appeal on 02.03.2017 against the same at the Court of District Judge, Patiala House, New Delhi and is optimistic of its favourable outcome.

**26 Going Concern :**

As at 31.03.2019, the Company's Losses are in excess of its Paid-up Capital and Reserves. However, the Company is in the process of restructuring its Revenue Resources in the coming financial years to generate an operating Income before Interest, Depreciation & Taxes.

Further the Company is fully supported by its Holding Company and in view of the commitment of the promoter (Holding Co.) to provide Funds as and when need arises, the financial statements of the company have been prepared on going-concern basis.

**27 Segment Reporting**

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Based on the management approach as defined in Ind AS 108, the Chief Operating Decision Maker evaluates the Company's performance based on only one segment i.e. Renting of Property.

28 Minimum Alternate tax ("MAT") under the provision of Income Tax Act, 1961 is recognised as current tax in the Statement of Profit & Loss. The credit available under the Act in respect of MAT paid is recognised as an asset of Rs. 2,04,799/-. Based on projections made by the management and the current working trend of the company the management is virtually certain of recovering the MAT credit entitlement.

29 Disclosure as required under the micro, small and medium enterprises development act, 2006, to the extent ascertained, and as per notification number GSR 679 (E) dated 4th September, 2015.

Sl. No.	Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018	As at 1 <sup>st</sup> April 2017
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.	-	-	-
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

The above information has been determined to the extent such parties identified on the basis of information available with the Company.



## 30 Related Party Disclosures in keeping with Ind AS 24

Name of the Related Party	Nature of Relationship
Pilani Investment and Industries Corporation limited	Holding Company

Particulars	Period	Holding Company
<b>Transactions with related parties</b>		
Interest Expense	Current Period Previous Period	10,50,410 -
Repayment of Loan	Current Period Previous Period	6,48,09,182 -
Receipt towards Loan	Current Period Previous Period	6,00,00,000 -
<b>Balance outstanding at year end.</b>		
Borrowings	Current Period Previous Period	- 48,09,182



## 31 Fair Value Measurements

## (i) Financial Instruments by Category

Particulars		As at 31st March, 2019 Carrying Amount / Fair Value Rs.	As at 31st March, 2018 Carrying Amount / Fair Value Rs.	As at 1st April, 2017 Carrying Amount / Fair Value
<b>A. Financial Assets</b>				
<b>(a) Measured at Fair Value through Profit &amp; Loss</b>				
Investments				
Equity Instruments		14,900	21,900	21,330
Financial Instruments		43,52,430	43,69,848	41,57,965
Debt Instruments		5,00,000	5,00,000	5,00,000
<b>Sub total</b>		<b>48,67,350</b>	<b>48,91,748</b>	<b>47,19,295</b>
<b>(b) Measured at Amortised Cost</b>				
Trade receivables		47,832	-	-
Cash and cash equivalents		8,04,773	19,91,493	17,73,835
Loans		-	-	-
<b>Sub total</b>		<b>8,04,773</b>	<b>19,91,493</b>	<b>17,73,835</b>
<b>Total Financial Assets</b>		<b>56,72,123</b>	<b>68,83,241</b>	<b>64,93,130</b>
<b>B. Financial Liabilities</b>				
<b>Measured at Amortised Cost</b>				
Borrowings		-	48,09,182	2,67,09,182
Trade payables		-	-	-
Other financial liabilities		6,00,00,000	4,79,47,200	30,000
<b>Total Financial Liabilities</b>		<b>6,00,00,000</b>	<b>5,27,56,382</b>	<b>2,67,39,182</b>

## (ii) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows below:

**Level 1:** Quoted prices (unadjusted) in active market for identical assets or liabilities.

**Level 2:** Inputs other than quoted price 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).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade payables, other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

## Assets and Liabilities measured at Fair Value - recurring fair value measurements

As at 31st March 2019 and 31st March 2018

Particulars	31st March 2019			31st March 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Investment						
- Equity Instruments	14,900	48,52,450	-	21,900	48,69,848	-
<b>Total Financial Asset</b>	<b>14,900</b>	<b>48,52,450</b>	<b>-</b>	<b>21,900</b>	<b>48,69,848</b>	<b>-</b>

As at 31st March 2017

Particulars	31st March 2017		
	Level 1	Level 2	Level 3
<b>Financial Assets</b>			
Investment			
- Equity Instruments	21,330	46,97,965	-
<b>Total Financial Asset</b>	<b>21,330</b>	<b>46,97,965</b>	<b>-</b>

During the year ended March 31, 2018 and March 31, 2017, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

## (iii) Explanation to the Fair Value hierarchy

The Company measures Financial instruments, such as, unquoted investments and financial guarantee at fair value at each reporting date. 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. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The valuation of unquoted shares and financial guarantee have been made based on level 3 inputs as per the hierarchy mentioned in the Accounting Policies. The valuation of unquoted equity instrument and financial guarantee have been valued based on the valuation technique applicable.



**32 Financial Risk Management**

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities.

Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

This Note explains the sources of risk which the entity is exposed to and how the entity manages the risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**(A) Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily Trade Receivables) and from its investing activities (primarily Deposits with Banks).

**Trade Receivables**

Trade receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed by respective segment subject to the Company's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. The Company's exposure to trade receivables on the reporting date, stood at Rs. Nil (2017 – Rs. Nil).

**Other Financial Assets**

Credit risk from balances with banks and investments is managed by Company's finance department. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements. The Company monitors ratings, credit spreads and financial strength of its counterparties. As these counter parties are Group Companies with investment grade credit ratings and taking into account the experience of the Company over time, the counter party risk attached to such assets is considered to be insignificant.

**(B) Liquidity Risk**

Liquidity risk refers to the risk that the Company fails to honour its financial obligations in accordance with terms of contract. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's non-derivative financial liabilities on an undiscounted basis (all payable within 12 months), which therefore does not differ from their carrying value as the impact of discounting is not significant.

Non-derivative financial liabilities	As at	As at	As at
	March 31, 2019	March 31, 2018	1st April, 2017
	Rs.	Rs.	Rs.
(i) Borrowings including interest obligation	-	48,09,182	2,67,09,182
(ii) Trade payables	-	-	-
(iii) Other financial liabilities	6,00,00,000	4,79,47,200	30,000
	<u>6,00,00,000</u>	<u>5,27,56,382</u>	<u>2,67,39,182</u>

The Company does not have Derivative Financial Liabilities as at the end of above mentioned reporting periods.

**(C) Maturity Analysis for financial liabilities**

The following are the remaining contractual maturities of financial liabilities as at 31st March 2019

Particulars	On Demand	Less than 6 months	6 months to 1 year	More 1 years	Total
	Borrowings	-	-	-	-
Other financial liabilities	6,00,00,000	-	-	-	6,00,00,000
Trade payables	-	-	-	-	-
<b>Total</b>	<b>6,00,00,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,00,00,000</b>

The following are the remaining contractual maturities of financial liabilities as at 31st March 2018



Particulars	On Demand	Less than 6 months	6 months to 1 year	More 1 years	Total
Borrowings				48,09,182	48,09,182
Other financial liabilities	30,000	4,79,17,200	-	-	4,79,47,200
Trade payables	-	-	-	-	-
<b>Total</b>	<b>30,000</b>	<b>4,79,17,200</b>	<b>-</b>	<b>48,09,182</b>	<b>5,27,56,382</b>

The following are the remaining contractual maturities of financial liabilities as at 31st March 2017

Particulars	On Demand	Less than 6 months	6 months to 1 year	More 1 years	Total
Borrowings	-	-	-	2,67,09,182	2,67,09,182
Other financial liabilities	30,000	27,000	-	-	57,000
Trade payables	-	-	-	-	-
<b>Total</b>	<b>30,000</b>	<b>27,000</b>	<b>-</b>	<b>2,67,09,182</b>	<b>2,67,66,182</b>

- d The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). The interest payments on variable interest rate loans in the tables above reflect market forward interest rates at the respective reporting dates and these amounts may change as market interest rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.





33 Capital Management

(a) Risk Management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the Company.

Net debt implies total borrowings of the Company as reduced by Cash and Cash Equivalent and Equity comprises all components attributable to the owners of the Company

The following table summarises the capital of the Company:

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.	As at 1st April, 2017 Rs.
Total Borrowings	-	48,09,182	2,67,09,182
Less: Cash and Cash Equivalents	(8,04,773)	(19,91,493)	(17,73,835)
<b>Net Debt</b>	<b>(8,04,773)</b>	<b>28,17,689</b>	<b>2,49,35,347</b>
 Equity	 (2,16,38,589)	 (2,02,50,313)	 79,86,847
<b>Total Capital (Equity+ Net Debt)</b>	<b>(2,24,43,362)</b>	<b>(1,74,32,624)</b>	<b>3,29,22,194</b>
 Net Debt to Equity Ratio	 3.72%	 -13.91%	 312.21%

No changes were made to the objectives, policies or processes for managing capital during the years ended 31st March, 2019 and 31st March, 2018.



**(b) Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risks: Foreign Exchange Risk, Interest Rate Risk and Other Price Risk.

**(c) Foreign Exchange Risk**

Foreign Exchange Risk is the exposure of the Company to the potential impact of movements in foreign exchange rates. There is no exposure of foreign currency and hence the management has assessed that that there is no foreign currency risk during the year (2017: Rs. Nil, 2016: Rs. Nil)

**(d) Interest Rate Risk**

The Company has borrowings which carries fixed rate of interest. The management has assessed that exposure of the Company in interest rate risk at the end of the year is Rs. Nil (2017: Rs. Nil, 2016: Rs. Nil)

**34 First-time Adoption of Ind AS**

These are the Company's first standalone financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the standalone financial statements for the year ended 31st March, 2019, the comparative information presented in these standalone financial statements for the year ended 31st March, 2018 and in the preparation of an opening Ind AS standalone balance sheet at 1st April, 2017 (the Company's date of transition). In preparing its opening Ind AS standalone balance sheet, the Company has adjusted the amounts reported previously in the standalone financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Previous GAAP or Indian GAAP). An explanation of how the transition from Previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

**A. Ind AS mandatory Exceptions**

**A.1. Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

On assessment of estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise such estimates under Ind AS, as there is no objective evidence of an error in those estimates.

**A.2. De-recognition of Financial Assets and Liabilities**

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

**A.3. Classification and Measurement of Financial Assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has assessed the same accordingly.



## B. Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent reconciliation from previous GAAP to Ind AS.

## Reconciliation of Equity

Particulars	Notes to First Time Adoption	As at the date of transition 1st April, 2017			As at 31st March, 2018		
		Previous GAAP* Rs.	Adjustment on Transition to Ind AS Rs.	Ind AS Rs.	Previous GAAP* Rs.	Adjustment on Transition to Ind AS Rs.	Ind AS Rs.
<b>ASSETS</b>							
(1) Non-current assets		2,64,61,249	-	2,64,61,249	2,64,08,487	-	2,64,08,487
(a) Property, plant and equipment							
(b) Financial assets		35,74,455	11,44,840	47,19,295	35,74,455	13,17,293	48,91,748
(i) Investments		-	86,881	86,881	-	67,801	67,801
(c) Deferred Tax Liabilities (Net)		8,100	-	8,100	8,100	-	8,100
(d) Other non-current assets							
(e) Other current assets							
(f) Other current liabilities							
<b>Total non-current assets</b>		<b>3,00,43,804</b>	<b>12,31,721</b>	<b>3,12,75,525</b>	<b>2,99,91,042</b>	<b>13,85,094</b>	<b>3,13,76,136</b>
(2) Current assets							
(a) Financial assets							
(i) Trade receivables		-	-	-	19,91,493	-	19,91,493
(ii) Cash and cash equivalents		17,73,835	-	17,73,835	2,80,697	(2,04,799)	75,898
(iii) Current Tax Assets (net)		2,27,264	(2,04,799)	22,465	20,11,198	-	20,11,198
(b) Other current assets		20,20,399	-	20,20,399	42,83,388	(2,04,799)	40,78,589
(c) Other current liabilities							
(d) Other current liabilities							
<b>Total current assets</b>		<b>40,21,498</b>	<b>(2,04,799)</b>	<b>38,16,699</b>	<b>3,42,74,430</b>	<b>11,80,295</b>	<b>3,54,54,725</b>
<b>Total assets</b>		<b>3,40,65,302</b>	<b>10,26,922</b>	<b>3,50,92,224</b>			
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
(a) Equity share capital		5,00,020	-	5,00,020	5,00,020	-	5,00,020
(b) Other equity	a	64,59,905	10,26,922	74,86,827	(2,19,31,772)	11,80,295	(2,07,51,477)
(c) Other equity							
<b>Total equity</b>		<b>69,59,925</b>	<b>10,26,922</b>	<b>79,86,847</b>	<b>(2,14,31,752)</b>	<b>11,80,295</b>	<b>(2,02,51,457)</b>
<b>Liabilities</b>							
(1) Non-current liabilities							
(a) Financial liabilities							
(i) Borrowings		2,67,09,182	-	2,67,09,182	48,09,182	-	48,09,182
(ii) Other financial liabilities		-	-	-	-	-	-
<b>Total non-current liabilities</b>		<b>2,67,09,182</b>	<b>-</b>	<b>2,67,09,182</b>	<b>48,09,182</b>	<b>-</b>	<b>48,09,182</b>
(2) Current liabilities							
(a) Financial liabilities							
(i) Trade payables		97,650	-	97,650	59,000	-	59,000
(ii) Other financial liabilities		30,000	-	30,000	4,79,47,200	-	4,79,47,200
(b) Other current liabilities		27,000	-	27,000	28,90,800	-	28,90,800
(c) Current Tax Liabilities (Net)		2,41,545	-	2,41,545	-	-	-
<b>Total current liabilities</b>		<b>3,96,195</b>	<b>-</b>	<b>3,96,195</b>	<b>5,08,97,000</b>	<b>-</b>	<b>5,08,97,000</b>
<b>Total equity and liabilities</b>		<b>3,40,65,302</b>	<b>10,26,922</b>	<b>3,50,92,224</b>	<b>3,42,74,430</b>	<b>11,80,295</b>	<b>3,54,54,725</b>

\* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



## B. Reconciliation of Total Comprehensive Income for the Year Ended 31st March, 2018

Particulars	Notes to First Time Adoption	Previous GAAP*	Adjustment on Transition to Ind AS	Ind AS
Revenue from operations		6,37,765	-	6,37,765
Other income		17,17,161	1,72,453.00	18,89,614
<b>Total income</b>		<b>23,54,926</b>	<b>1,72,453.00</b>	<b>25,27,379</b>
<b>Expenses</b>				
Employee benefit expenses		12,000	-	12,000
Finance Cost		34,68,821	-	34,68,821
Depreciation and amortization expense		52,762	-	52,762
Other expenses		8,72,673	-	8,72,673
<b>Total expenses</b>		<b>44,06,256</b>	<b>-</b>	<b>44,06,256</b>
<b>Profit / ( Loss ) Before Exceptional Items and Tax</b>		<b>(20,51,330)</b>	<b>1,72,453.00</b>	<b>(18,78,877)</b>
Exceptional items		2,62,80,000		2,62,80,000
<b>Profit/(Loss) Before Tax</b>		<b>(2,83,31,330)</b>	<b>1,72,453</b>	<b>(2,81,58,877)</b>
<b>Income tax expense</b>				
- Current tax		60,347	-	60,347
- Deferred tax		-	17,936	17,936
<b>Total tax expense</b>		<b>60,347</b>	<b>17,936</b>	<b>78,283</b>
<b>Profit for the year</b>		<b>(2,83,91,677)</b>	<b>1,54,517</b>	<b>(2,82,37,160)</b>
<b>Other comprehensive income</b>				
Net other comprehensive income to be reclassified subsequently to		-	-	-
Other comprehensive income for the year, net of income tax		-	-	-
<b>Total comprehensive income for the period</b>		<b>(2,83,91,677)</b>	<b>1,54,517</b>	<b>(2,82,37,160)</b>
<b>Earnings per equity share: [Nominal value per share Rs.10 (Previous Year- Rs. 10)]</b>				
Basic (Rs.)		(567.81)		(564.72)
Diluted (Rs.)		(567.81)		(564.72)

\* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



**3. Reconciliation of total equity as at 31st March 2018 and 1st April 2017**

	Notes to first-time adoption	As at 31st March 2018 Rs.	As at 1st April 2017 Rs.
Total equity (shareholder's funds) as per previous GAAP		(2,14,31,752)	69,59,925
<b>Adjustments:</b>			
Effect of fair valuation of investment in quoted equity shares / financial instruments		11,81,439	10,26,922
Tax effects of adjustments		-	-
<b>Total Adjustments</b>		<b>11,81,439</b>	<b>10,26,922</b>
<b>Total Equity as per Ind AS</b>		<b>(2,02,50,313)</b>	<b>79,86,847</b>

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

	Notes to first-time adoption	Year Ended 31st March, 2018
Net Profit as reported under previous GAAP		(2,83,91,677)
<b>Adjustments:</b>		
Effect of fair valuation of investment in quoted equity shares / financial instruments		1,72,453
Tax effects of above adjustments		(17,936)
Profit after tax as per Ind AS		(2,82,37,160)
Other Comprehensive Income (net of tax)		-
<b>Total comprehensive Income as per Ind AS</b>		<b>(2,82,37,160)</b>

**Impact of Ind AS adoption on the statements of cash flows for the year ended 31st March, 2018**

There were no material differences between the Cash Flow statement presented under Ind AS and the previous GAAP.





34 First-time Adoption of Ind AS (Contd.)

C Notes to First-time Adoption

a Fair Valuation of Investments

Under previous GAAP, non-current investments were stated at cost. Where applicable, provision was made to recognise a decline, other than temporary, in valuation of such investments. Under Ind AS, non-current investments have been classified as Fair Value through Profit & Loss (FVTPL) through an irrevocable election at the date of transition.

Fair Value changes with respect to investments in equity instruments / mutual fund units designated as at FVTPL have been recognised in equity instruments / mutual fund units through Rained Earning as at the date of transition

Consequent to the above, the total equity as at 31st March, 2018 increased by Rs. 1,72,453/- (1st April, 2017 - increased by Rs. 11,44,840/-)

b Deferred Tax

Under the Previous GAAP, deferred tax was accounted using the income statement approach, on timing differences between the taxable profit and accounting profit for the year. Under Ind AS, deferred tax is recognised following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base.

c Retained Earnings

Retained earnings as at 1st April, 2017 has been adjusted consequent to the above Ind AS transition adjustment.

- 35 The Company has prepared Ind As Financial Statement in full figure instead of nearest round off thousand, since the turnover of the Company is comparatively very low.
- 36 Previous GAAP figures have been reclassified/regrouped to confirm the presentation requirements under IND AS and the requirements laid down in Division-II of the Schedule-III of the Companies Act, 2013.

As per our report of even date

For Singh & Co.

Firm Registration No. 302049E

Chartered Accountants

CA. Anurag Singhi

Membership No. 066274

Partner

Place: Kolkata

Date: 27<sup>th</sup> May '2019



  
G.K. Tulsian  
DIN : 00017786  
Director

  
S N Neotia  
DIN : 01259207  
Director