CHANDRASHEKHAR IYER & CO
CHARTERED ACCOUNTANTS
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Independent Auditor's Report

To the Members of FLORIANA PROPERTIES PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of FLORIANA PROPERTIES PRIVATE LIMITED ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as " Ind AS financial statements").

Management's Responsibility for the Financial Statements and for Internal financial controls over financials reporting

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 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) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial

Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit and to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting.

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 the Ind AS financial statements are free from material misstatement and whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements and 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 exits, 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 risk of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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 and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matter :

The financial information of the company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules , 2006 (as amended) audited by us and an unmodified opinion dated May 9 , 2016 and March 31, 2015 which was audited by other auditor who expressed an unmodified opinion dated May 10 , 2015 respectively. 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.

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 section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

    d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

    e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

    f) In our opinion considering nature of business, size of operation and organizational structure of the entity, 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 31stMarch 2017, 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.

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

   i. the Company has disclosed impact of pending litigations which will have impact on its financial position in its note 16 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
   iv. the Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 23 to the Ind AS financial statements.

For Chandrashekhar Iyer & Co
Chartered Accountants
Firm Registration No. 114260W

(Chandrashekhar Iyer)
Proprietor
Membership No.47723

Mumbai ,

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2017, we report that:

i. a. The Company has no fixed assets and accordingly, sub clause (a),(b) and (c) of clause (i) of paragraph 3 of the said order are not applicable.

ii. The Company is engaged mainly in the construction business. Majority of the stock of the company are in form of developments/work in progress and building materials. The stock in the said form and stock of other materials have been regularly verified by the management during the year and no material discrepancies were noticed.

iii. According to the information and explanations given to us, 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. Accordingly, sub-clauses (a), (b) and (c) of clause (iii) of paragraph 3 of the said order are not applicable.

iv. According to the information and explanations given to us, the company has neither made any loans and investments. Accordingly, clause (iv) of paragraph 3 of the said order are not applicable.

v. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provision of section 73 to 76 or any other relevant provision of the Act and the rules framed there under are applicable.

vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the activities of the Company.

vii. a. The Company is regular in depositing with appropriate authorities applicable undisputed statutory dues including provident fund, employees' state insurance, income- tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of service tax , customs duty, excise duty were outstanding, as at

March 31, 2017 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 sales tax , income tax, customs duty and excise duty which have not been paid deposited on account of any dispute.

viii. According to the information and explanations given to us, the company has not borrowed any funds from financial institutions or banks or debenture holders or Government and accordingly clause viii of paragraph 3 of the said 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) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

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 course of our audit.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration. Accordingly clause (xi) of paragraph 3 of the Order is not applicable

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.

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 give 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.

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 The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Chandrashekhar Iyer & Co
Chartered Accountants
Firm Registration No. 114260W

(Chandrashekhar Iyer)
Proprietor
Membership No.47723

Mumbai
Date : 26/05/2017

Floriana Properties Pvt. Ltd.
CIN :- U45209PN2006PTC128875
Balance Sheet as on March 31, 2017

		Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
A		**ASSETS**				
	1	**Non-current assets**				
		(a) Financial Assets				
		(i) Loans	3	50,000,000	50,000,000	50,000,000
		Total Non - Current Assets		**50,000,000**	**50,000,000**	**50,000,000**
	2	**Current assets**				
		(a) Inventories	4	13,960,747	13,960,747	13,960,747
		(b) Financial Assets				
		(i) Cash and cash equivalents	5	127	13,015	25,510
		Total Current Assets		**13,960,874**	**13,973,762**	**13,986,257**
		Total Assets (1+2)		**63,960,874**	**63,973,762**	**63,986,257**
B		**EQUITY AND LIABILITIES**				
	1	**Equity**				
		(a) Equity Share capital	6	100,000	100,000	100,000
		(b) Other Equity	6.1	(3,776,286)	(3,742,478)	(3,639,153)
		Equity attributable to owners of the Company (I)		**(3,676,286)**	**(3,642,478)**	**(3,539,153)**
		LIABILITIES				
	2	**Non-current liabilities**				
		(a) Financial Liabilities				
		(i) Borrowings	7	67,540,993	67,505,784	67,427,505
		Total Non - Current Liabilities		**67,540,993**	**67,505,784**	**67,427,505**
	3	**Current liabilities**				
		(a) Financial Liabilities				
		(i) Trade payables	8	93,667	102,456	92,905
		(ii) Other financial liabilities	9	2,500	8,000	5,000
		Total Current Liabilities		**96,167**	**110,456**	**97,905**
		Total Equity and Liabilities (1+2+3)		**63,960,874**	**63,973,762**	**63,986,257**
		See accompanying notes to the financial statements	1-24			

In terms of our report attached.
For Chandrashekhar Iyer & Co.
Chartered Accountants
Firm Registration No. 114260W

Chandrashekhar Iyer
Proprietor
Membership No. 047723
Place:
Date: 26 MAY 2017

For and on behalf of the Board of Directors

Mr. D Santhanam
Director
DIN :00226569
Place:
Date:

Mr. Krishnamurthy M
Director
DIN :00037763
Place:
Date:

Floriana Properties Pvt. Ltd.
CIN :- U45209PN2006PTC128875
Statement of Profit and Loss for the year ended March 31, 2017

	Particulars	Note No.	2016-17	2015-16
Continuining Operations				
I	Revenue from operations		-	-
II	Other Income		-	-
III	**Total Revenue (I + II)**		-	-
IV	**EXPENSES**			
	(a) Other expenses	10	33,808	103,325
	Total Expenses (V)		**33,808**	**103,325**
	Profit/(loss) before exceptional items and tax (I - IV)		(33,808)	(103,325)
V	**Exceptional Items**		-	-
VI	**Profit/(loss) before tax (VII - VIII)**		(33,808)	(103,325)
VII	**Tax Expense**			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
	(3) (Excess) / Short provision for tax of earlier years		-	-
	Total tax expense		-	-
VIII	**Profit/(loss) after tax from continuing operations (IX - X)**		(33,808)	(103,325)
IX	Discontinued Operations		-	-
	(1) Profit/(loss) from discontinued operations			
	(2) Tax Expense of discontinued operations			
X	**Profit/(loss) after tax from discontinued operations (XII + XIII)**		-	-
XI	**Profit/(loss) for the period (XI + XIV)**		(33,808)	(103,325)
XII	**Other comprehensive income**		-	-
	A (i) Items that will not be recycled to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that may be reclassified to profit or loss		-	-
	(ii) Income tax on items that may be reclassified to profit or loss		-	-
XIII	**Total comprehensive income for the period (XV + XVIII)**		(33,808)	(103,325)
XIV	**Total comprehensive income for the period attributable to:**			
	Owners of the Company		-	-
	Non controlling interests		-	-
XV	**Earnings per equity share (for continuing operation):**			
	(1) Basic	11	(3.38)	(10.33)
	(2) Diluted	11	(3.38)	(10.33)
XVI	**Earnings per equity share (for discontinued operation):**			
	(1) Basic	11	-	-
	(2) Diluted	11	-	-
XVII	Earnings per equity share (for continuing and discontinued operations):			
	(1) Basic	11	(3.38)	(10.33)
	(2) Diluted	11	(3.38)	(10.33)

In terms of our report attached.
For Chandrashekhar Iyer & Co.
Chartered Accountants
Firm Registration No. 114260W

Chandrashekhar Iyer
Proprietor
Membership No. 047723
Place:
Date: 26 MAY 2017

For and on behalf of the Board of Directors

Mr. D Santhanam
Director
DIN :00226569
Place:
Date:

Mr. Krishnamurthy M
Director
DIN :00037763
Place:
Date:

ɔriana Properties Pvt. Ltd.
N :- U45209PN2006PTC128875
ısh Flow Statement as on March 31, 2017

ısh Flow Statement - Indirect Method

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Cash flows from operating activities		
Profit before tax for the year	(33,808)	(103,325)
Movements in working capital:		
(Decrease)/increase in other liabilities	(14,288)	12,551
	(48,096)	(90,774)
Cash generated from operations		
Income taxes paid		
	(48,096)	(90,774)
Net cash generated by operating activities		
Cash flows from investing activities		
Net cash (used in)/generated by investing activities	-	-
Cash flows from financing activities		
Proceeds from borrowings	35,208	78,279
Net cash used in financing activities	**35,208**	**78,279**
Net increase in cash and cash equivalents	(12,888)	(12,495)
Cash and cash equivalents at the beginning of the year	13,015	25,510
Effects of exchange rate changes on the balance of cash held in foreign currencies		
Cash and cash equivalents at the end of the year	**127**	**13,015**

terms of our report attached.
ır Chandrashekhar Iyer & Co.
ıartered Accountants
ˉm Registration No. 114260W

ıandrashekhar Iyer
oprietor
embership No. 047723
ɜce:
ıte: 26 MAY 2017

For and on behalf of the Board of Directors

Mr. D Santhanam
Director
DIN :00226569
Place:
Date:

Mr. Krishnamurthy M
Director
DIN :00037763
Place:
Date:

Floriana Properties Pvt. Ltd.
CIN :- U45209PN2006PTC128875
Notes forming part of the financial statements

1. CORPORATE INFORMATION

Floriana Properties Private Limited (Company) was incorporated on 11th Aug 2006 and having CIN U45209PN2006PTC128875. The Company is engaged in the business of construction includes civil construction, development and dealing in real estate.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.01 Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. Previous period numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2016 and April 1, 2015 and of the Other comprehensive income for the year ended March 31, 2016 and April 1, 2015.

2.02 Basis of preparation and presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.03 Use of estimate

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax liabilities and provisions and contingent liabilities.

Provisions and contingent liabilities

Provisions are recognized 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 measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to unwinding of discount over passage of time is recognized as finance cost. Provisions are reviewed at the each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will

Warranty cost are accured on completion of project, based on past experience. The provision is discharged over the warranty period from the date of project completion till the defect liability period of particular project.

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2.07 Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Advances/deposits given to the vendors under the contractual arrangement for acquisition/construction of qualifying assets is considered as cost for the purpose of capitalization of borrowing cost.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.09 Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

2.14 Impairment

Financial assets (other than at fair value)

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 recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction.

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.

2.15 Inventories

b) Development Work

(i) Development - Completed Units

Finished goods comprising of constructed units ready for sale are valued at lower of cost and net realisable value.

(ii) Development - Units under construction

The unit under construction to the extent not recognised as sales under the revenue recognition policy adopted by the Company is carried at lower of cost or net realisable value on the basis of technical estimate certified by the Managing Direcor / Technical Experts.

2.16 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity Instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest.

2.17 Earnings Per Share (EPS)

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

2.18 Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

2.19 Current/Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realized within 12 months after the date of reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after reporting period.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when it satisfies any of the following criteria:

- 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 12 months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period Current liabilities include the current portion of long term financial liabilities.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

2.20 Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs, if any, directly attributable to the issue of ordinary shares are recognized as a deduction from other equity, net of any tax effects.

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note No. 3 - Loans

A. Non Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
a) Loans to related parties			
- Unsecured, considered good	5,00,00,000	5,00,00,000	5,00,00,000
TOTAL	**5,00,00,000**	**5,00,00,000**	**5,00,00,000**

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note No. 4 - Inventories

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Building materials / tools	-		
(b) Projects under Development	1,39,60,747	1,39,60,747	1,39,60,747
Total Inventories at the lower of cost and net realisable value	**1,39,60,747**	**1,39,60,747**	**1,39,60,747**

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note No. 5 - Cash and Bank Balances

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
A) Current Cash and bank balances			
(a) Unrestricted Balances with banks	127	13,015	25,510
Total Cash and cash equivalent	**127**	**13,015**	**25,510**

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Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note - 6: Equity Share Capital

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹	No. of shares	Amount in ₹
Authorised:						
Equity shares of ₹ 10 each with voting rights	10,000	1,00,000	10,000	1,00,000	10,000	1,00,000
	10,000	**1,00,000**	**10,000**	**1,00,000**	**10,000**	**1,00,000**
Issued, Subscribed and Fully Paid:						
Equity shares of ₹ 10 each with voting rights	10,000	1,00,000	10,000	1,00,000	10,000	1,00,000
	10,000	**1,00,000**	**10,000**	**1,00,000**	**10,000**	**1,00,000**

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity share is entitled for one vote per share held. In the event of liquidation of the company the holder of the equity share will be entitled to receive remaining asset after deducting all its liabilities in proportion to the number of equity shares held.

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note - 6: Equity Share Capital (Contd.)

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	Number of Shares	Equity share capital
Issued and Paid up Capital at April 1, 2015	10,000	1,00,000
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan	-	-
Fresh issue on account of rights issue during the year	-	-
Balance at March 31, 2016	**10,000**	**1,00,000**
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan		
Buy-back of equity shares		
Share buy-back costs, net of income tax		
Balance at March 31, 2017	10,000	1,00,000

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights						
Vascon Engineers Limited (Holding Company)	10000	100%	10000	100%	10000	100%

Including shares held by nominee

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity share is entitled for one vote per share held. In the event of liquidation of the company the holder of the equity share will be entitled to receive remaining asset after deducting all its liabilities in proportion to the number of equity shares held.

Floriana Properties Pvt. Ltd.
Statement of changes in equity for the year ended March 31, 2017

Note No. 6.1 - Other Equity

Particulars	Reserves and Surplus	Items of other comprehensive income	Total
	Retained earnings	Other items of other comprehensive income (specify nature)	
Balance at the end of the reporting period	(36,39,153)	-	(36,39,153)

Particulars	Reserves and Surplus	Items of other comprehensive income	Total
	Retained earnings	Other items of other comprehensive income (specify nature)	
Balance at the beginning of the reporting period - As of April 01, 2016	(36,39,153)	-	(36,39,153)
Total Comprehensive income for the year	(1,03,325)	-	(1,03,325)
Balance at the end of the reporting period	(37,42,478)	-	(37,42,478)

Particulars	Reserves and Surplus	Items of other comprehensive income	Total
	Retained earnings	Other items of other comprehensive income (specify nature)	
Balance at the beginning of the reporting period - As of April 01, 2017	(37,42,478)	-	(37,42,478)
Total Comprehensive income for the year	(33,808)	-	(33,808)
Balance at the end of the reporting period	(37,76,286)	-	(37,76,286)

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note - 7: Borrowings
Non Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
A. Unsecured Borrowings - at amortised Cost			
(a) Loans from related parties	6,75,40,993	6,75,05,784	6,74,27,505
Total Unsecured Borrowings	**6,75,40,993**	**6,75,05,784**	**6,74,27,505**
Total Borrowings	**6,75,40,993**	**6,75,05,784**	**6,74,27,505**

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note - 8: Trade Payables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade payable for goods & services dues to Micro, Small and Medium Enterprises	-	-	-
Trade payable for goods & services dues to creditors other than Micro, Small and Medium Enterprises	93,667	1,02,456	92,905
Trade payable for salaries and wages	-		
Total trade payables	**93,667**	**1,02,456**	**92,905**

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note No. 9 - Other Financial Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
(a) *Others*	**2,500**	8,000	5,000
Total other financial liabilities	**2,500**	**8,000**	**5,000**

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note no - 10 Other Expenses

		Particulars	**As at March 31, 2017**	**As at March 31, 2016**
(a)		Rates and taxes	2,500	2,400
(b)		**Auditors remuneration and out-of-pocket expenses**		
	(i)	As Auditors	10,000	**30,000**
	(ii)	For Other services		
	(iii)	Auditors out-of-pocket expenses		
(c)		Other expenses		
	(1)	Legal and other professional costs	16,678	67,660
	(8)	Bank charges	2,388	765
	(10)	Miscellaneous Expenses	2,242	2,500
Total Other Expenses			**33,808**	**1,03,325**

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note 11: Disclosures under Ind AS 33

Note	Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
		Per Share	Per Share
	Basic Earnings per share		
	From continuing operations	(3.38)	(10.33)
	From discontinuing operations	-	-
	Total basic earnings per share	(3.38)	(10.33)
	Diluted Earnings per share		
	From continuing operations	(3.38)	(10.33)
	From discontinuing operations	-	-
	Total diluted earnings per share	(3.38)	(10.33)

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

Note	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Profit / (loss) for the year attributable to owners of the Company	(33,808)	(1,03,325)
	Profit for the year on discontinued operations used in the calculation of basic earnings per share from discontinued operations	-	-
	Profits used in the calculation of basic earnings per share from continuing operations	(33,808)	(1,03,325)
	Weighted average number of equity shares	10,000	10,000
	Earnings per share from continuing operations - Basic	(3.38)	(10.33)
	Earnings per share from discontinuing operations - Basic	-	-

Diluted earnings per share
The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the Stock options for the respective periods. Anti-dilutive effect, if any, has been ignored.

Note	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Profit / (loss) for the year used in the calculation of basic earnings per share	(33,808)	(1,03,325)
	Profit for the year on discontinued operations used in the calculation of diluted earnings per share from discontinued operations	-	-
	Profits used in the calculation of diluted earnings per share from continuing operations	(33,808)	(1,03,325)
	Weighted average number of equity shares used in the calculation of Basic EPS	10,000	10,000
	ESOPs	-	
	Weighted average number of equity shares used in the calculation of Diluted EPS	10,000	10,000
	Earnings per share from continuing operations - Dilutive	(3.38)	(10.33)
	Earnings per share from discontinuing operations - Dilutive	-	-

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note No. - 12 First-time adoption of Ind-AS

These financial statements, for the year ended March 31, 2017, are the first the Company has prepared in accordance with Ind-AS. For periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with statutory reporting requirement in India immediately before adopting Ind AS ('previous GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind-AS applicable for periods ending on or after March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Comapny's opening balance sheet was prepared as at April 01, 2015, the Company's date of transition to Ind-AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016.

This note explains the principal adjustments made by the Company in restating its Indian GAAP financials statements, including the opening Balance sheet as at April 01, 2015 and the financial statements for the year ended March 31, 2016.

Exception to retrospective application
(a) Estimate
The estimates at April 01,2015, and at March 31, 2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies) apart from the items where application of previous GAAP did not require estimation. The Company has elected to apply change in estimates prospectively from the date of transition to Ind AS:

• Provision for doubtful debt;
• Estimate of useful life and residual value of fixed assets.

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note No. - 13A First-time adoption Reconciliations

(i) Reconciliation of equity and P&L as previously reported under Indian GAAP to IND AS

Particulars	Notes	As at 01/04/2015 (Date of Transition)	As at 31/3/2016 (end of last period presented under previous GAAP)
Equity as reported under previous GAAP		(35,39,153)	(36,42,478)
Ind AS: Adjustments increase (decrease):			
Equity as reported under IND AS		(35,39,153)	(36,42,478)

Reconciliation of profit	Year ended 31/3/2016 latest period presented under previous GAAP)		
PARTICULARS	Notes	Profit before Tax	Profit for the year
Previous GAAP		(1,03,325)	(1,03,325)
Ind AS: Adjustments increase (decrease):			
Total adjustment to profit or loss			
Profit or loss under Ind AS		(1,03,325)	(1,03,325)
Other comprehensive income		-	-
Total comprehensive income under Ind ASs		(1,03,325)	(1,03,325)

Note: No statement of comprehensive income was produced under previous GAAP. Therefore the reconciliation at A.4 starts with profit under previous GAAP.

(ii) Reconciliation of equity and P&L as previously reported under India GAAP to IND AS

		Particulars	Notes	As at 01/04/2015 (Date of Transition)			As at 31/3/2016 (end of last period presented under previous GAAP)		
				Previous GAAP	Effect of transition to Ind AS	Opening Ind AS balance sheet	Previous GAAP	Effect of Transition to Ind AS	Ind AS
A		**ASSETS**							
	1	**Non-current assets**							
		(a) Financial Assets							
		(i) Loans		5,00,00,000		5,00,00,000	5,00,00,000		5,00,00,000
		Total Non - Current Assets		5,00,00,000	-	5,00,00,000	5,00,00,000	-	5,00,00,000
	2	**Current assets**							
		(a) Inventories		1,39,60,747		1,39,60,747	1,39,60,747		1,39,60,747
		(b) Financial Assets							
		(i) Cash and cash equivalents		25,510		25,510	13,015		13,015
		Total Current Assets		1,39,86,257	-	1,39,86,257	1,39,73,762	-	1,39,73,762
		Total Assets (1+2)		**6,39,86,257**	**-**	**6,39,86,257**	**6,39,73,762**	**-**	**6,39,73,762**
B		**EQUITY AND LIABILITIES**							
	1	**Equity**							
		(a) Equity Share capital		1,00,000		1,00,000	1,00,000		1,00,000
		(b) Other Equity excluding non-controlling interests	(b)	(36,39,153)		(36,39,153)	(37,42,478)		(37,42,478)
		Equity attributable to owners of the Company (I)		(35,39,153)	-	(35,39,153)	(36,42,478)	-	(36,42,478)
		Total equity (1)		(35,39,153)	-	(35,39,153)	(36,42,478)	-	(36,42,478)
		LIABILITIES							
	2	**Non-current liabilities**							
		(a) Financial Liabilities							
		(i) Borrowings		6,74,27,505		6,74,27,505	6,75,05,784		6,75,05,784
		Total (2)		6,74,27,505	-	6,74,27,505	6,75,05,784	-	6,75,05,784
	3	**Current liabilities**							
		(a) Financial Liabilities							
		(ii) Trade payables		92,905		92,905	1,02,456		1,02,456
		(iii) Other financial liabilities (other than those specified in (c) below)		5,000		5,000	8,000		8,000
		Total (3)		97,905	-	97,905	1,10,456	-	1,10,456
		Total Equity and Liabilities (1+2+3)		**6,39,86,257**	**-**	**6,39,86,257**	**6,39,73,762**	**-**	**6,39,73,762**

Reconciliation of profit or loss for the year ended March 31, 2016

	Particulars	Notes	Year ended 31/3/2016 latest period presented under previous GAAP)		
			Previous GAAP	Effect of transition to Ind AS	Ind AS
I	Revenue from operations				-
II	Other Income				-
III	**Total Revenue (I + II + III)**				-
					-
IV	**EXPENSES**				-
	(i) Other expenses		1,03,325		1,03,325
	Total Expenses (V)		1,03,325		1,03,325
V	**Profit/(loss) before exceptional items and tax (IV - V + VI)**		(1,03,325)		(1,03,325)
VI	Exceptional Items				-
VII	**Profit/(loss) before tax (VII - VIII)**		(1,03,325)		(1,03,325)
VIII	**Tax Expense**				-
	(1) Current tax				-
	(i) Current tax				-
	(ii) Current tax relating to previous years				-
	(2) Deferred tax				-
	(i) Deferred tax				-
	(ii) Deferred tax relating to previous years	(b)			-
	Total tax expense		-		-
IX	**Profit/(loss) after tax from continuing operations (IX - X)**		(1,03,325)		(1,03,325)
					-
X	Profit/(loss) after tax from discontinued operations				-
XI	Profit/(loss) on disposal of discontinued operations				-
XII	**Profit/(loss) after tax from discontinued operations (XII + XIII)**		(1,03,325)		(1,03,325)
					-
XIII	**Profit/(loss) for the period (XI + XIV)**		(1,03,325)		(1,03,325)
					-
.V	**Profit/(Loss) from continuing operations for the period attributable to:**				-
	Owners of the Company		(1,03,325)		(1,03,325)
	Non controlling interests				-
					-
XV	**Profit/(Loss) from discontinued operations for the period attributable to:**				-
	Owners of the Company				-
	Non controlling interests				-
					-
XVI	**Other comprehensive income**				-
	A (i) Items that will not be recycled to profit or loss				-
	(ii) Income tax relating to items that will not be reclassified to profit or loss				-
	B (i) Items that may be reclassified to profit or loss				-
	(ii) Income tax on items that may be reclassified to profit or loss				-
XVII	**Total comprehensive income for the period (XV + XVIII)**		(1,03,325)		(1,03,325)
					-
					-
XVIII	**Total comprehensive income for the period attributable to:**				-
	Owners of the Company		(1,03,325)		(1,03,325)
	Non controlling interests				-
					-
XIX	**Earnings per equity share (for continuing operation):**				-
	(1) Basic		(10.33)		(10.33)
	(2) Diluted				-
					-
XX	**Earnings per equity share (for discontinued operation):**				-
	(1) Basic				
	(2) Diluted				
					-
XXI	**Earnings per equity share (for continuing and discontinued operations):**				-
	(1) Basic		(10.33)		(10.33)
	(2) Diluted				-

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note No. - 14 Financial Instruments and Risk Review

Financial Risk Management Framework

Floriana Properties Pvt Ltd is exposed primarily to credit risk, liquidity risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

i) Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade payables and borrowings. None of the financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk

The carrying amount of financial liability represents the maximum credit exposure. The maximum exposure to credit risk was Rs. XXX Lakhs, Rs. XXX Lakhs and Rs. XXX Lakhs as of March 31, 2017, March 31, 2016 and April 01, 2015 respectively, being the total of the carrying amount of trade payables and borrowings.

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. 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.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Company's exposure to customers is diversified and some customer contributes more than 10% of outstanding accounts receivable as of March 31, 2017, March 31, 2016 and April 01, 2015, however there was no default on account of those customer in the past. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Before accepting any new customer, the Company uses an external/internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis.

The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

Movement in the expected credit loss allowance:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Balance at the beginning of the period/year			
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected			
Balance at the end of the period/year			

ii) Liquidity Risk

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

Excessive Risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or having economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Company to manage risk concentrations at both the relationship and industry levels

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note No. - 15 Fair Value
Set out below is the comparison by class of the carrying amounts and fair value of the Company's financials instruments

Particulars	Carrying amount			Fair Value		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
FINANCIAL ASSETS						
Financial assets measured at amortised cost						
(i) Balance with banks in current account	127	13,015	25,510	127	13,015	25,510
FINANCIAL LIABILITIES						
Financial liabilities measured at amortised cost						
(a) Trade Payable	93,667	1,02,456	92,905	93,667	1,02,456	92,905

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short - term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company determines fair values of financial assets and financial liabilities by discounting the contractual cash inflows/outflows using prevailing interest rates of financials instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value. The fair value of investment is determined using quoted net assets value from the fund. Further, the subsequent measurement of all financial assets and liabilities (other than investment in mutual funds) is at amortised cost, using the effective interest method.

The following methods and assumptions were used to estimate fair value:

(a) Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note - 16: Contingent liabilities and commitments

Contingent liabilities (to the extent not provided for)			**Amount in ₹**
Capital Commitment	**As at 31 March, 2017**	**As at 31 March, 2016**	**As at April 1, 2015**
Contingent liabilities	Nil	Nil	Nil
Capital Commitment	Nil	Nil	Nil

Legal Case filed by the company

The company has served notice through advocate Mr. Sachin Rajapurkar to Paradigm corporation private limited for recovery of deposit of Rs. 5 cr and expenses incurred on the project amounting to Rs. 1.4 cr along with interest/compensation. The management is confident of recoverability of the above dues with interest. In view of the same no impairment is made

Note 16A

The company enters into "domestic transactions" with specified parties that are subject to the Transfer Pricing regulations under the Income Tax Act, 1961 ('regulation'). The pricing of such domestic transactions will need to comply with Arm's length principle under the regulations. These regulations, inter alia, also required the maintenance of prescribed documents and information including furnishing a report from an accountant which is to be filed with the Income tax authorities.
The Company has undertaken necessary steps to comply with the regulations. The management is of the opinion that the domestic transactions are at arm's length, and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

Segment information has been presented in the Consolidated Financial Statements as permitted by Indian Accounting Standard (Ind AS) 108 on operating segment as notified under the Companies (Indian Accounting Standards) Rules, 2015.

The company has not performed CSR activities as mentioned in Section 135 read with companies (Corporate Social responsibility)Rules 2014(CSR rules) and Notification and circulars issued by the ministry during the financial year as the company is not within the criteria of 'Qualifying company'.

Note No - 16B: Events after the reporting period

Ind AS 10.21	Following are the material events occurred after the balance sheet date but before the approval of financial statements by board of directors. Nil

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note 17 : Significant estimates and assumptions

Estimates and Assumptions

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes will be reflected in the assumptions when they occur.

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Note No 18 : Related Party Transactions

I Names of related parties

1. Fellow Subsidiaries
- Marvel Housing Private Limited
- Vascon Dwellings Private Limited
- IT CITI Info Park Private Limited
- Windflower Properties Private Limited
- GMP Technical Solution Private Limited
- Greystone Premises Private Limited
- Vascon Pricol Infrastructure Limited
- Almet Corporation Limited
- Marathawada Realtors Private Limited
- Just Homes (India) Private Limited
- GMP Technical Solutions Middle East (FZE)
- Sunflower Real Estate Developers Pvt Ltd
- Angelica Properties Private Limited]
- Shreyas strategists Private limited
- Sansara Development India Private limited
- GMP Technical Services LLC

2. Joint Ventures
- Phoenix Ventures
- Cosmos Premises Private Limited
- Ajanta Enterprises
- Vascon Qatar WLL

3. Associates
- Mumbai Estate Private Limited

4. Key Management Personnel
- Mr. D.Santhanam
- Mr.M.Krishnamurthi

5. Relatives of Key Management Personnel

6. Establishments where in which individuals in serial number (4) and (5) exercise significant Influence
- D. Santanam (HUF)
- M krishnamurthi (HUF)

	II Related party transactions	**As at March 31, 2017**	**As at March 31, 2016**	**; at March 31, 2015**
(a)	**Sales and work**	-	-	-
(b)	**Interest Income**	-	-	-
(c)	**Interest Expense**	-	-	-
(d)	**Purchase of Goods / Work/Rent**	-	-	-
(e)	**Receiving of Services**	-	-	-
(f)	**Share of Profit from AOP/Firm**	-	-	-
(g)	**Share of Loss from AOP/Firm**	-	-	-
(h)	**Reimbursement of expenses**	-	-	-
(i)	**Finance Provided (including equity contributions i**	-	-	-

(j)	Finance availed /Received back(including equity coı	-	-	-
(k)	Outstanding corporate / bank guarantees given	-	-	-
(l)	Project Advance Outstanding as on	**6,75,40,993**	**6,75,05,784**	**6,74,27,505**
(m)	Project Advance Received	35,209	78,279	-
(n)	Project Advance Repaid	-	-	-

Notes:-

i) Related party relationships are as identified by the Company on the basis of information available and accepted by the auditors.

ii) No provision have been made in respect of receivable from related party as at March 31, 2017.

Floriana Properties Pvt. Ltd.
Notes forming part of the financial statements

Additional Information to the Financial Statements

19 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	31 March, 2017	31 March, 2016
(i) Principal amount remaining unpaid to MSME suppliers as on	-	-
(ii) Interest due on unpaid principal amount to MSME suppliers as on	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	-	-
(v) The amount of interest accrued and remaining unpaid as on	-	-
(vi) The amount of interest due and payable to be disallowed under Income Tax Act,	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

20

Expenditure in foreign currency on account of :	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Purchase of Spares/ materials	-	-
Purchase of services	-	-
Travelling & other expenditure	-	-
Purchase of Fixed Assets	-	-
	-	-

21 In absence of probable certainly of taxable income in subsequent years no provision for deferred tax assets in respect of carried forward business losses has been made.
In accordance with the provisions of AS 22 " Accounting for Taxation" in absence of virtual certainty of taxable income, for the year no provision for deferred tax assets in respect of carried forward business loss, has been made as the net result is deferred tax assets.

22 The Company has accumulated losses of Rs 36,76,286/-- and its net worth has been fully eroded. The Company has been continuously incurring losses and the Company's liabilities of Rs 6,76,37,160/- exceeded its assets of Rs 6,39,60,874/-as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubtabout the company's ability to continue as a going concern.The Board of Directors of the Company in its meeting held 9th February 2016 have proposed a scheme of merger of the Company with the holding company – M/s Vascon Engineers Limited (Pursuant to a resolution passed by the Board of Directors of the holding company on February 9th 2016), in terms of a scheme of amalgamation / merger under the Companies Act 1956 or corresponding provisions of the Companies Act 2013.As per the proposed scheme the business of the company shall be transferred to the holding company on a going concern basis. The scheme would be effective on receipt of necessary approval and completion of formalities as laid down thereunder.
Hence the financial statements are prepared on going concern basis.

23 Details of Specified Bank Notes (SBNs) held and transacted during the period 08/11/2016 to 30/12/2016 are provided in the table below:

	SBNs	Other Denomination Notes	Total
Closing Cash on Hand as on 08.11.2016	-	-	-
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amounts Deposited in Banks	-	-	-
Closing Cash on Hand as on 30.12.2016	-	-	-

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

For Chandrashekhar Iyer & Co.
Chartered Accountants
Firm Registration No. 127305W

Chandrashekhar Iyer
Proprietor
Membership No. 047723
Pune ; Dated 26 MAY 2017

For and on behalf of Board of Directors

M. Krishnamurthi
Director
DIN :00226569
Pune; Dated

D. Santhanam
Director
DIN :00037763