



INDEPENDENT AUDITOR'S REPORT

To the Members of SUNFLOWER REAL ESTATE DEVELOPERS PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Sunflower Real Estate Developments 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 Internal financial controls over financial 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under



Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 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 statement for the year ended March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by other auditors who expressed an unmodified opinion dated September 4, 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 (including other comprehensive income) , 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 Indian 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) 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"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company .

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- 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 29 to the Ind AS financial statements.

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

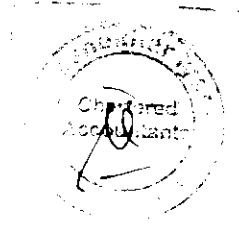

(Chandrashekhar Iyer)
Proprietor
Membership No.47723
Thane ,



Annexure - A to the Auditors' Report

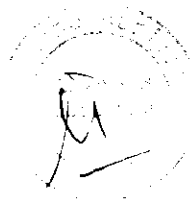
The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2017, we report that:

- i. 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. 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, except the following



Name of the Statute	Nature of Dues	Amount (Rs)	Period to which the amount relates	Due Date	Remarks
Income Tax Act , 1961	Advance Tax	5082000/-	FY 16-17	On or before 15 th of the month from the end of the quarter	

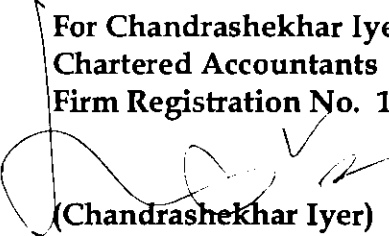
- b. According to the records of the Company there are no dues of sales tax/Value added tax, income-tax, customs duty, and excise duty which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, the company has not borrowed any funds from 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 on or by the company 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



Thane

Date : 26 MAY 2017

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 Sunflower Real Estate Developments Private Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

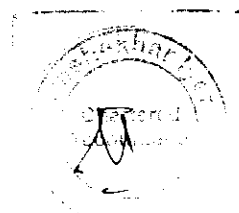
Management's Responsibility for Internal Financial Controls

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

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, 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 Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

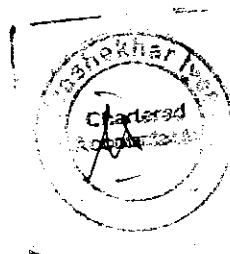
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 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.

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


(Chandrashekhar Iyer)
Proprietor
Membership No.47723

Thane

Date: 26 MAY 2017

Sunflower Real Estate Development Private Limited
CIN : U45200PN2007PTC129495
Balance Sheet as on March 31, 2017

		Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at 1st April 2015
A		ASSETS				
	1	Non-current assets				
		(a) Deferred Tax Asset	4A	5,566,345	484,467	
		(b) Financial Assets				
		(i) Investments	3	-	-	35,000
		(ii) Others Financial Assets	4B	25,000	25,000	25,655,000
		Total Non - Current Assets		5,591,345	509,467	25,690,000
	2	Current assets				
		(a) Inventories	6	300,497,225	275,649,595	317,500,929
		(b) Financial Assets				
		(i) Trade receivables	7	49,253,938	166,691,757	34,786,819
		(ii) Cash and cash equivalents	8	21,343,203	3,793,796	2,750,222
		(c) Other current assets	5	39,561,871	80,555,781	2,890,635
		Total Current Assets		410,656,237	526,690,929	357,928,605
		Total Assets (1+2)		416,247,582	527,200,396	383,618,605
B		EQUITY AND LIABILITIES				
	1	Equity				
		(a) Equity Share capital	9	10,000,000	10,000,000	10,000,000
		(b) Other Equity	9.1	(49,136,295)	(75,805,819)	(79,242,951)
		Equity attributable to owners of the Company (i)		(39,136,295)	(65,805,819)	(69,242,951)
		LIABILITIES				
	2	Non-current liabilities				
		(a) Financial Liabilities				
		(i) Borrowings	10	248,281,867	292,768,000	257,243,107
		(ii) Other financial liabilities	12	29,313,210	57,780,000	59,780,000
		Total Non - Current Liabilities		277,595,077	350,548,000	317,023,107
	3	Current liabilities				
		(a) Financial Liabilities				
		(i) Trade payables	11	13,887,019	55,085,802	46,738,175
		(b) Current tax liabilities (Net)	13	5,135,083	484,467	
		(c) Other current liabilities	14	158,766,698	186,887,947	89,100,275
		Total Current Liabilities		177,788,800	242,458,216	135,838,450
		Total Equity and Liabilities (1+2+3)		416,247,582	527,200,397	383,618,606
		See accompanying notes to the financial statements	1-32			

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

(Signature)
D Santhanam

Director
DIN : 00226569
Place:
Date:

(Signature)
M. I. G. Murthy

Krishnamurthy M
Director
DIN : 00037763
Place:
Date:

Sunflower Real Estate Development Private Limited

CIN : U45200PN2007PTC129495

Statement of Profit and Loss for the year ended March 31, 2017

Particulars	Note No.	2016-17	2015-16
Continuing Operations			
I Revenue from operations	15	161,595,494	248,232,209
II Other Income		-	-
III Total Income (I + II)		161,595,494	248,232,209
IV EXPENSES			
(a) Cost of materials consumed	16	124,896,461	178,556,649
(b) Changes in stock of finished goods, work-in-progress and stock-in-trade	17	(14,961,082)	42,657,835
(c) Finance costs	18	173,917	118,842
(d) Other expenses	19	24,816,673	23,461,751
V Total Expenses		134,925,969	244,795,077
VI Profit/(loss) before exceptional items and tax (III - V)		26,669,524	3,437,132
VII Exceptional Items			
VIII Profit/(loss) before tax		26,669,524	3,437,132
IX Tax Expense			
(1) Current tax		5,081,878	484,467
(2) Deferred tax			
(3) Less : MAT credit		5,081,878	(484,467)
Total tax expense		-	-
X Profit/(loss) after tax from continuing operations		26,669,524	3,437,132
Discontinued Operations			
(1) Profit/(loss) from discontinued operations			
(2) Tax Expense of discontinued operations			
XI Profit/(loss) after tax from discontinued operations			
XII Profit/(loss) for the period		26,669,524	3,437,132
XIII Earnings per equity share (for continuing operation):			
(1) Basic	20		
(2) Diluted	20		
XIV Earnings per equity share (for discontinued operation):			
(1) Basic	20	26.67	3.44
(2) Diluted	20		
XV Earnings per equity share (for continuing and discontinued operations):			
(1) Basic	20	26.67	3.44
(2) Diluted	20		

In terms of our report attached.

For Chandrashekhar Iyer & Co
Chartered Accountants
Firm registration no. 114260W

Chandrashekhar Iyer
Proprietor
Membership No.047723

Place : Pune
Date :

26 MAY 2017

For and on behalf of the Board of Directors

D Santhanam
Director
DIN :00226569
Place:
Date:

Krishnamurthy M
Director
DIN :00037763
Place:
Date:

SUNFLOWER REAL ESTATE DEVELOPERS PVT LIMITED
Cash Flow for the year ended March 31st, 2017
U45200PN2007PTC129495

Particulars	Currency Indian Rupees	
	March 31,2017	March 31,2016
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit /(Loss) Before Taxation and prior period adjustments.	26,669,524	3,437,132
Adjustments		
Add/(Less):-		
Add :Interest paid	173,917	118,842
Operating Profit before working capital changes	26,843,441	3,555,974
Income Tax paid during the period	-	-
Changes in Working Capital		
Decrease / (Increase) in Inventories	(24,847,630)	41,851,334
Decrease / (Increase) in Trade Receivables	117,437,819	(131,904,937)
Decrease / (Increase) in Other Current Assets	35,912,031	(77,665,146)
Decrease / (Increase) in Loans and advances		25,145,533
Increase / (Decrease) in Current Liabilities and Provisions.	(93,136,206)	106,619,766
Net Cash Generated from Operating Activities.	62,209,456	(32,397,476)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Paid	(173,917)	(118,842)
Sale of non current Investment	-	35,000
NET CASH Generated/ (USED) IN INVESTING ACTIVITIES	(173,917)	(83,842)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Loans repayment & decrease in other long term liab	(44,486,133)	33,524,893
Net Cash Generated/ (Used) in Financing Activities.	(44,486,133)	33,524,893
NET CASH INFLOW (OUTFLOW) (A+B+C)	17,549,406	1,043,574
Add:		
Cash and Cash Equivalents at the Beginning of the period		
a) Balances with banks in current accounts	1,412,391	1,740,315
b) Cash on hand	2,381,405	1,009,907
c) Balances with banks in deposit accounts	-	-
Sub-total	3,793,796	2,750,222
Cash and Cash Equivalents at the end of the period		
a) Balances with banks in current accounts	20,833,031	1,412,391
b) Cash on hand	510,172	2,381,405
c) Balances with banks in deposit accounts	-	-
Sub-total	21,343,203	3,793,796
Net (Decrease)/ Increase in Cash and Cash Equivalents During The Period.	17,549,406	1,043,574

As per our report of even date
For Chandrashekhar Iyer & Co.
Chartered Accountants
Firm Registration No. 114260W

Chandrashekhar Iyer
Proprietor
Membership No. 047723
Pune, Dated:

26 MAY 2017

For and on behalf of Board of Directors

M. Krishnamurthi

M. Krishnamurthi
Director
DIN : 00037763
Pune, Dated:

D. Santhanam

D. Santhanam
Director
DIN : 00226569

Sunflower Real Estate Development Private Limited
Notes forming part of the financial statements

1. CORPORATE INFORMATION

Sunflower Real Estate Development Pvt Ltd (Vascon Pricol Infrastructures Limited) (Company) was incorporated on 2nd April 2007 and having CIN U45201TZ2007PLC013596. The Company is engaged in the business of Property Developers /Real Estate Developers, Builders.

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.

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.

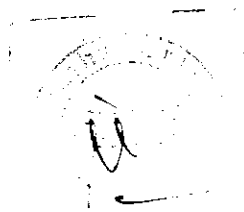
Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of

Impairment of investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Valuation of deferred tax assets

The Company reviews recognition of deferred tax at the end of each reporting period. The policy for the same has been explained under Note 2.09.



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 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 the past events where it is either not probable that an Warranty cost are accrued 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.

2.04 Revenue Recognition / Cost Recognition

a) Construction contracts

Revenue from fixed price construction contracts is recognised on the Percentage Of Completion Method (POCM). The stage of completion is determined by survey of work performed / completion of physical proportion of the contract work determined by technical estimate of work done / actual cost incurred in relation to total estimated contract cost, as the case may be. The estimate of total contract cost has been made at the time of commencement of contract work and reviewed and revised, by the technical experts, from time to time during period in which the contract work is executed. Future expected loss, if any, is recognised immediately as expenditure. In respect of unapproved revenue recognised, an adequate provision is made for possible reductions, if any. Contract revenue earned in excess of billing has been reflected as unbilled revenue under the head "Other Current Assets" " and billing in excess of contract revenue has been reflected as Unearned Revenue under the head "Other Current Liabilities" in the Balance Sheet

The Company provides for cost to be incurred during warranty period for servicing warranties on the completed projects. Such amount, net of the obligations on account of sub-contractors, is determined on the basis of technical evaluation and past experience of meeting such costs.

Escalation claims raised by the Company are recognised when negotiations have reached an advanced stage such that customers will accept the claim and amount that is probable will be accepted by the customer can be measured reliably.

b) Real estate development

(i) Completed Units

Revenue from sales of units is recognized as and when the underlying significant risk and rewards of ownership are transferred to the purchaser.



(iii) Units Under Development

Revenue from sales of such units is recognized as and when all the following conditions are satisfied:

- (a) The underlying significant risk and rewards of ownership are transferred to the purchaser.
- (b) All critical approvals necessary for commencement of the project are obtained.
- (c) Reasonable level of development is reached when project cost incurred excluding land cost and borrowing cost exceeds 25% of the project cost.
- (d) At least 25% of the estimated project area are secured by contracts or agreement with the buyers.
- (e) At least 10% of the total revenue as per agreements of sale are realised at the reporting date in respect of each of the contracts and there are no outstanding defaults of the payment terms in such contracts.

Project revenue and project costs associated with the real estate project are recognized as revenue and expenses by reference to the stage of completion of the project activity at the reporting date in accordance with "Guidance Note on Accounting for real estate transactions".

The percentage completion for the purpose of recognition of revenue is determined based on actual costs incurred thereon by the Company to total estimated cost with reference to the saleable area. Cost for this purpose includes cost of land/development rights, construction and development costs of such properties borrowing costs and overheads, as may be applicable.

The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized

- c) Interest Income – Interest income is recognized on time proportion basis taking into account the amounts invested and the rate of interest.

2.06 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.

2.07 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

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.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the Deferred income tax asset are recognised 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 utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

2.08 Inventories

a) Stock of Materials, etc.

Stock of materials, etc. has been valued at lower of cost or net realisable value. The cost is determined on Weighted Average method.

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

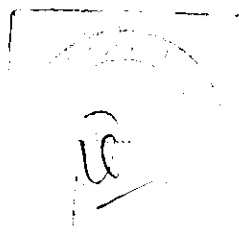
The unit under construction to the extent not recognised as sales under the revenue recognition policy adopted by the Company is carried at lower of cost or net realisable value on the basis of technical estimate certified by the Managing Director / Technical

2.09 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

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Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets 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.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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.

2.10 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.

2.11 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.

2.12 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.

2.13 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.

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Sunflower Real Estate Development Private Limited
Notes forming part of the financial statements

Note No. 3 - Investment

Non Current Investment

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
A. Unquoted Investment at COST Investment in Partnership firm (Vascon Arista)			35,000
Total Unquoted Investments	-	-	35,000
INVESTMENTS CARRIED AT COST	-	-	35,000
TOTAL INVESTMENTS	-	-	35,000

Note No. 4A - Deferred Tax Asset

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
a) MAT Credit entitlement	55,66,345	4,84,467	
Total	55,66,345	4,84,467	-

Note No. 4B - Others Financial Asset

Non - Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial assets at amortised cost			
a) Security Deposits			
- Unsecured	25,000	25,000	25,000
- Doubtful	-	-	-
Less: Allowance for Credit Losses	-	-	-
b) Other loans and advances			2,56,30,000
TOTAL	25,000	25,000	2,56,55,000

Note No.5- Other current assets**Current**

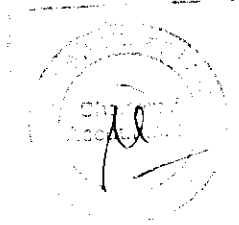
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Advances to suppliers	1,18,87,817	38,07,489	21,22,773
(b) Advance payment of Tax and TDS (net off provisions)	8,03,840		
(d) Other receivables	61,88,084	32,94,405	7,67,862
(e) Unbilled Revenue	3,39,90,759	9,56,72,530	-
Less :- Related advance payment received	1,33,08,629	(2,22,18,643)	-
TOTAL	3,95,61,871	8,05,55,781	28,90,635

Note - 6: inventories

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Projects under Development	28.78.78.987	27.29.17.906	31.55.75.740
(b) Construction materials / tools	1.26.18.238	27,31,689	19.25.189
Total Inventories at the lower of cost and net realisable value	30.04.97.225	27.56.49.595	31.75.00.929

Note No. 7 - Trade receivables***A. Current**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade receivables outstanding for a period of more than 6 months			
(a) Unsecured, considered good	5.49.09.546	17.73.04.159	3.47.86.819
(b) Doubtful			
Less: Allowance for Credit Losses			
	5.49.09.546	17.73.04.159	3.47.86.819
Trade receivables outstanding for a period of less than 6 months			
(a) Unsecured, considered good			
(b) Doubtful			
Less: Allowance for Credit Losses			
Less: Related Unearned Receivables	56.55.608	1.06.12.402	-
TOTAL	4.92.53.938	16.66.91.757	3.47.86.819



Trade Receivables breakup

Particulars	Amount in		
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Of the above, trade receivables from:			
- Related Parties	-	-	-
- Others	4,92,53,938	16,66,91,757	3,47,86,819
Total			
Current	4,92,53,938	16,66,91,757	3,47,86,819
Non Current			

Note - 8: 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) Cash in hand	5,10,172	23,81,405	10,09,907
(b) Balances with banks in current accounts	2,08,33,031	14,12,391	17,40,315
Total Cash and cash equivalent	2,13,43,203	37,93,796	27,50,222

Note No. 9 - Equity Share Capital

a. Equity share capital	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Authorised:						
Equity shares of ` 10 each with voting rights	10,00,000	1,00,00,000	10,00,000	1,00,00,000	10,00,000	1,00,00,000
	10,00,000	1,00,00,000	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Issued, Subscribed and Fully Paid:						
Equity shares of ` 10 each with voting rights	10,00,000	1,00,00,000	10,00,000	1,00,00,000	10,00,000	1,00,00,000
	10,00,000	1,00,00,000	10,00,000	1,00,00,000	10,00,000	1,00,00,000

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.

Note - 9: 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	10,00,000	1,00,00,000
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	10,00,000	1,00,00,000
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	10,00,000	1,00,00,000

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Statement of Changes in Equity

Note No. 9.1 - Other Equity

Particulars	<u>Reserves and Surplus</u>	
	Retained Earnings	Total
Balance at the end of the reporting period 31st March 2015	(7,92,42,951)	(7,92,42,951)

Particulars	<u>Reserves and Surplus</u>	
	Retained Earnings	Total
Balance at the beginning of the reporting period - As of April 01, 2015	(7,92,42,951)	(7,92,42,951)
Total Comprehensive Income for the year	34,37,132	34,37,132
Balance at the end of the reporting period 31st March 2016	(7,58,05,819)	(7,58,05,819)

Particulars	<u>Reserves and Surplus</u>	
	Retained Earnings	Total
Balance at the beginning of the reporting period - As of April 01, 2016	(7,58,05,819)	(7,58,05,819)
Total Comprehensive Income for the year	2,66,69,524	2,66,69,524
Balance at the end of the reporting period - 31st March 2017	(4,91,36,295)	(4,91,36,295)

Note -10: Non Current Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Measured at amortised cost*			
Unsecured Borrowings - at amortised Cost			
(a) Loans from related parties	24,82,81,867	29,27,68,000	25,21,31,602
(b) Loans from others			51,11,505
Total Unsecured Borrowings	24,82,81,867	29,27,68,000	25,72,43,107
Total Borrowings	24,82,81,867	29,27,68,000	25,72,43,107

Note -11: Trade Pavables

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	1,38,87,019	5,50,85,802	4,67,38,175
Total trade payables*	1,38,87,019	5,50,85,802	4,67,38,175

Note No. 12 - Other Financial Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Other Financial Liabilities Measured at Amortised Cost Non-Current			
(a) Commitment and other deposits	2,93,13,210	5,77,80,000	5,97,80,000
	2,93,13,210	5,77,80,000	5,97,80,000
	-	-	-
Total other financial liabilities	2,93,13,210	5,77,80,000	5,97,80,000

Note - 13: Current tax liabilities (net)

A. Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Other Provisions			
1) Taxation	51,35,083	4,84,467	-
Total Provisions	51,35,083	4,84,467	-

Note - 14 : Other Liabilities

A. Other Current Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
a. Advances received from customers			
- Gross amount due to customers	1,81,08,827	13,57,54,226	5,08,71,182
- Less : Related Unbilled Revenues	(1,33,08,629)	(2,22,18,643)	-
	48,00,198	11,35,35,583	5,08,71,182
b. Income received in advance (Unearned Revenue)	67,85,112	1,66,01,671	3,31,16,074
- Less : Related Debtors	56,55,606	(1,06,12,402)	-
	11,29,506	59,89,269	3,31,16,074
c. Statutory dues			
- taxes payable (other than income taxes)	1,08,43,571	60,10,367	10,67,889
d- Interest payable on loan	8,82,25,043	3,89,15,095	30,99,523
e- Others (Share of JV Partner)	4,44,52,286	2,22,78,059	-
F- Other payable	93,16,094	1,59,574	9,11,158
g-Overdue Capital with vascon Arista			34,449
TOTAL OTHER LIABILITIES	15,87,66,698	18,68,87,947	8,91,00,275

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Sunflower Real Estate Development Private Limited
Notes forming part of the financial statements

Note no -15 Revenue from Operations

The following is an analysis of the company's revenue for the year from continuing operations.

Particulars	2016-17	2015-16
<i>Revenue recognized / sales (gross)</i>		
- Sale of unit	16,15,95,494	24,82,32,209
Total Revenue from Operations	16,15,95,494	24,82,32,209

Note 16 Cost of materials consumed

Particulars	2016-17	2015-16
Direct expenses for Development	12,48,96,461	17,85,56,649
Cost of materials consumed	12,48,96,461	17,85,56,649

Note 17 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	2016-17	2015-16
Inventories at the beginning of the year:		
Work-in-progress	27,29,17,906	31,55,75,741
	27,29,17,906	31,55,75,741
Inventories at the end of the year:		
Work-in-progress	28,78,78,987	27,29,17,906
	28,78,78,987	27,29,17,906
Net (increase) / decrease	(1,49,61,082)	4,26,57,835

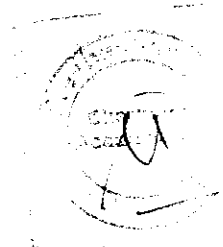


Note no -18 Finance Cost

Particulars	2016-17	2015-16
(a) Interest expense	4,94,83,863	4,33,57,836
Less: Amounts included in the cost of qualifying assets	(4,93,09,946)	(4,32,38,994)
Total finance costs	1,73,917	1,18,842

Note no - 19 Other Expenses

Particulars	2016-17	2015-16
(a) Rates and taxes	53,064	35,302
(b) Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	2,50,000	2,50,000
(ii) For Taxation matters		
(iii) Auditors out-of-pocket expenses		
(c) Other expenses		
(1) Legal and other professional costs	5,79,700	1,59,910
(2) Travelling and Conveyance Expenses	10,595	7,557
(3) Printing and stationery	31,844	10,966
(4) Brokerage / commission	11,60,388	4,16,210
(6) Bank charges	8,093	6,243
(7) Miscellaneous Expenses	5,48,763	2,97,504
(8) JV partner cost	2,21,74,227	2,22,78,059
Total Other Expenses	2,48,16,673	2,34,61,751



Note 20: Disclosures under Ind AS 33

Note	Particulars	For the year ended	For the year ended
		31 March 2017	31 March 2016
		₹	₹
		Per Share	Per Share
	Basic Earnings per share		
	From continuing operations	26.67	3.44
	From discontinuing operations	-	-
		26.67	3.44
	Diluted Earnings per share		
	From continuing operations	26.67	3.44
	From discontinuing operations	-	-
	Total diluted earnings per share	26.67	3.44

Basic earnings per share

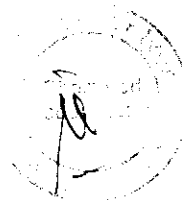
The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Note	Particulars	For the year ended	For the year ended
		31 March 2017	31 March 2016
	Profit / (loss) for the year attributable to owners of the Company	2,66,69,524	34,37,132
	Profit for the year on discontinued operations used in the calculation of basic		
	Profits used in the calculation of basic earnings per share from continuing operations	2,66,69,524	34,37,132
	Weighted average number of equity shares	10,00,000.00	10,00,000.00
	Earnings per share from continuing operations - Basic	26.67	3.44
	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

Note	Particulars	For the year ended	For the year ended
		31 March, 2017	31 March, 2016
	Profit / (loss) for the year used in the calculation of basic earnings per share	2,66,69,524	34,37,132
	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	2,66,69,524	34,37,132
	operations		
	Weighted average number of equity shares used in the calculation of Basic EPS	10,00,000	10,00,000
		-	-
	Weighted average number of equity shares used in the calculation of Diluted EPS	10,00,000	10,00,000
	Earnings per share from continuing operations - Dilutive	26.67	3.44
	Earnings per share from discontinuing operations - Dilutive	-	-



Sunflower Real Estate Dev Pvt Ltd
Notes forming part of the financial statements

Note No. - 21 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 Company'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 financial 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:



Note No. - 21A 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		(6,92,42,951)	(6,58,05,819)
Ind AS: Adjustments increase (decrease):			
Equity as reported under IND AS		(6,92,42,951)	(6,58,05,819)

PARTICULARS	Notes	Year ended 31/3/2016 latest period presented under previous GAAP)	
		Profit before Tax	Profit for the year
Previous GAAP		34,37,132	34,37,132
Ind AS: Adjustments increase (decrease):			
Recognition of development costs less amortization			
Loans measured at amortised cost instead of nominal value			
Fair value adjustment on warrants			
Production overheads in cost of inventories			
Employee future benefits – actuarial gains and losses (Net of Tax)	(b)		
Goodwill no longer amortised as from the date of transition			
Restructuring provision not recognised as a liability			
Total adjustment to profit or loss			
Profit or loss under Ind AS			
Other comprehensive income			
Total comprehensive income under Ind AS		34,37,132	34,37,132

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

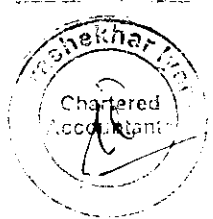


(ii) Reconciliation of equity and P&L as previously reported under India GAAP to IND AS

		As at 01/04/2015 (Date of Transition)			As at 31/3/2016 (end of last period presented)			
Particulars		Notes	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) Deferred Tax Asset	(a)				-	4.84.467	4.84.467
	(b) Financial Assets							
	(i) Investments		35.000		35.000			-
	(ii) Others Financial Assets		2.56.55.000		2.56.55.000	5.09.467	(4.84.467)	25.000
	Total Non - Current Assets		2.56.90.000	-	2.56.90.000	5.09.467	-	5.09.467
2	Current assets							
	(a) Inventories		31.75.00.929		31.75.00.929	27.56.49.595		27.56.49.595
	(b) Financial Assets							
	(i) Trade receivables		3.47.86.819		3.47.86.819	16.66.91.757		16.66.91.757
	(ii) Cash and cash equivalents		27.50.222		27.50.222	37.93.796		37.93.796
	(c) Other current assets		28.90.635		28.90.635	8.05.55.781		8.05.55.781
	Total Current Assets		35.79.28.605	-	35.79.28.605	52.66.90.930	-	52.66.90.930
	Total Assets (1+2)		38.36.18.605	-	38.36.18.605	52.72.00.396	-	52.72.00.396
B	EQUITY AND LIABILITIES							
1	Equity							
	(a) Equity Share capital	(b)	1.00.00.000		1.00.00.000	1.00.00.000		1.00.00.000
	(b) Other Equity excluding non-controlling interests		(7.92.42.951)		(7.92.42.951)	(7.58.05.819)		(7.58.05.819)
	Total equity		(6.92.42.951)	-	(6.92.42.951)	(6.58.05.819)	-	(6.58.05.819)
	LIABILITIES							
2	Non-current liabilities							
	(a) Financial Liabilities							
	(i) Borrowings		25.72.43.107		25.72.43.107	29.27.68.000		29.27.68.000
	(ii) Other financial liabilities		5.97.80.000		5.97.80.000	5.77.80.000		5.77.80.000
	Total Non-current Liabilities		31.70.23.107	-	31.70.23.107	35.05.48.000	-	35.05.48.000
2	Current liabilities							
	(a) Financial Liabilities							
	(i) Trade payables		4.67.38.175		4.67.38.175	5.50.85.802		5.50.85.802
	(b) Current tax liabilities (Net)		-		-	4.84.467		4.84.467
	(c) Other current liabilities		8.91.00.275		8.91.00.275	18.68.87.947		18.68.87.947
	Total Current Liabilities		13.58.38.450	-	13.58.38.450	24.24.58.216	-	24.24.58.216
	Total Equity and Liabilities (1+2)		38.36.18.606	-	38.36.18.606	52.72.00.397	-	52.72.00.397

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	Ind AS
I	Revenue from operations			
II	Other Income		24,82,32,209	24,82,32,209
III	Interest Income			
IV	Total Revenue (I + II + III)		24,82,32,209	24,82,32,209
V	EXPENSES			
	(a) Cost of materials consumed		17,85,56,649	17,85,56,649
	(b) Purchases of finished, semi-finished and other products			
	(c) Changes in stock of finished goods, work-in-progress and stock-in-trade		4,26,57,835	4,26,57,835
	(d) Employee benefit expense			
	(e) Finance costs		1,18,842	1,18,842
	(f) Depreciation and amortisation expense			
	(h) Consulting expense			
	(i) Impairment loss on trade receivables			
	(j) Other expenses		2,34,61,751	2,34,61,751
	Total Expenses (V)		24,47,95,077	24,47,95,077
VI	Profit/(loss) before exceptional items and tax (IV - V + VI)		34,37,132	34,37,132
VII	Exceptional Items			
VIII	Profit/(loss) before tax (VII - VIII)		34,37,132	34,37,132
IX	Tax Expense			
	(1) Current tax		4,84,467	4,84,467
	(i) Current tax			
	(ii) Current tax relating to previous years			
	(2) MAT Credit		(4,84,467)	(4,84,467)
	Total tax expense	(b)		
X	Profit/(loss) after tax from continuing operations (IX - X)		34,37,132	34,37,132
XI	Profit/(loss) after tax from discontinued operations			
XII	Profit/(loss) on disposal of discontinued operations			
XIII	Profit/(loss) after tax from discontinued operations (XII + XIII)		34,37,132	34,37,132
XIV	Profit/(loss) for the period (XI + XIV)		34,37,132	34,37,132
XV	Profit/(Loss) from continuing operations for the period attributable to:			
	Owners of the Company		34,37,132	34,37,132
	Non controlling interests			
XVI	Profit/(Loss) from discontinued operations for the period attributable to:			
	Owners of the Company			
	Non controlling interests			
XVII	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			
XVIII	Total comprehensive income for the period (XV + XVIII)		34,37,132	34,37,132
XIX	Total comprehensive income for the period attributable to:			
	Owners of the Company		34,37,132	34,37,132
	Non controlling interests			
XX	Earnings per equity share (for continuing operation):			
	(1) Basic		3.44	3.44
	(2) Diluted		3.44	3.44
XI	Earnings per equity share (for discontinued operation):			
	(1) Basic			
	(2) Diluted			
XXII	Earnings per equity share (for continuing and discontinued operations):			
	(1) Basic		3.44	3.44
	(2) Diluted		3.44	3.44



Note No. - 22 Financial Instruments and Risk Review

Financial Risk Management Framework

Sunflower Real Estate Dev 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.

Trade receivables

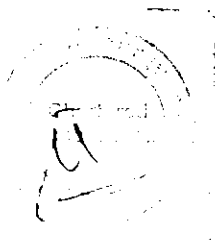
Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or 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:



Note No. - 23 Fair Value

Set out below is the comparison by class of the carrying amounts and fair value of the Company's financial 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						
(a) Security Deposits	25,000	25,000	25,000	25,000	25,000	25,000
(b) Foreign Exchange Adjustment						
(c) Deposit under protest						
(d) Non current investment - Subsidiaries						
(e) Other non current investment						
(f) Trade receivable	4,92,53,938	16,66,91,757	3,47,86,819	4,92,53,938	16,66,91,757	3,47,86,819
(g) Loans to employees						
(h) Interest accrued on deposits						
(i) Cash in hand	5,10,172	23,81,405	10,09,907	5,10,172	23,81,405	10,09,907
(j) Balance with banks in current account	2,08,33,031	14,12,391	17,40,315	2,08,33,031	14,12,391	17,40,315
(k) Balance held as Margin money against borrowings						
Financial assets measured at fair value through Statement of						
(a) Current investments						
(b) Non Current investments quoted						
FINANCIAL LIABILITIES						
Financial liabilities measured at amortised cost						
(a) Non Current Borrowing	24,82,81,867	29,27,68,000	25,72,43,107	24,82,81,867	29,27,68,000	25,72,43,107
(b) Current Borrowing						
(c) Security deposits received from dealers						
(d) Retention money						
(e) Current maturities of long-term debt						
(f) Interest accrued but not due on borrowings	8,82,25,043	3,89,15,095	30,99,523	8,82,25,043	3,89,15,095	30,99,523
(g) Payables on purchase of property plant & equipment						
(h) Trade Payable	1,38,87,019	5,50,85,802	4,67,38,175	1,38,87,019	5,50,85,802	4,67,38,175

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 financial 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

Discount rates used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Company and in case of financial assets is the average market rate of similar credit rated instrument.

The Company maintain policies and procedure to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

Fair value of financial assets and liabilities is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Following methods and assumptions were used to estimate fair value:

- Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.
- Security deposit paid are evaluated by the Company based on parameters such as interest rate non performance risk of the customer. The fair value of the Company's security deposit paid are determined by estimating the incremental borrowing rate of the borrower (primarily the landlords). Such rate has been determined using discount rate that reflects the average interest rate of borrowing taken by similar credit rate companies where the risk of non performance risk is more than significant.
- Fair value of quoted mutual funds is based on the net assets value at the reporting date. The fair value of other financial liabilities as well as other non current financial liabilities is estimated by discounting future cash flow using rate currently applicable for debt on similar terms, credit risk and remaining maturities.
- The fair value of the Company's interest bearing borrowing received are determined using discount rate that reflects the entity's borrowing rate as at the end of the reporting period. The own non performance risk as at the reporting was assessed to be insignificant.

Sunflower Real Estate Dev Pvt Ltd
Notes forming part of the financial statements

Note - 24: Contingent liabilities and commitments

Contingent liabilities (to the extent not provided for)	Amount in ₹		
	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

Note 24A

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

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'.



Sunflower Real Estate Dev Pvt Ltd
Notes forming part of the financial statements

Note 25 : 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 assets 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.

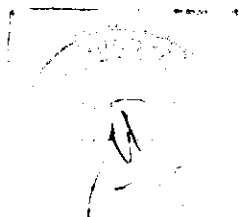
Impairment of non-financial assets

Impairment exists when the carrying value of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amounts sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

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, the fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value target and the discount factor.

The Company has valued its financial instruments through profit & loss which involves significant judgements and estimates such as cash flows for the period for which the instrument is valid, EBITDA of investee company, fair value of share price of the investee company on meeting certain requirements as per the agreement, etc. The determination of the fair value is based on expected discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.



Sunflower Real Estate Dev Pvt Ltd
Notes forming part of the financial statements

Note No 26 : 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
- Floriana Properties Private Limited
- Vascon Pricol Infrastructure Limited
- Almet Corporation Limited
- Marathawada Realtors Private Limited
- Just Homes (India) Private Limited
- GMP Technical Solutions Middle East (FZE)
- Grevstone Premises Pvt Ltd
- Anaelica Properties Private Limited
- Shrevas strategists Private limited
- Sansara Development India Private limited
- GMP Technical Services LLC

2. Joint Ventures

- Phoenix Ventures
- Cosmos Premises Private Limited
- Alanta Enterorises
- Vascon Qatar WLL

3. Associates

- Mumbai Estate Private Limited

4. Key Management Personnel

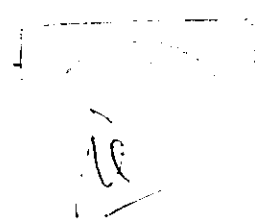
- Mr. D.Santhanam
- Mr.M.Krishnamurthi

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	As at March 31, 2015
(a) Sales and work	-	-	-
(b) Interest Income	-	-	-
(c) Interest Expense	4.93.09.946	4.32.38.994	-
(d) Purchase of Goods / Work/Rent	-	-	-
(e) Receivinz of Services	2.22.78.059	-	-
(f) Share of Profit from AOP/Firm	-	-	-
(e) Share of Loss from AOP/Firm	-	-	-
(h) Reimbursement of expenses	-	-	-
(i) Finance Provided (including equity contributions in cash or in kind)/repayment of loan/repayment of	-	-	-
(j) Finance availed /Received back(including equity contributions in cash or in kind)	24,82,81,867	29,27,68,000	25,72,43,107
(k) Outstanding corporate / bank guarantees given	-	-	-



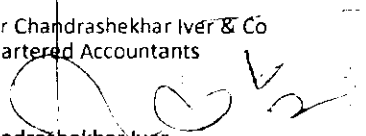
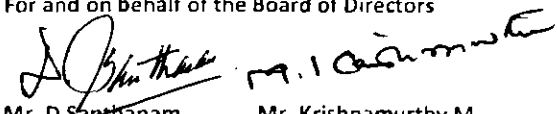
(l) Project Advance Outstanding as on	-	-	-
(m) Project Advance Received	-	-	-
(n) Project Advance Repaid	-	-	-

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.

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Note Additional Information to the Financial Statements

27 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	-	-
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.			
28	Expenditure in foreign currency on account of :	For the year ended 31 March, 2017	For the year ended 31 March, 2016
29	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 (Rs)	Other Denomination Notes (Rs)
			Total (Rs)
	Closing Cash on Hand as on 08.11.2016	1,350,000	33,677
	(+) Permitted Receipts	-	20,000
	(-) Permitted Payments	-	40,152
	(-) Amounts Deposited in Banks	1,350,000	-
	Closing Cash on Hand as on 30.12.2016	-	13,525
			13,525
30	Provision for deferred tax assets:		
	Particulars	Amount	Deferred tax
	Brought forward business losses (DTA)	26,669,524	8,240,883
	Adjustment of Current year profit (DTL)	26,669,524	(8,240,883)
	Total Deferred tax asset to be created		<u>(8,240,883)</u>
No Deferred tax asset has been created in respect of c/f business loss as there is no probable certainty of having any taxable income against which the deferred tax assets can be adjusted.			
31	Scheme of Amalgamation		
The Board of Directors of the Company in its meeting held on 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.			
32	Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's		
For Chandrashekhar Iyer & Co Chartered Accountants		For and on behalf of the Board of Directors	
			
Chandrashekhar Iyer Proprietor M. No. 47723 Firm Registration No. 114260W Place: 26 MAY 2017 Dated: 26 MAY 2017		Mr. D Santhanam Director DIN :00226569 Place: Date:	
		Mr. Krishnamurthy M Director DIN :00037763 Place: Date:	