



INDEPENDENT AUDITOR'S REPORT

To,

THE MEMBERS OF SWARNSARITA REALTY PRIVATE LIMITED
Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **SWARNSARITA REALTY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March, 2017**, the Statement of Profit and Loss (including Other Comprehensive Income) and the statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 standalone 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 standalone 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 standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017, and its Profit and the change in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") as amended, issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure A" a statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
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, and the cash flow statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as at 31st 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".
 - (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 does not have any pending litigations on its financial position in its financial statements.
 - ii. The Company does not have 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:
 - iv. The company has provided requisite disclosure in the standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407 (E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representation provided to us by the management we report that the disclosure are in accordance with the books of account maintained by the company and as produced by the Management.

Date : 23/05/2017
Place: Mumbai



For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No. : 112492W

Suresh Anchaliya
Partner
M.No. : 044960

**"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of
Swarnsarita Realty Private Limited.**

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 **Swarnsarita Realty Private Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal controls 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 Accountant on 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 March 31, 2017, based on internal controls 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 Accountant on India ('ICAI').

Date : 23/05/2017
Place: Mumbai



For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No. :112492W

Suresh Anchaliya
Partner
M.No. : 044960

Swarnsarita Realty Private Limited

(in ₹ lakhs)

Balance Sheet as at	Note	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
ASSETS				
Non-Current Assets				
Property, plant and equipment	1	11.22	12.89	0.00
Tax assets (net)	2	3.03	15.70	0.48
Other non-current assets	3	0.00	1.64	3.28
Total non-current assets		14.25	30.23	3.76
Current Assets				
Inventories	4	1082.42	1082.42	291.24
Financial Assets				
Trade receivables	5	43.21	10.93	0.00
Cash and cash equivalents	6	0.16	0.91	0.16
Other Current Assets	3	1170.24	1090.42	1953.70
Total current assets		2296.04	2184.68	2245.10
Total Assets		2310.28	2214.91	2248.86
EQUITY AND LIABILITIES				
Equity				
Equity share capital	7	1000.00	1000.00	1000.00
Other equity		11.35	8.01	5.88
Total equity		1011.35	1008.01	1005.88
Liabilities				
Non-current liabilities				
Defferd tax liabilities	8	0.31	0.29	0.00
Financial Liabilities				
Other financial liabilities	9	14.42	14.42	2.50
Total non-current liabilities		14.73	14.71	2.50
Current liabilities				
Financial liabilities				
Borrowings	10	1231.81	1114.45	1215.81
Other financial liabilities	9	41.22	58.76	1.81
Other current liabilities	11	9.66	18.97	16.33
Current Tax Liabilities (Net)	12	1.51	0.01	6.53
Total current liabilities		1284.20	1192.19	1240.48
Total equity and liabilities		2310.28	2214.91	2248.86

The accompanying notes form an integral part of the standalone interim financial statements.
As per our report of even date

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No.- 11249271

Suresh Anchaliya
Partner
Membership No. 044960

Place: Mumbai
Date: May 23, 2017



For Swarnsarita Realty Private Limited

Rajendra M. Chordia
Director
Din : 00175646

Seema Rajendra Chordia
Director
Din : 02685866

Swarnsarita Realty Private Limited

in ₹ lakhs, except equity share and per equity share data

Statement of Profit and loss for the period ended on	Note	2017	2016
Revenue from operation	13	52.68	52.68
Other Income	14	68.34	80.77
Total Income		121.02	133.45
Expenses			
Purchase of Stock - in Trade	15	0.00	791.18
Changes in Inventories of Finished Goods, Stock - In - Trade and Work in progress	16	0.00	-791.18
Employee Benefit Expenses	17	2.40	19.20
Financial Costs	18	105.90	106.11
Depreciation and Amortization Expenses	1	3.32	2.88
Other Expenses	19	4.53	5.20
Total Expenses		116.15	133.39
Profit before tax		4.872125	0.06
Tax Expense			
Current Tax		1.51	-2.36
Deferred Tax		0.02	0.29
Profit for the period		3.34	2.13
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Income tax relating to items that will not be reclassified to profit or loss		0.00	0.00
(B) Items that will be reclassified to profit or loss			
Income tax relating to items that will be reclassified to profit or loss		0.00	0.00
Total other comprehensive Income			0.00
Total Comprehensive Income for the period		3.34	2.13
Earning per equity share			
Basic		0.03	0.02
Diluted		0.03	0.02

The accompanying notes form an integral part of the standalone interim financial statements.

As per our report of even date

For Suresh Anchaliya & Co.

Chartered Accountants

Firm Regn. No.- 112492W

Suresh Anchaliya

Suresh Anchaliya

Partner

Membership No. 044960



Place: Mumbai

Date: May 23, 2017

For Swarnsarita Realty Private Limited

Rajendra M. Chordia

Rajendra M. Chordia

Director

Din : 00175646

Seema Rajendra Chordia

Seema Rajendra Chordia

Director

Din : 02685866

Swarnsarita Realty Private Limited

Statement of Change in Equity as on 31st March, 2016

(in ₹ lakhs)

Particulars	Equity Share Capital			Total
		Retained earnings	Other items of other comprehensive income	
Balance as of April 1, 2015	1000	5.88		1005.88
Increase in share capital	0.00	0.00	0.00	0
Profit for the period	0.00	2.13	0.00	2.13
Balance as of March 31, 2016	1000	8.01	0.00	1008.01

Statement of Change in Equity as on 31st March, 2017

(in ₹ lakhs)

Particulars	Equity Share Capital			Total
		Retained earnings	Other items of other comprehensive income	
Balance as of April 1, 2016	1000.00	8.01	0.00	1008.01
Increase in share capital	0.00	0.00	0.00	
Profit for the period	0.00	3.34	0.00	
Balance as of March 31, 2017	1000	11.35	0.00	1011.35

The accompanying notes form an integral part of the standalone interim financial statements.

As per our report of even date

For Swarnsarita Realty Private Limited

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No.- 112492W

Suresh Anchaliya
Partner
Membership No. 044960

Place: Mumbai
Date: May 23, 2017



Rajendra M. Chordia
Director
Din : 00175646

Seema Rajendra Chordia
Director
Din : 02685866

Swarnsarita Realty Private Limited

Notes to Financial Statement for the Year Ended 31st March, 2017

1. Property plant and equipment

Following are the changes in the carrying value of property, plant and equipment for the year ended 31st March, 2017

(in ₹ lakhs)

	Gross Carrying Value				Depericiation			Carring Value	
Name of Assets	As On 01.04.2016	Addition during the year	Deduction/ Written off During the Year	As On 31.03.2017	As On 01.04.2016	Depreciation during the year	Total As On 31.03.2017	As On 31.03.2017	As On 01.04.2016
Motor Cars	12.89	0.00	0.00	12.89	1.24	1.68	2.91	11.22	12.89
Total	12.89	0.00	0.00	12.89	1.24	1.68	2.91	11.22	12.89

Following are the changes in the carrying value of property, plant and equipment for the Year ended 31st March, 2016

(in ₹ lakhs)

	Gross Carrying Value				Depericiation			Carring Value	
Name of Assets	As On 01.04.2015	Addition during the year	Deduction/ Written off During the Year	As On 31.03.2016	As On 01.04.2015	Depreciation during the year	Total As On 31.03.2016	As On 31.03.2016	As On 01.04.2015
Motor Cars	0.00	14.13	0.00	14.13	0.00	1.24	1.24	12.89	0.00
Total	0.00	14.13	0.00	14.13	0.00	1.24	1.24	12.89	0.00

Swarnsarita Gems Limited
Notes to Financial Statement for the Year Ended 31st March, 2017

(in ₹ lakhs)			
2. Tax assets (Net)	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Particulars			
Income tax assets	3.03	15.70	0.48
	3.03	15.70	0.48

(in ₹ lakhs)			
3. Other assets	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Particulars			
Non-current			
Advances other than capital advances			
Preliminary expenses	0.00	1.64	3.28
	0.00	1.64	3.28
Current			
Capital Advances			
Advance for purchase of property	1170.24	1090.42	1953.70
Advances other than capital advances			
Other advances			
Advance to supplier			
Prepaid expenses			
Job work charges receivables			
	1170.24	1090.42	1953.70
	1170.24	1092.06	1956.98
Total other assets			

(in ₹ lakhs)			
4. Inventories	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Particulars			
Finished Goods	1082.42	1082.42	291.24
	1082.42	1082.42	291.24

(in ₹ lakhs)			
5. Trade receivables	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Particulars			
Unsecured			
Considered good	43.21	10.93	0.00
Considered doubtful	43.21	10.93	0.00

(in ₹ lakhs)			
6. Cash and cash equivalents	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Particulars			
Balances with banks			
In current accounts	0.16	0.91	0.16
Fixed Deposits			
Cash on hand			
	0.16	0.91	0.16

(in ₹ lakhs)			
7. Equity share capital	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Particulars			
Authorised Share:			
100,00,000 Equity Shares of Rs. 10/- each	1000.00	1000.00	1000.00
Issued, Subscribed and Paid up:			
100,00,000 Equity Shares of Rs. 10/- each Fully Paid-Up	1000.00	1000.00	1000.00
Less : Call Money Due on Equity Shares			
Total	1000.00	1000.00	1000.00

Reconciliation of the Number of Equity Shares Outstanding at the beginning and at the end of the reporting period

Particulars	No. of Shares	No. of Shares	No. of Shares
Outstanding at the Beginning of the Reporting Year	10000000.00	10000000.00	10000000.00
Add: Issued During the year	0.00		
Outstanding at the End of the Reporting Year	10000000.00	10000000.00	10000000.00

Terms / Right Attached to Equity Shares

In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in the number of equity shares held by the shareholders at the time of liquidation

Details of Shareholders holding more than 5% share in the company

Equity Shares Fully Paid at Rs. 10/- each

No.	Name	As at 31st March, 2017		As at 31st March, 2016		As at 31st March, 2015	
		No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
1	Swarnsarita Gems Limited	10,000,000	100	10,000,000	100.00	10,000,000	100.00

8. Differed tax assets (Liabilities)

(in ₹ lakhs)			
Particulars	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Property plant and equipment	0.31	0.29	0.00
	0.31	0.29	0.00

9. Other financial liabilities

(in ₹ lakhs)			
Particulars	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Non-current			
Rent Deposits	14.42	14.42	2.50
	14.42	14.42	2.50
Current			
Expenses payables	0.29	2.82	1.81
Payable for property purchase	40.93	55.94	0.00
	41.22	58.76	1.81
	55.64	73.18	4.31

10. Borrowing

(in ₹ lakhs)			
Particulars	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Non -Current			
Un secured, considered good			
From related parties			
Wholly holding company Swarnsarita Gems Limited	1231.81	1114.45	1215.81
	1231.81	1114.45	1215.81

11. Other liabilities

(in ₹ lakhs)			
Particulars	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Current			
Withholding tax payable	9.66	18.97	16.33
	9.66	18.97	16.33

12. Current tax liabilities

(in ₹ lakhs)			
Particulars	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Income tax liabilities	1.51	0.01	6.53
	1.51	0.01	6.53

Swarnsarita Realty Private Limited

Notes to Financial Statement for the Year Ended 31st March, 2017

13. Revenue from operation (in ₹ lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Rent Income	52.68	52.68
	52.68	52.68

14. Other Income (in ₹ lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Interest Received on Unsecured Loan	68.32	80.72
Balance W/Off	0.02	0.05
	68.34	80.77

15. Purchase of stock -in-trade (in ₹ lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Purchase of Goods	-	791.18
	-	791.18

16. Changes in Inventories of Finished Goods (in ₹ lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Opening Balance of Inventory	1,082.42	291.24
Less: Closing Balance of Inventory	1,082.42	(1,082.42)
	-	(791.18)

17. Employee benefit expenses (in ₹ lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Director remuneration	2.40	19.20
	2.40	19.20

18. Finance Costs (in ₹ lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Interest Expenses	105.90	106.11
	105.90	106.11

19. Other Expenses (in ₹ lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Audit Fees	0.29	0.28
Bank Charges	0.01	0.01
Stamp Duty	0	0.51
Brokerage & Commission	0	4.40
Roc Fees	0.03	0
Professional Fees	4.2	0
	4.53	5.2

Notes forming part of Financial Statements

A. Company Overview

1. Swarnsarita Realty Private Limited ('the Company') is engaged in the business of Real estate activities with own or leased property.

B. Statement of Compliance

2. 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, 2016. Previous periods have been restated to Ind AS. In accordance with Ind AS 101 First Time Adoption of Indian Accounting Standards, the Company has presented reconciliation from the presentation of financial statement 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 comprehensive net income for the year ended March 31, 2016.

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

C. Significant Accounting Policies

3. Basis of Preparation of Financial Statement

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. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

4. Use of Estimates and Judgments

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 recognized in the period in which the estimates are revised and future periods are affected.

Key sources 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 assets, provisions and contingent liabilities.

Impairment of investments

The Company reviews its carrying value of investments carried at amortised 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.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 8.

Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance sheet date. These are reviewed at each Balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

5. Revenue recognition

The Company earns revenue primarily from real estate trading and rent. In appropriate circumstance, revenue is recognized when no significant uncertainty as to determination or realization exists. Revenue is reported net of discounts, indirect taxes.

6. Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature. The costs of the Company are broadly categorised in cost of material consumed, employee benefit expenses, depreciation and amortization, finance cost and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, cost of running its facilities, travel expenses, exhibition charges, freight charges, export expenses, communication costs, allowances for delinquent receivables and advances and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, entertainment etc.

7. Income taxes

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

Current income taxes

The current income tax expense includes income taxes payable by the Company and its branches in India. Advance taxes and provisions for current income taxes are presented in the Balance sheet without off-setting advance tax paid and income tax provision arising in the same tax jurisdiction.

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 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 transaction.

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.

8. 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 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 to collect contractual cash flows and the contractual terms of the financial assets 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 on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

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

9. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any.

Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Method	Useful lives
Motor Cars	Straight line	8 Years

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

10. Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

11. Impairment

Financial assets (other than at fair value)

The Company assesses at each date of Balance Sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through 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.

Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

12. Inventories

Finished Goods

Finished goods is valued at cost or market value whichever is lower.

13. Earnings per share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years' presented.

D. Notes to the Accountants

14. Explanation of transition to Ind AS

The transition as at April 1, 2015 to Ind AS was carried out from previous GAAP. The exemptions and exceptions applied by the Company in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below.

Exemptions from retrospective application:

Reconciliations between Previous GAAP and Ind AS

(i) Equity Reconciliation

Particulars	(in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
As reported under previous GAAP	1008.01	1005.88
Change in fair value of investments	0.00	0.00
Equity under Ind AS	1008.01	1005.88

(ii) Total Comprehensive income reconciliation

Particulars	(in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Net profit under previous GAAP	2.13	2.13
Change in fair value of investments	0	0
Equity under Ind AS	2.13	2.13

- (iii) Reconciliation of Statement of Cash Flow as reported under the previous GAAP.
There are no material adjustments to the Statements of Cash Flows as reported under the Previous GAAP

Notes to reconciliations between Previous GAAP and Ind AS

Fair valuation of investments

Under Previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution in value which is other than temporary, under Ind AS Financial assets other than amortised cost are subsequently measured at fair value.

The Company holds investment in equity shares and mutual funds with the objective of both collecting contractual cash flows which give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and selling financial assets. Investment in mutual funds and equity shares have been classified as fair value through statement of profit and loss and changes in fair value are recognised in statement of profit and loss. This has resulted in increase in net profit of Rs. 10.30 Lakhs as at March 31, 2016 and decrease in net profit of Rs. 2.82 Lakhs as at March 31, 2016.

15. Financial Instruments

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

(a) Financial assets and liabilities

The carrying value of financial instruments by categories as at March 31, 2017 is as follows:

			(in ₹ lakhs)
Financial Assets	Fair value through Profit or Loss	Amortised Cost	Total carrying Value
Cash and cash equivalents	0.00	0.16	0.16
Trade Receivables	0.00	43.21	43.21
Total	0.00	43.37	43.37
Financial Liabilities			
Borrowings	0.00	1231.81	1231.81
Other financial liabilities	0.00	41.22	41.22
Total	0.00	1273.03	1273.03

The carrying value of financial instruments by categories as at March 31, 2016 is as follows:

			(in ₹ lakhs)
Financial Assets	Fair value through Profit or Loss	Amortised Cost	Total carrying Value
Cash and cash equivalents	0.00	0.91	0.91
Trade Receivables	0.00	10.93	10.93
Total	0.00	11.84	11.84
Financial Liabilities			
Borrowings	0.00	1114.45	1114.45
Other financial liabilities	0.00	58.76	58.76
Total	0.00	1173.21	1173.21

The carrying value of financial instruments by categories as at March 31, 2015 is as follows:

Financial Assets	Fair value through Profit or Loss	Amortised Cost	(in ₹ lakhs) Total carrying Value
Cash and cash equivalents	0.00	0.16	0.16
Trade Receivables	0.00	0.00	0.00
Total	0.00	0.16	0.16
Financial Liabilities			
Borrowings	0.00	1215.81	1215.81
Other financial liabilities	0.00	1.81	1.81
Total	0.00	1217.62	1217.62

Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

(a) Financial risk management

The Company is exposed primarily to credit, liquidity, fluctuations in foreign currency exchange rates and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

(i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

(a) Foreign currency exchange rate risk

The company is not significantly exposed to the fluctuation in foreign currency exchange rate. The company export goods outside India for which bills are issued in US \$ and payment of the same will be received on letter date. The company carries the risk of fluctuation in foreign currency exchange rate on export transaction.

(b) Interest rate risk

The company's investments are primarily in fixed rate bearing investments/fixed deposits hence the company is not significantly exposed to interest rate risk.

(ii) Credit Risk

Credit risk is the risk of financial loss arising from counter party 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 analysing 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 receivables, investments, cash and cash equivalents and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk.

Exposure credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was 7711.34 lakhs, 9533.24 lakhs and 6123.69 lakhs as at March 31, 2017, March 31, 2016 and April 1, 2015, respectively, being the total of the carrying amount of balances with banks, bank deposits, investments, trade receivables, and other financial assets.

The Company's exposure to customers is diversified and two customer contributes to more than 10% of outstanding accounts receivable as at March 31, 2017 and three customer contributes to more than 10% of outstanding accounts receivable as at March 31, 2016.

Details of customer contributes to more than 10% of outstanding accounts receivable as at March 31, 2017

Name of Customer	Outstanding Amount(in ₹ Lakhs)	% to total receivables
Hollywood Optician Private Limited	43.21	100%

Details of customer contributes to more than 10% of outstanding accounts receivable as at March 31, 2016

Name of Customer	Outstanding Amount(in ₹ Lakhs)	% to total receivables
Hollywood Optician Private Limited	10.93	100%

(iii) 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 consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

16. Earnings per equity share

Particulars	2017	2016
Profit for the year (in ₹ lakhs)	3.34	2.13
Weighted average number of equity shares	10000000	10000000
Earnings per share basic and diluted (in ₹)	0.03	0.02
Face value per equity shares (in ₹)	10	10

17. Auditor Remuneration

(in ₹ lakhs)

Particulars	2017	2016
Services as statutory Auditors	0.25	0.25
Tax Audit	0.00	0.00
Service Tax	0.00	0.00

18. Micro and Small Enterprises

There is no amount dues to micro and small enterprises and dues to micro and small enterprises have been determined on the basis of information collected by the management.

19. Related Party Transaction

Transaction with related parties are as follows:

Year ended March 31, 2017

Particulars	Holding company	(in ₹ lakhs) Key management Personnel
Interest Expenses	105.90	0.00
Loan/ Advance received	52.46	0.00
Loan/Advance repayment made	30.40	0.00
Remuneration (Short term benefit)	0.00	2.40

Year ended March 31, 2016

Particulars	Subsidiaries of the company	(in ₹ lakhs) Key management Personnel	Other Related Parties
Interest Expenses	106.11	0.00	0.00
Loan/ Advance Received	180.36	0.00	0.00
Loan/Advance repayment made	387.83	0.00	0.00
Remuneration (Short term benefit)	0.00	19.20	0.00

Balance Receivables from Related parties are as follows:

As at March 31, 2017

Particulars	Subsidiaries of the company	Associates	(in ₹ lakhs) Key management Personnel	Other Related Parties
Investments	0.0	0.00	0.00	0.00
Loan/Advances	0.00	0.00	0.00	0.00

Balance Receivables from Related parties are as follows:

As at March 31, 2016

Particulars	Subsidiaries of the company	Associates	(in ₹ lakhs)	
			Key management Personnel	Other Related Parties
Investments	0.00	0.00	0.00	0.00
Loan/Advances	0.0	0.00	0.00	0.00

Balance Receivables from Related parties are as follows:

As at March 31, 2015

Particulars	Subsidiaries of the company	Associates	(in ₹ lakhs)	
			Key management Personnel	Other Related Parties
Investments	0.00	0.00	0.00	0.00
Loan/Advances	0.00	0.00	0.00	0.00

Balance Payable to Related parties are as follows:

As at March 31, 2017

Particulars	Subsidiaries of the company	Associates	(in ₹ lakhs)	
			Key management Personnel	Other Related Parties
Investments	1000.00	0.00	0.00	0.00
Loan	1231.81	0.00	0.00	0.00

As at March 31, 2016

Particulars	Subsidiaries of the company	Associates	(in ₹ lakhs)	
			Key management Personnel	Other Related Parties
Investments	1000.00	0.00	0.00	0.00
Loan	1114.45	0.00	0.00	0.00

As at March 31, 2015

Particulars	Subsidiaries of the company	Associates	(in ₹ lakhs)	
			Key management Personnel	Other Related Parties
Investments	1000.00	0.00	0.00	0.00
Loan	1215.81	0.00	0.00	0.00

20. Dividends

The Company has not declared any dividend during the year.

As per our report of even date

For and On behalf of the Board of Directors of Swarnasraita Gems Limited

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No.- 112492

Suresh Anchaliya
Partner
Membership No. 044960



(Signature)
Seema Chordia

(Signature)
(Rajendra Chordia)

Place: Mumbai
Date: May 23, 2017