



# CHATURVEDI & PARTNERS

CHARTERED ACCOUNTANTS

Offices: DELHI-CHENNAI-MUMBAI-HYDERABAD-LUCKNOW

## Independent Auditors' Report

To The Members of Shalimar Adhunik Nirman Limited

### Report on the Audit of Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone Ind AS financial statements of Shalimar Adhunik Nirman Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the Standalone financial statements").

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 Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India and the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read together with Companies (Indian Accounting Standards) Rules, 2015, of the state of affairs of the Company as at 31<sup>st</sup> March, 2019, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, are of most significance in our audit of the standalone financial statements of the current period. These matters are addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.



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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



## Auditor's responsibility for the audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our opinion on the standalone Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable 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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act & Rules made thereunder.

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

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



g) No remuneration to director has been paid by the Company during the year under audit ; hence reporting under section 197(16) of the Act as to whether director's remuneration paid is in accordance with the provisions of Section 197 , is not applicable to the Company.

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

- i. the Company did not have any pending litigations which would impact its financial position in its financial
- 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.

2. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place: Gurugram  
Date: 27th May, 2019



For Chaturvedi & Partners  
Chartered Accountants  
Firm Registration No. 307068E

A handwritten signature in black ink, appearing to read "Anup Kumar Dubey".

**Anup Kumar Dubey**  
Partner  
Membership No.- 054975

## **Annexure "A" to the independent Auditors' Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date to the Members of Shalimar Adhunik Nirman Limited )

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

We have audited the internal financial controls over financial reporting of Shalimar Paints Limited ("the Company") as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the standalone 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 represented by the Board of directors ,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 of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



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

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

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

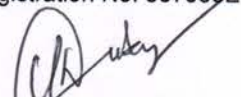
### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place:** Gurugram  
**Date:** 27th May, 2019



For Chaturvedi & Partners  
Chartered Accountants  
Firm Registration No. 307068E

  
Anup Kumar Dubey  
Partner

Membership No.- 054975

## Annexure "B" to the independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements'" section of our report of even date to the Members of Shalimar Adhunik Nirman Limited )

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- (c) According to information and explanations given to us ,and on the basis of examination of records of the Company, we report that the title deeds of immovable properties are held in the name of the company.
- (ii) The Company did not have any inventory, and as such matters specified Para 3 (ii) is not applicable .
- (iii) The company has not granted any loan , secured or unsecured, to companies , firms , Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.Hence Para (iii) (a), (b) & (c) of the Order are not applicable .
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments , guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act 2013, are applicable.
- (v) The Company has not accepted any deposit; and hence, Para 3(v) of the Order is not applicable.
- (vi) As informed, maintenance of cost records has not been specified by the Central Government u/s 148(1) of the Companies Act ; hence, Para 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise , value added tax, cess and other material statutory dues, as applicable, have been regularly deposited during the year by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable
- (b) According to the information and explanations given to us, there are no material dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax(as applicable) which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) As per the information and explanations given to us, the Company has not borrowed from any financial institution, bank, government or debenture holders; hence , Para 3(viii) of the Order is not applicable.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan ; hence, Para 3( ix) of the Order is not applicable.
- (x) Based on the audit procedures performed for reporting on the true & fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or fraud on the Company by its officers / employees has been noticed or reported during the year under audit .



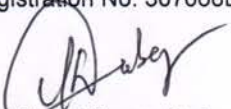


- (xi) No managerial remuneration has been paid / provided by the Company ; hence, Para (xi) of the Order [dealing with requisite approvals as required u/s 197 read with Schedule V to the Companies Act ], is not applicable.
- (xii) The Company is not a Nidhi Company ; hence, Para3( xii) of the Order is not applicable.
- (xiii) Transaction(s) with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 , and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review; hence, Para3( xiv) of the Order is not applicable.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him; hence, Para3( 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 ; hence, Para (xvi) of the Order , is not applicable.

Place: Gurugram  
Date: 27th May, 2019



For Chaturvedi & Partners  
Chartered Accountants  
Firm Registration No. 307068E

  
Anup Kumar Dubey

Partner  
Membership No.- 054975

Shalimar Adhunik Nirman Limited  
Balance Sheet as at March 31,2019

(All amounts are in Rupees lacs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	4	2,723.08	2,724.67
Capital work-in-progress	4.1	2.00	-
Financial Assets			
i) Investments		-	-
ii) Other financial assets		-	-
Deferred tax assets (net)		-	-
Other non-current assets		-	-
<b>Current assets</b>			
Financial Assets			
i) Cash and cash equivalents	5.1	2.77	2.78
ii) Bank balances other than (i) above	5.2	1.00	1.00
iii) Other financial assets	6	1.00	1.00
Current Tax Assets (Net)		-	-
Other current assets	7	3.99	3.92
<b>Total Assets</b>		<b>2,733.84</b>	<b>2,733.37</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	8	9.50	9.50
Other Equity	9	1696.02	1712.69
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
i) Borrowings	10	49.30	44.42
ii) Trade payables		-	-
iii) Other financial liabilities	11	718.48	699.90
Provisions		-	-
Deferred tax liabilities (Net)	12	247.95	256.52
Other non-current liabilities		-	-
<b>Current liabilities</b>			
Financial Liabilities			
i) Borrowings		-	-
ii) Trade payables	13	-	-
iii) Other financial liabilities	14	8.28	8.21
Other current liabilities	15	4.31	2.13
Provisions		-	-
<b>Total Equity and Liabilities</b>		<b>2,733.84</b>	<b>2,733.37</b>

Overview and Significant Accounting Policies 1-3  
Accompanying notes form an integral part of the financial statements

**As per our report of even date  
For CHATURVEDI & PARTNERS**

Chartered Accountants  
(Firm Regn. No. 307068E)

A. K. Chubej  
Partner  
(Mem. No. 054975)



**For and on Behalf of Board of Directors**

Suren der Kumar  
(Director)  
DIN- 00510137

Sandeep Gupta  
(Director)  
DIN:- 07726413



Place : Gurugram  
Date : 27.05.2019

**Shalimar Adhunik Nirman Limited**  
**Statement Of Profit & Loss for the year ended March 31,2019**  
*(All amounts are in Rupees lacs, unless otherwise stated)*

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
I Revenue From Operations		-	-
II Other Income	16	-	0.01
<b>III Total Revenue (I+II)</b>		<b>-</b>	<b>0.01</b>
<b>IV EXPENSES</b>			
Finance costs	17	26.70	25.75
Depreciation and amortization expense	18	1.59	1.59
Other expenses	19	0.53	0.21
<b>Total expenses</b>		<b>28.82</b>	<b>27.55</b>
<b>V Profit/(loss) before exceptional items and tax (III-IV)</b>		<b>(28.82)</b>	<b>(27.54)</b>
Exceptional items		-	-
<b>VI Profit/(loss) before tax</b>		<b>(28.82)</b>	<b>(27.54)</b>
<b>VII Tax expense</b>	20		
Current Tax		-	-
Deferred tax		8.57	14.81
<b>VIII Profit/(loss) for the period</b>		<b>(20.25)</b>	<b>(12.73)</b>
<b>IX Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>X Other Comprehensive Income/(Loss) for the year (i-ii)</b>		<b>-</b>	<b>-</b>
<b>XI Total Comprehensive Income/(loss) for the year (VIII+X)</b>		<b>(20.25)</b>	<b>(12.73)</b>
<b>XII Earnings per Equity Shares of Rs. 10/- each</b>			
1) Basic (in Rs)		(21.32)	(13.40)
2) Diluted (in Rs)		(21.32)	(13.40)

Overview and Significant Accounting Policies 1-3  
 Accompanying notes form an integral part of the financial statements

**As per our report of even date**  
**For CHATURVEDI & PARTNERS**

Chartered Accountants  
 (Firm Regn. No. 307068E)

A. K. Dubey  
 Partner  
 (Mem. No. 054975)



**For and on Behalf of Board of Directors**

Surender Kumar  
 (Director)  
 DIN:- 00510137

Sandeep Gupta  
 (Director)  
 DIN:- 07726413

Place : Gurugram  
 Date : 27.05.2019



**Shalimar Adhunik Nirman Limited**

**Statement Of Changes In Equity for the year ended March 31, 2019**

(All amounts are in Rupees lacs, unless otherwise stated)

**A Equity Share Capital**

Particulars	Amount
As at 31.03.2018	9.50
Changes in equity share capital	-
As at 31.03.2019	9.50

**B Other equity**

Particulars	Equity Component of compound financial instruments	Reserves & Surplus	Total
		Retained earnings	
<b>Balance as at March 31, 2018</b>	<b>13.95</b>	<b>1,698.74</b>	<b>1,712.69</b>
-Profit or Loss for the year	-	(20.25)	(20.25)
-Other comprehensive income for the year	-	-	-
-Addition during the year	-	-	-
-Movement during the year	-	3.58	3.58
<b>Balance as at March 31, 2019</b>	<b>13.95</b>	<b>1,682.06</b>	<b>1,696.02</b>

Accompanying notes form an integral part of the financial statements

**As per our report of even date**

**For CHATURVEDI & PARTNERS**

Chartered Accountants  
(Firm Regn. No. 307068E)

A. K. Dubey  
Partner  
(Mem. No. 054975)



**For and on Behalf of Board of Directors**

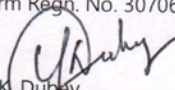


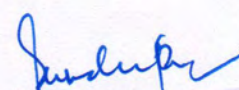
Surender Kumar  
(Director)  
DIN:- 00510137

Sandeep Gupta  
(Director)  
DIN:- 07726413

Place : Gurugram  
Date : 27.05.2019



Shalimar Adhunik Nirman Limited  
**Statement Cash Flow for the year ended March 31, 2019**  
*(All amounts are in Rupees lacs, unless otherwise stated)*

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A. OPERATING ACTIVITY</b>		
Net Profit / (Loss) before Tax and Extraordinary items	(25.25)	(27.54)
<b>Adjusted for :</b>		
Depreciation	1.59	1.59
Interest Income	-	-
Interest Expenses	26.70	25.75
Operating Profit before Working Capital Changes	28.29	27.34
<b>Working capital adjustments:</b>	3.05	(0.20)
(Increase)/ Decrease in Trade and Other Receivables	-	-
(Increase)/ Decrease in Inventories	-	-
(Increase)/ Decrease in Current Asset	(0.07)	(3.89)
Increase/ (Decrease) in Financials & Other Liabilities	20.83	(1.70)
	<b>23.82</b>	<b>(5.59)</b>
Direct Taxes paid (net of refund)	-	-
<b>Net cash flows from (used in) Operating Activities</b>	<b>23.82</b>	<b>(5.79)</b>
<b>B. INVESTING ACTIVITIES</b>		
Purchase of Property, plant & equipments	(2.00)	-
Fixed deposit	-	-
Interest /Other Income Received	-	-
<b>Net Cash flow from (used in) Investing Activities</b>	<b>(2.00)</b>	<b>-</b>
<b>C. FINANCIAL ACTIVITIES</b>		
Proceeds from Borrowings	4.88	5.80
Repayment of Borrowings	-	-
Interest Paid	(26.70)	-
Dividend Paid	-	-
<b>Net Cash flow from (used in) Financing Activities</b>	<b>(21.82)</b>	<b>5.80</b>
<b>Net Increase / (Decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(0.01)</b>	<b>0.01</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2.78</b>	<b>2.77</b>
<b>Cash and cash equivalents at year end</b>	<b>2.77</b>	<b>2.78</b>
Components of cash and cash equivalent		
<b>-Balance with banks</b>		
On Current Accounts	2.77	2.78
Cash and cash equivalents as per note 5.1	2.77	2.78
<b>As per our report of even date</b>		
<b>For CHATURVEDI &amp; PARTNERS</b>		
Chartered Accountants (Firm Regn. No. 307068E)		
		
A. K. Dubey Partner (Mem. No. 054975)		
		
<b>For and on behalf of the Board</b>		
		
Surender Kumar (Director) DIN:- 00510137		
		
Sandeep Gupta (Director) DIN:- 07726413		
Place : Gurugram Date : 27.05.2019		

**1 Overview**

Shalimar Adhunik Nirman Limited ("the Company") is a public limited company domiciled in India. The registered office of the Company is located at 9A, Cannaught Place, above ICICI Bank, New Delhi-110001. The Company is engaged in the business of Real State.

**2 Basis of preparation of financial statements**

These financial statements have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act to the extent applicable.

For all periods up to and including the year ended 31st March 2017, the Company had prepared its financial statements in accordance with accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (referred to as 'Indian GAAP').

The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at April 1, 2016 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101 "First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India ("Indian GAAP") which is considered as the previous GAAP, as defined in Ind AS 101. The reconciliation of effects of the transition from Indian GAAP on the equity as at April 1, 2016 and March 31, 2017 and on the net profit and material adjustments to cash flows for the year ended March 31, 2017 is disclosed in Note no 23 to these financial statements.

The financial statements provide comparative information in respect of previous year. In addition, the company presents balance sheet as at the beginning of previous year which is the transition date to Ind AS.

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of incomes, expenses, assets and liabilities, and the accompanying disclosures at the date of the financial statements. The judgments, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

**3 Significant Accounting Policies****3.1) Basis of measurement**

The financial statements have been prepared under the historical cost convention on the accrual basis, except for the following assets and liabilities which have been measured fair value:

- Property, Plant & Equipment (at fair value as deemed cost as at 1st April 2016);
- Financial assets and liabilities except Loans and borrowings carried at amortised cost;

The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency and all amounts are rounded to the nearest lakhs and two decimals thereof, except otherwise stated.

**3.2) Property, plant and equipment****i) Recognition and measurement**

On transition to Ind AS, the Company has adopted optional exception under Ind AS 101 to measure Property, Plant and Equipment at fair value. Consequently the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition.

An asset is recognised property, plant and equipment when it qualifies the recognition criteria as specified in Ind AS 16. Following initial recognition, items of property, plant and equipment are carried at its cost, net of available duty/tax credits, less accumulated depreciation and accumulated impairment losses if any. Costs include costs of acquisitions or constructions including incidental expenses thereto, borrowing costs, and other attributable costs of bringing the asset to its working condition for its intended use.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Costs in nature of minor repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from discard/sale of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is discarded / sold.

**ii) Depreciation**

Depreciation on property, plant and equipment is provided at the rates and in the manner specified in Schedule II of the Companies Act, 2013 and in respect of assets added/ disposed off during the year on pro-rata basis with reference to the date of its use / disposal/residual value.

Subsequent to fair value as deemed cost of Property, Plant and Equipment as at 1st April 2016 under Ind AS 101, depreciation is charged on fair valued amount less estimated salvage value. The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

**3.3) Impairment**

The carrying amount of Property, plant & equipment and cash generating assets are reviewed at each Balance Sheet date to assess impairment, if any based on internal / external factors. An asset is treated as impaired when the carrying cost of asset or exceeds its recoverable value being higher of value in use and fair value less cost of disposal. An impairment loss is recognized as an expense in the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed, if there has been an improvement in recoverable amount.

**3.4) Financial Instruments**

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

**i) Initial recognition**

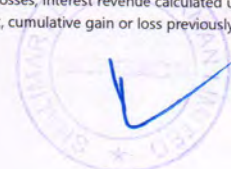
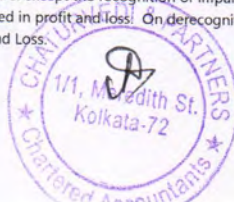
The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added/deducted respectively to the fair value on initial recognition. Trade receivables and trade payables that do not contain a significant financing component are initially measured at their transaction price.

**ii) Subsequent measurement****(i) Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of profit and loss.

**(ii) Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are recognised in OCI except the recognition of impairment gains or losses, interest revenue calculated using the Effective Interest Rate (EIR) method and foreign exchange gains and losses which are recognised in profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the equity to Statement of Profit and Loss.



**(iii) Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in the Statement of Profit and Loss.

**(iv) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. Financial liabilities at fair value through profit and loss includes financial liability held for trading and financial liability designated upon initial recognition as at fair value through profit and loss.

**iii) Impairment of financial assets**

Financial assets, other than debt instruments measured at FVTPL and Equity instruments are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on all financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

**iv) Derecognition**

**Financial Assets**

Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

**Financial liabilities**

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expires.

**v) Reclassification of Financial Assets and Financial Liabilities**

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**vi) Offsetting**

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

**3.5) Fair value measurement**

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy in which they fall.

**3.6) Taxes on Income**

Tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income.

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is provided on temporary difference arising between the tax bases of assets & liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is measured using the tax rate that are expected to apply in the year when the asset is realized or the liability is settled based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax asset is recognized to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and the carry forward unused tax credits and unused tax losses can be utilized. The carrying amount of deferred 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 tax asset to be utilized.

**3.7) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, bank balance, short-term deposits with original maturities of three months or less and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**3.8) Earning per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.



**4 PROPERTY, PLANT & EQUIPMENT**

Particulars	Land- Free hold	Buildings	Total
<b>Gross carrying value (Cost/Deemed cost)</b>			
<b>Balance as at March 31, 2017</b>	2,632.50	95.34	2,727.84
Additions	-	-	-
Disposals	-	-	-
<b>As at March 31, 2018</b>	2,632.50	95.34	2,727.84
Additions	-	-	-
Disposals	-	-	-
<b>As at March 31, 2019</b>	2,632.50	95.34	2,727.84
<b>Depreciation</b>			
<b>Balance as at March 31, 2017</b>		1.58	1.58
Depreciation for the year	-	1.59	1.59
Disposals	-	-	-
<b>Balance as at March 31, 2018</b>		3.17	3.17
Depreciation for the year	-	1.59	1.59
Disposals	-	-	-
<b>As at March 31, 2019</b>		4.76	4.76
<b>Net carrying value</b>			
Balance at March 31, 2018	2,632.50	92.17	2,724.67
Balance at March 31, 2019	2,632.50	90.58	2,723.08

**4.1 Capital Work under Process:**

Balance at March 31, 2019	-	2.00	2.00
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**5.1 CASH AND CASH EQUIVALENTS**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>-Balance with banks</b>		
On Current Accounts	2.77	2.78
<b>-Cash on hand</b>	-	-
<b>TOTAL</b>	2.77	2.78

**5.2 Bank Balance other than Cash and Cash Equivalents**

Fixed Deposit Account (as Margin against LC & BG)	1.00	1.00
<b>TOTAL</b>	1.00	1.00

**6 OTHER FINANCIAL ASSETS- CURRENT**

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposit	1.00	1.00
<b>TOTAL</b>	1.00	1.00

**7 OTHER CURRENT ASSETS**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Advances other than capital advances</b>		
Advances to others	3.99	3.92
<b>TOTAL</b>	3.99	3.92





**8 EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Authorised</b>		
5,00,000 (31st March,2018: 5,00,000) equity shares of Rs.10/- each	50.00	50.00
50,000 (31st March,2018: 50,000) 6% Non Convertible, Non Cumulative, Redeemable Preference shares of Rs.100/- each	50.00	50.00
	<b>100.00</b>	<b>100.00</b>
<b>Issued,subscribed and paid up</b>		
50,000 (31st March,2018: 50,000 ) equity shares of Rs.10/- each, fully paid up and 450,000 (31st March,2018: 450,000 equity shares of Rs.10/- each, called & paid up Rs 1/- each	9.50	9.50
50,000 (31st March,2018: 50,000) 6% Non Convertible, Non Cumulative, Redeemable Preference shares of Rs.100/- each, fully paid up	50.00	50.00
	<b>59.50</b>	<b>59.50</b>
<b>Less: Reclassification of 6% Non Convertible, Non Cumulative, Redeemable Preference shares</b>		
50,000 shares of Rs. 100 each, fully paid up	50.00	50.00
	<b>9.50</b>	<b>9.50</b>

**Notes:**

(i) **Reconciliation of number of equity shares and share capital outstanding at the beginning and end of the year**

Particular	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
<b>Number of shares at the beginning</b>				
(50,000 shares @ 10/-)	50,000	5.00	50,000	5.00
(50,000 shares @ 1/-)	4,50,000	4.50	4,50,000	4.50
<b>Add: Shares issued</b>				
Number of shares at the end	5,00,000	9.50	5,00,000	9.50

(ii) **Reconciliation of number of preference shares and share capital outstanding at the beginning and end of the year**

Particular	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
<b>Number of shares at the beginning</b>				
	50,000	50.00	50,000	50.00
<b>Add: Shares issued</b>				
Number of shares at the end	50,000	50.00	50,000	50.00

(iii) **Rights, preferences and restrictions attached to shares**

The Company has two classes of shares viz., Equity shares and 6% Non Convertible, Non Cumulative, Redeemable Preference shares, having par value of Rs. 10/- and Rs. 100/- respectively. Each holder of equity shares is entitled to one vote per share.

(iv) During the five years immediately preceding 31st March, 2019, the Company has not allotted any equity shares as bonus shares and also not issued any share for consideration other than cash.

(v) **Details of shareholders holding more than 5% shares in the company**

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares	% of shares held	Number of shares	% of shares held
Shalimar Paints Limited (Holding Co.)- Equity Shares	4,99,990	99.99%	4,99,990	99.99%
Shalimar Paints Limited (Holding Co.)- Preference Shares	50,000	100.00%	50,000	100.00%

**9 Other equity**

Particulars	Equity Component of compound financial	Reserves & Surplus	Total
		Retained earnings	
<b>Balance as at April 1, 2017</b>	13.95	1,711.47	<b>1,725.42</b>
-Profit or Loss for the year		(12.73)	(12.73)
-Other comprehensive income for the year			
-Addition during the year			
-Movement during the year			
<b>Balance as at March 31, 2018</b>	<b>13.95</b>	<b>1,698.74</b>	<b>1,712.69</b>
-Profit or Loss for the year		(20.25)	(20.25)
-Other comprehensive income for the year			
-Addition during the year			
-Movement during the year		3.58	3.58
<b>Balance as at March 31, 2019</b>	<b>13.95</b>	<b>1,682.07</b>	<b>1,696.02</b>



Shalimar Adhunik Nirman Limited

Notes To The Financial Statements for the year ended March 31, 2019

10 NON-CURRENT BORROWINGS

Particulars	As at March 31, 2019	As at March 31, 2018
<b>unsecured</b>		
Liability Component of Compound Financial Instruments 6% Non Convertible, Non Cumulative, Redeemable Preference shares 50,000 shares of Rs.100/- each, fully paid up	49.30	44.42
<b>TOTAL</b>	<b>49.30</b>	<b>44.42</b>

11 OTHER FINANCIAL LIABILITIES- NON CURRENT

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposit		
-From others		
Others- Payable to holding co. (against balance consideration for take over of its assets during FY 2008-09 and for expenses subsequently incurred by Holding Co. on behalf of the company)	718.48	699.90
<b>TOTAL</b>	<b>718.48</b>	<b>699.90</b>

12 DEFERRED TAX ASSETS/ (LIABILITIES) (NET)

Particulars	As at April 1, 2018	Recognized in P&L	Recognized in OCI	As at March 31, 2019
Deferred tax assets/ liabilities are attributable to the following items;				
<b>Deferred Tax Assets</b>				
- Loss & Expenses allowable u/s 35D	25.85	(0.70)		25.15
<b>Sub- Total (a)</b>	<b>25.85</b>	<b>(0.70)</b>	<b>-</b>	<b>25.15</b>
<b>Deferred Tax Liabilities</b>				
- Depreciation & related items	(282.37)	9.27		(273.10)
<b>Sub- Total (b)</b>	<b>(282.37)</b>	<b>9.27</b>	<b>-</b>	<b>(273.10)</b>
Less: MAT Credit Available				
<b>Net Deferred Tax Assets/ (Liability) (a)+(b)</b>	<b>(256.52)</b>	<b>8.57</b>	<b>-</b>	<b>(247.95)</b>

13 TRADE PAYABLES

Particulars	As at March 31, 2019	As at March 31, 2018
Due to Micro & small enterprises	-	-
Due to others	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

14 OTHER FINANCIAL LIABILITIES- CURRENT

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Others</b>		
Retention Money	8.10	8.10
Others (Operating expenses)	0.18	0.11
<b>TOTAL</b>	<b>8.28</b>	<b>8.21</b>

15 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory dues	4.31	2.13
<b>TOTAL</b>	<b>4.31</b>	<b>2.13</b>



Shalimar Adhunik Nirman Limited

Notes To The Financial Statements for the year ended March 31, 2019

(All amounts are in Rupees lacs, unless otherwise stated)

**16 OTHER INCOME**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Misc Receipt	-	0.01
<b>TOTAL</b>	<b>-</b>	<b>0.01</b>

**17 FINANCE COST**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest Expenses		
On Loan & Advances	21.82	21.34
Others	4.88	4.40
Other Borrowing Costs	-	0.01
<b>TOTAL</b>	<b>26.70</b>	<b>25.75</b>

**18 DEPRECIATION AND AMORTIZATION EXPENSES**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation on Property, Plant & Equipment	1.59	1.59
<b>TOTAL</b>	<b>1.59</b>	<b>1.59</b>

**19 OTHER EXPENSES**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Statutory Audit fees	0.06	0.06
Professional Charges	0.15	0.15
Fees & Taxes	0.32	-
	<b>0.53</b>	<b>0.21</b>

**Payment to Auditors**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
As Auditor :		
Audit Fees	0.06	0.05
Tax Audit Fees	-	-
Certification fees and other Services	-	0.01
Reimbursement of expenses	-	-
<b>TOTAL</b>	<b>0.06</b>	<b>0.06</b>

**20 a) Tax Expenses**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>a) Income tax recognized in profit or loss</b>		
<b>Current tax expense</b>		
Current year	-	-
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	(8.57)	(14.81)
	<b>(8.57)</b>	<b>(14.81)</b>

**b) Effective tax Reconciliation**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Net Profit/(Loss) before tax	(28.82)	(27.54)
Enacted tax rates for company i.e. Shalimar adhunik Nirman Ltd.	26.00%	25.75%
Income tax expense reported	(8.57)	(14.81)
Effective Income tax rate	29.75%	53.79%



21 CATEGORY - WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

Financial Assets

Particulars	Note	Fair Value Hierarchy	As at March 31, 2019		As at March 31, 2018	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets designated at amortised cost</b>	A					
a) Other bank balances			1.00	1.00	1.00	1.00
b) Cash & Cash Equivalents			2.77	2.77	2.78	2.78

Financial Liabilities

Particulars	Note	Fair Value Hierarchy	As at March 31, 2019		As at March 31, 2018	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial liability designated at amortised cost</b>						
a) Trade & Other Payables	A		-	-	-	-
b) Other Financial Liability			726.76	726.76	708.11	708.11

The fair value of financial assets and liabilities are 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.

During the year ended March 31, 2019 and March 31, 2018, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

**The following methods and assumptions were used to estimate the fair values.**

A. Fair value of cash and deposits, trade payables, and other current financial assets and liabilities measured at amortized cost is approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of other non-current financial assets and liabilities carried at amortized cost is approximately equal to fair value. Hence carrying value and fair value is taken same

**Fair value hierarchy**

**Level 1** - Quoted prices/NAV (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

22 FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES

The Company's financial liabilities comprise mainly of trade payables and other payables. The Company's financial assets comprise mainly of cash and cash equivalents, other balances with banks, and other receivables.



**23 Related party disclosure:**

Related Party Disclosures in accordance with Ind AS 24 issued by the Institute of Chartered Accountants of India :

- (i) Mr. Surender Kumar Director  
(ii) Mr. Sandeep Gupta Director

S.No.	Name of the related parties with whom the transactions have been made	Description of relationship with the party	Nature of Transaction	Amount outstanding as on March 31, 2019	Transactional Value
					2018-2019
1	Shalimar Paints Ltd.	Holding	Share Capital Issued	59.50/ (59.50)	0.00/ (0.00)
2	Shalimar Paints Ltd.	Holding	Loans & Advances Received	718.48/ (699.90)	18.58/ (18.94)
3	Shalimar Paints Ltd.	Holding	Interest Paid	0.00/ (0.00)	21.82/ (21.33)

Note:- Figures given in bracket relates to previous year.

**24 Retirement Benefits :**

The Company has not employed any employee during the year under review.

**25 Impairment Review**

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the goodwill or other assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations.

During the year, the testing did not result in any impairment in the carrying amount of goodwill & other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

Key assumptions used in value-in-use calculations are:-

- (i) Operating margins (Earnings before interest and taxes),  
(ii) Discount Rate,  
(iii) Growth Rates and  
(iv) Capital Expenditure

**26 Segment information**

The Company operates mainly in one business segment (Business Segment) i.e. Real State only.

**27 Scheme of arrangement:**

Pursuant to the Scheme of Arrangement as approved by the Honorable High Courts of Delhi and Calcutta, the Company has acquired Real Estate Division consisting of Fixed and Current Assets valued at Rs 549.14 lacs from Shalimar Paints Limited, the holding company.

The balance consideration payable in cash as per Court Orders Rs 488.64 lacs (previous year Rs 488.64 lacs ) included in Note 11 & other liabilities for expenses incurred by the Holding Company on behalf of the Company, is held by the management as long term liability.

**28 Previous year figures have been regrouped / rearranged, wherever necessary.**

**29 Some of the assets & liabilities are pending for confirmation/ reconciliation, and impact of the same on financial statements, if any, is unascertained.**

**30 Notes 1 to 30 are annexed to and form an integral part of the financial statements.**

**As per our report of even date  
For CHATURVEDI & PARTNERS**

Chartered Accountants  
Firm Regn. No. 307068E

A. K. Dubey  
Partner  
(Mem. No. 054975)  
Place : Gurugram  
Date : 27.05.2019



**For and on behalf of the Board**

Surender Kumar  
(Director)  
DIN- 00510137

Sandeep Gupta  
(Director)  
DIN:- 07726413

