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CA G. K. Shah 98258 44995
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H. K. Shah & Co.

Chartered Accountants

CA J. G. Vaidya 99099 19785
B.Com., F.C.A.

CA T. H. Patel 93289 09995
B.Com., F.C.A., C.P.A.

CA M. G. Desai 9998612120
M.Com., F.C.A., C.S.

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
MONTECARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED
AHMEDABAD

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of MONTECARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED ("The Company"), which comprise the Balance Sheet as at 31st March, 2018, the Profit and Loss Statement and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for preparation and presentation for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including Accounting Standards prescribed 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 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 financial statements.

We have taken into account the provisions of the act and the rules made thereunder including the accounting standards and matters which are required to be included in audit report.

We conducted our audit in accordance with Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply

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e-mail : hkshahandco@gmail.com

PAN No. : AACFH 1917 R SERVICE Tax No. : AACFH 1917 R - ST001

C&AG Regn. No. : WRO / 510. ICAI Regn. No. : 109583/W

with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessments of the risks of material misstatements, whether due to fraud or error. In making those risk assessments, the auditor considers the Internal Financial Control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design out 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 financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2018, and its profit and its cash flows for the year ended on that date.


REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2018 from being appointed as a director in terms of 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**.



- 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 knowledge and belief and according to the information and explanations given to us:
- i. The company does not have any pending litigations as at March 31, 2018 which would impact its financial position.
 - ii. The company did not have any long term contracts including derivative contracts as at March 31, 2018.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
2. As required by 'The Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as "Order"), and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure B**, a statement on the matters specified in para 3 and 4 of the Order.

For,
H. K. Shah & Co.
Chartered Accountants,
FRN: 109583W


CA H. K. Shah
Partner
Membership No: 042758



Place: Ahmedabad
Date: 29/5/18

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“Annexure-A” to the Independent Auditors’ Report of even date on the Financial Statements of MONTE CARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED

(Referred to in paragraph 1(f) under 'Report on other Legal and Regulatory Requirement' of our report of even date)

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

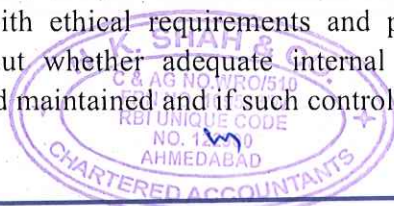
We have audited the internal financial controls over financial reporting of **MONTE CARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED** ("the company") as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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



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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For,
H. K. Shah & Co.
Chartered Accountants,
FRN: 109583W

H.K. Shah

CA H. K. Shah
Partner
Membership No: 042758



Place: Ahmedabad

Date: 29/5/18

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“ANNEXURE-B” TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial Statement for the year ended 31 March, 2018. We report that:

i. In respect of fixed assets:

The company does not have any fixed assets as of the reporting date. So reporting under this clause is not applicable.

ii. In respect of inventories:

The company does not have any inventories as of the reporting date. So reporting under this clause is not applicable.

iii. In respect of loans granted:

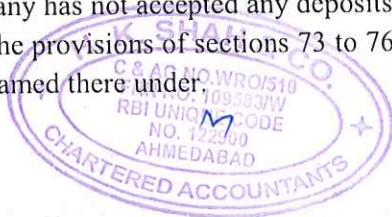
As per the Explanations and Details produced before us and to the Best of Our Knowledge the Company granted loan to one of its Related Party and the transactions of such Loan and Advances are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

iv. In respect of loans, investments, guarantees and security:

As per the explanation and information given to us and on the basis of our examination of the records, the Company has not given any loans, guarantees and security or not made any investment as stipulated in section 185 and 186 of the Companies Act, 2013.

v. In respect of acceptance of deposits:

The Company has not accepted any deposits with non-compliance of directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.



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vi. In respect of cost records:

In our opinion and according to the information and explanations given to us, the Company does not fall within the criteria prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013.

vii. In respect of statutory dues:

- a. According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sale-tax, service-tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.
- b. According to the information and explanations given to us, there is no amount due on account of dispute in respect of income-tax or sales-tax or service-tax or duty of customs or duty of excise or value added tax.

viii. In respect of default of repayment of loans or borrowing:

According to the information and explanations given to us and on the basis of our examination of the records, the Company has not defaulted in repayment of loans or borrowing to a financial institution or bank or Government or debenture holders.

ix. In respect of application of money raised:

According to the information and explanations given to us and on the basis of our examination of the records, the Company has raised money by way of Private Placement offer and Received All Application Money on It.

x. In respect of fraud:

To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by or on the Company has been noticed or reported during the year.

xi. In respect of managerial remuneration:

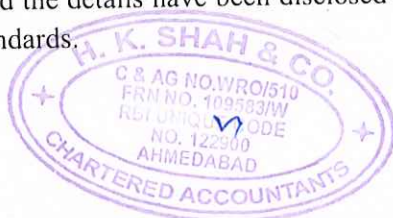
As section 197 of Companies Act, 2013 is applicable to Public Companies only and not to Private Companies. Hence, reporting under this clause is not applicable to the company.

xii. In respect of Nidhi Company:

The company is not a Nidhi Company. Hence, reporting under this clause is not applicable to the company.

xiii. In respect of transactions with related parties:

According to the information and explanations given to us and on the basis of our examination of the records, all the transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.



xiv. In respect of allotment or placement of shares:

According to the information and explanations given to us and on the basis of our examination of the records, the Company has made Private Placement of Equity shares During the Year.

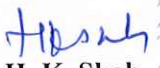
xv. In respect of non-cash transaction:

According to the information and explanations given to us and on the basis of our examination of the records, the Company has not entered into any non-cash transactions with directors or persons connected with them in non-compliance of provision of section 192 of the Companies Act, 2013.

xvi. In respect of registration with RBI:

According to the information and explanations given to us and on the basis of our examination of the records, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and so, registration has not been obtained.

For,
H. K. Shah & Co.
Chartered Accountants,
FRN: 109583W


CA H. K. Shah
Partner
Membership No: 042758



Place: Ahmedabad

Date: 29/5/18

MONTECARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED
CIN NO:- U45309GJ2017PTC096675
BALANCE SHEET AS AT MARCH 31, 2018

(₹ in Lakh unless otherwise stated)

Particulars	Note No	As at March 31, 2018
I ASSETS		
1 Non-current assets		
(a) Other Non Current Assets	3	1,700.00
		1,700.00
2 Current assets		
(a) Financial Assets		
(i) Cash and Cash Equivalents	4	1.38
(b) Other Current Assets	5	434.28
(c) Other Current Financial Asset	6	7,686.14
		8,121.80
Total Assets		9,821.80
II. EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	7	1.00
(b) Other Equity	8	464.56
		465.56
Liabilities		
1 Non-current liabilities		
(a) Other non-current liabilities	9	1,904.00
		1,904.00
2 Current liabilities		
(a) Current Financial Liabilities - Trade Payables	10	7,241.02
(b) Other current liabilities	11	211.23
		7,452.24
Total Equity and Liabilities		9,821.80

Significant Accounting Policies 1
Notes forming part of the financial statements 2 to 20

As per our report of even date


For H K Shah & Co.,
Chartered Accountants
FRN.: 109583W


H K Shah
Partner
M.No.: 042758



For and on behalf of the Board of Directors of
Montecarlo Hubli Haveri Highway Private Limited


Brijesh K. Patel
Director
DIN: 00025479


Mrunal K. Patel
Director
DIN: 00025525

Place: Ahmedabad
Date: May 29, 2018

Place: Ahmedabad
Date: May 29, 2018

MONTECARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED
CIN NO:- U45309GJ2017PTC096675
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Lakh unless otherwise stated)

Particulars	Note No.	From 5th April, 2017 to 31st Mar, 2018
1 Revenue from operations	12	7,686.14
2 Other Income		-
3 Total revenue (1+2)		7,686.14
4 Expenses		
(i) Construction Expenses	13	7,359.09
(ii) Financial expenses	14	0.01
(iii) Other expenses	15	142.66
Total expenses		7,501.76
5 Profit before exceptional items and tax (3-4)		184.38
6 Exceptional items		-
7 Profit before tax (5-6)		184.38
8 Tax expense:		
(a) Current tax expense		63.81
(b) Deferred tax		-
9 Profit for the year (7-8)		120.57
10 Other comprehensive income		-
11 Total Comprehensive income for the year (9+10)		120.57
12 Earnings per share (of ₹ 10/- each):	16	
(a) Basic (In ₹)		1,294.32
(b) Diluted (In ₹)		1,294.32
Significant Accounting Policies	1	
Notes forming part of the financial statements	2 to 20	

As per our report of even date

For H K Shah & Co.,
Chartered Accountants
FRN.: 109583W



H K Shah
Partner
M.No.: 042758



Place: Ahmedabad
Date: May 29, 2018

For and on behalf of the Board of Directors of
Montecarlo Hubli Haveri Highway Private Limited


Brijesh K. Patel
Director
DIN: 00025479


Mrunal K. Patel
Director
DIN: 00025525

Place: Ahmedabad
Date: May 29, 2018

MONTECARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED
CIN NO:- U45309GJ2017PTC096675
CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2018

(₹ in Lakh unless otherwise stated)

	Particulars	From 5th April, 2017 to 31st Dec, 2017	
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Loss before tax & exceptional items	184.38	
	Changes in Working Capital:-		
	Adjustment for (Increase) / Decrease in Operating Assets		
	- Other Non Current Assets	(1,700.00)	
	- Other Current Assets	(8,120.42)	
	Adjustment for Increase / (Decrease) in Operating Liabilities		
	- Other non-current liabilities	1,904.00	
	- Other Current Liabilities	7,422.43	
	Cash generated from Operations		(309.61)
	Direct taxes paid		(34.00)
	Cash flow before extraordinary items		(343.61)
	Prior Period Adjustments (Other than Taxation)		-
	Net cash from Operating Activities (A)		(343.61)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Investment in Unquoted Equity Shares		-
	Net Cash used in Investing Activities (B)		-
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Issue of Equity Share Capital		1.00
	Proceeds from Quasi Equity from Holding Company		343.99
	Net cash used Financing Activities (C)		344.99
	Net increase in cash and cash equivalents (A+B+C)		1.38
	Cash and cash equivalents at the beginning of the year		-
	Cash and cash equivalents at the end of the year		1.38
	Components of Cash & Cash Equivalents		
	Cash on hand		-
	Balances with banks		1.38
	Total Cash and Bank Equivalents (As per Note 8)		1.38
<p><i>Note : The above Cash Flow Statement has been prepared under the indirect method set out in IND AS - 07 "Statement of Cash Flow" issued by the Central Government under Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (Companies Indian Accounting Standard Rules, 2015)</i></p>			
Significant Accounting Policies and Notes on Financial Statements.		1	
Notes forming part of the financial statements		2 to 16	

The Notes referred to above form an Integral part of this statement
As per our attached report of even date

For H K Shah & Co.,
Chartered Accountants
FRN.: 109583W


H K Shah
Partner
M.No.: 042758

Place: Ahmedabad
Date: May 29, 2018



For and on behalf of the Board of Directors of
Montecarlo Hubli Haveri Highway Private Limited


Brijesh K. Patel
Director
DIN: 00025479

Place: Ahmedabad
Date: May 29, 2018


Mrunal K. Patel
Director
DIN: 00025525

MONTECARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED

Company Overview

1 BACKGROUND AND OPERATIONS

Montecarlo Hubli Haveri Highway Private Limited ("the company") having its registered office at 706, Shilp Building, C.G. Road, Navrangpura Ahmedabad - 380009 was incorporated on April 05, 2017 vide certificate of Incorporation No. U45309GJ2017PTC096675 issued by the Registrar of Companies Ahmedabad, Gujarat.

The company is engaged in business of Infrastructure Development.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of preparation of interim report

(i) Basis of preparation

The financial statements have been prepared in accordance with Ind AS 34 as notified under the Companies (Indian Accounting Standards) Rules, 2015.

This is the Company's first Ind AS financial statements. As the company has been formed on April 05, 2017, transition provisions are not applicable to the company.

(ii) Basis of preparation and measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the assets or liability.

2.2 First-time adoption – mandatory exceptions, optional exemptions

Overall principle

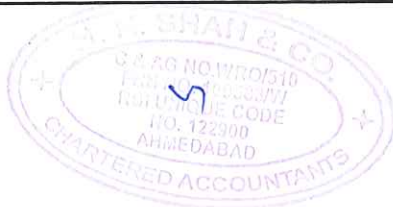
The company has been formed on April 05, 2017 i.e. after Ind AS Transition date, hence opening Balance sheet considering Ind AS transition provisions as at 1st April, 2016 & comparative figures for FY 2016-17 has not been reported in-line with the requirements of Ind AS.

2.3 Functional and Presentation Currency

These Standalone Financial Statements are presented in Indian Rupees, which is the Company's Functional Currency.

2.4 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.



2.10 Service Concession arrangements

The Company constructs or upgrades Infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Under Appendix A to Ind AS 11 - Service Concession Arrangements, these arrangements are accounted for based on the nature of the consideration. The financial asset model is used to the extent the company has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. If the company performs more than one service (i.e. construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

In the financial assets model, the amount due from the grantor meet the identification of the receivable which is measured at fair value. It is subsequently measured at amortised cost. The amount initially recognised plus the cumulative interest on that amount is calculated using the effective interest method. Any assets carried under concession arrangement is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial assets expire.

2.11 Revenue Recognition

Revenue from Sale of Goods or rendering of Services is recognised to the extent it is probable that the economic benefits will flow to the Company, the revenue can be reliably measured and no significant uncertainty as to the measurability and collectability exists.

All the income and expenditure are recognized and accounted for on accrual basis.

2.12 Other Incomes

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.13 Foreign Currency Transactions

The functional currency for the Company is determined as the currency of the primary economic environment in which it operates. For the Company, the functional currency is the local currency of the country in which it operates, which is INR.

a) In preparing the financial statements the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

b) The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are taken into Statement of Profit and Loss.

2.14 Employees Benefits

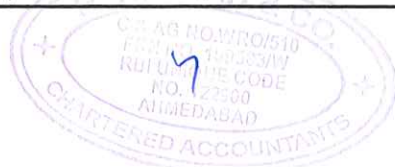
Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- b. net interest expense or income; and
- c. remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.



2.17 Segment Reporting

Identification of segments:

Segments are identified in line with Ind AS-108 "Operating Segment", taking into consideration the internal organisation and management structure as well as the differential risk and returns of the segment.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

2.18 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.19 Fair value measurement

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or a liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/profit in case of financial assets or liabilities.

2.20 Financial Instrument

Financial assets and/or financial liabilities are recognised when the company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition

Interest free loans received from Holding Company / given to Subsidiary Companies are accounted as an equity contribution / equity investment as it is perpetual in nature and settlement of the same is neither planned nor likely in the foreseeable future.

2.21 Operating Cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or

2.22 Current and non Current classification :

i. The assets and liabilities in the Balance Sheet are based on current/ non - current classification. An asset as current when it is:

- 1 Expected to be realised or intended to be sold or consumed in normal operating cycle
- 2 Held primarily for the purpose of trading

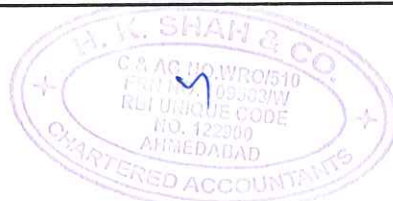
2.23 Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 115 Revenue from Contracts with Customers. These amendments are in accordance with the amendments made by International Accounting Standards Board (IASB) to IFRS 15 Revenue from contracts with customers respectively. The amendment is applicable to the Company from April 1, 2018 respectively.

Ind As 115 - Revenue from contracts with customers

Ind As 115 was issued in February 2015 and establishes a five step model to account for revenue arising from the contract with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in the exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind As. This standard will come into force from accounting period commencing on or after 1st April, 2018. The company will adopt the new standard on the required effective date. During the current year, the Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.



MONTECARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED**Notes to the Financial Statements**

(₹ in Lakh unless otherwise stated)

Note 3 Other Non Current Assets

Particulars	As at March 31, 2018
(i) Advances recoverable in cash or kind - from related parties	1,700.00
(ii) Prepaid Expenses	-
Total	1,700.00

Note 4 Cash and Cash Equivalents

Particulars	As at March 31, 2018
(a) Cash and cash equivalents	
(i) Cash on hand	-
(ii) Balances with Banks	1.38
Total	1.38

Note 5 Other Current Assets

Particulars	As at March 31, 2018
(a) Unsecured, Considered Good	
(i) Balance with Government Authorities	
- Direct tax authorities	-
- Indirect tax authorities	244.05
(ii) Advance recoverable in cash or kind	-
(a) Pre-Paid Expenses	
(i) Legal Charges	190.24
Total	434.28

Note 6 Other Current Financial Assets

Particulars	As at March 31, 2018
Unbilled revenue	7,686.14
Total	7,686.14



MONTECARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED
Notes to the Financial Statements

(₹ in Lakh unless otherwise stated)

Note 7 Equity Share Capital

Particulars	As at March 31, 2018
Authorised	
3,50,00,000 (Previous year : NIL) Equity Shares of ₹ 10 each fully paid-	3,500.00
Total	3,500.00
Issued, Subscribed and fully paid up	
10,000 (Previous year : NIL) Equity Shares of ₹ 10 each fully paid-up	1.00
Total	1.00

a. The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2018 is set out below:

Particulars	As at March 31, 2018	
	No. of Shares	₹ in lakh
Numbers of shares at the beginning	-	-
Add: Shares issued during the period	10,000	1.00
Numbers of shares at the End	10,000	1.00

b. Shares held by holding / ultimate holding company and / or their subsidiaries / associates:

Particulars	As at March 31, 2018	
	No. of Shares	₹ in lakh
Montecarlo Projects India Limited	10,000	1.00

c. Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at March 31, 2018	
	No. of Shares	% Holding
Montecarlo Projects India Limited	10,000	100%

d. The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Equity Shareholders are eligible to dividend proposed by the Board of Directors as approved by Shareholders in the ensuing Annual General Meeting.

e. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



MONTECARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED
Notes to the Financial Statements

Note 8 - Statement of Changes in Equity for the year ended

A. Equity Share Capital

(₹ in Lakh unless otherwise stated)

Balance at the beginning of the reporting period (i.e. 5th April, 2017)		Changes in equity share capital during the year		Balance at the end of the reporting year (i.e. 31st March, 2018)	
No. of shares	₹	No. of shares	₹	No. of shares	₹
-	-	10,000	1.00	-	1.00

B. Other Equity

As on 31st March, 2018

(₹ in Lakh unless otherwise stated)

Particulars	Reserves & Surplus			Other Comprehensive Income	Equity Component of Unsecured Loan	Total
	Securities premium	General reserve	Retained earnings			
Balance at the beginning of the period	-	-	-	-	-	-
Quasi Equity from Holding Company*	-	-	120.57	-	343.99	343.99
Profit for the year	-	-	120.57	-	-	120.57
Balance at the end of March 31, 2018	-	-	120.57	-	343.99	464.56

*Interest free loan received from Holding Company is accounted as equity contribution as it is perpetual in nature and settlement of the same is neither planned nor likely in the foreseeable future. In the event of liquidation of the company, settlement of the same will be based on the residual interest in the assets of an entity after deducting all of its liabilities.

For H K Shah & Co.,
Chartered Accountants
FRN.: 109583W



H K Shah
Partner
M.No.: 042758

Place: Ahmedabad
Date: May 29, 2018

For and on behalf of the Board of Directors of
Montecarlo Hubli Haveri Highway Private Limited


Brijesh K. Patel
Director
DIN: 00025479

Place: Ahmedabad
Date: May 29, 2018


Mrunal K. Patel
Director
DIN: 00025525

MONTECARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED
Notes to the Financial Statements

(₹ in Lakh unless otherwise stated)

Note 9 Non-Current - Other non-current liabilities

Particulars	As at March 31, 2018
(a) Advance from Customers	1,904.00
Total	1,904.00

Note 10 Current Financial Liabilities - Trade Payables

Particulars	As at March 31, 2018
Trade payables - Other than acceptances*	
(a) Total outstanding dues of micro enterprises and small enterprises	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	
- Payable for goods and services	7,241.02
Total	7,241.02

Note 11 Other Current Liabilities

Particulars	As at March 31, 2018
(a) Statutory Remittances	181.42
(b) Provision for Income tax (Net of Advance tax)	29.81
Total	211.23



MONTECARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED
Notes to the Financial Statements

(₹ in Lakh unless otherwise stated)

Note 12 Revenue from operations

Particulars	From 5th April, 2017 to 31st Mar, 2018
a) Contract Revenue	7,686.14
Total	7,686.14

Note 13 Construction Expenses

Particulars	From 5th April, 2017 to 31st Mar, 2018
a) Sub-contracting expense	7,359.09
Total	7,359.09

Note 14 Financial expenses

Particulars	From 5th April, 2017 to 31st Mar, 2018
a) Interest expenses	0.01
Total	0.01

Note 15 Other expenses

Particulars	From 5th April, 2017 to 31st Mar, 2018
a) Auditor's remuneration	1.50
b) Legal & Professional Charges	33.09
c) ROC Filing Charges	32.57
d) Insurance Expense	11.64
e) Site Expense	63.87
Total	142.66

Note 16 Earnings Per Share (Basic & Diluted)

Particulars	From 5th April, 2017 to 31st Mar, 2018
Profit/(Loss) for the year attributable to Owners of the Company	120.57
Amount available for calculation of Basic and Diluted EPS - (a)	120.57
Weighted Agerage No. of Equity Shares Outstanding for Basic & Diluted EPS - (b)	9,315
Basic and Diluted Earnings Per Share of ` 10/- Each (In `) - (a) \ (b)	1,294.32



MONTECARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED
Notes to the Financial Statements

17. Related Party Disclosure:

(A) List of Related Parties

(i) Ultimate Holding Company

Montecarlo Limited

(ii) Holding Company

Montecarlo Projects India Limited

(iii) Fellow Subsidiary Company

Montecarlo Barjora Mining Private Limited

Montecarlo Singhara Binjhabahal Highway Pvt Ltd

(iv) Key Management Personnel

1. Mr. Brijesh Kanubhai Patel (Director)
2. Mr. Mrunal Kanubhai Patel (Director)
3. Mr. Kanubhai Mafatalal Patel (Director)

(v) Enterprises over which Key Managerial Personnel are able to exercise significant influence:

Kanubhai M. Patel Trust

Montecarlo Realty LLP (Formerly known as Montecarlo Realty Ltd.)

Montecarlo Assets Holdings LLP (Formerly known as Montecarlo Construction Private Limited)

Montecarlo Charitable Trust

(B) Transaction with related parties and outstanding at the end of the year:

(₹ in Lakh unless otherwise stated)

Description of the nature of the transactions	From 5th April, 2017 to 31st Mar, 2018	
	Montecarlo Projects India Limited	Montecarlo Limited
Issue of Equity Share Capital	1.00	-
Loans & Advances Received	343.99	
Loans & Advances Given	-	1,700.00
Interest Paid on Unsecured Loan	-	-
		0.01



MONTECARLO HUBLI HAVERI HIGHWAY PRIVATE LIMITED
CIN NO:- U45309GJ2017PTC096675

18 Financial Instruments

(a) Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of 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.

Financial Instruments - Accounting Classification and Fair Value Measurements

The fair value of the financial assets and liabilities are included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale

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

1. Fair value of cash and short terms deposits, trade and other short receivables, trade payables , other current liabilities , short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short term maturities of these instruments
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameter such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2 Other techniques for which all inputs which have a significant effect on the recorded fair value are observables, either directly or indirectly

Level 3 Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at March 31, 2018

Financial assets*	FVTPL	FVTOCI	Amotised Cost	(₹ in Lakhs)
				Total carrying value
Cash and cash equivalents	-	-	1.38	1.38
Other current financial asset	-	-	434.28	434.28
	-	-	435.66	435.66
Financial liabilities*	FVTPL	FVTOCI	Amotised Cost	Total carrying value
Non current borrowings	-	-	-	-
Trade payables	-	-	7,241.02	7,241.02
Other current financial liabilities	-	-	211.23	211.23
	-	-	7,452.24	7,452.24



19. Capital Management

The Company considers the following components of its Balance Sheet to be managed capital:

1. Total equity – Share Capital, Retained Profit/ (Loss) and Other Equity.
2. Working capital.

The Company manages its capital so as to safeguard its ability to continue as a going concern. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditor, and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the requirement of capital to meet the operational cost of the company from time to time and infuse the capital through sub-ordinate debt, which is classified as other equity.

Summary of quantitative data of the capital of the company	As at March 31, 2018
Equity - Issued and paid up capital	1.00
Other Equity -Sub-ordinate debts	343.99
TOTAL	344.99

20. Other Notes

- 20.1 There are no reportable segments in accordance with Indian Accounting Standard-108 'Operating Segment' prescribed under the Companies (Indian Accounting Standards) Rules, 2015.
- 20.2 Balances of Sundry Creditors, Sundry debtors, Loans & advances, etc. are subject to confirmation and reconciliation, if any.
- 20.3 In the opinion of Board of Directors; Current Assets, Loans & Advances (Including Capital Advances) have a value on realization in the ordinary course of business atleast equal to the amount at which they are stated, Adequate Provisions have been made in the accounts for all the known liabilities.

For H K Shah & Co.,
Chartered Accountants
FRN.: 109583W

H K Shah
Partner
M.No.: 042758

Place: Ahmedabad
Date: May 29, 2018

For and on behalf of the Board of Directors of
Montecarlo Hubli Haveri Highway Private Limited

Brijesh K. Patel
Director
Din: 00025479

Place: Ahmedabad
Date: May 29, 2018

Mrunal K. Patel
Director
DIN: 00025525