MONTECARLO SINGHARA BINJHABAHAL HIGHWAY PRIVATE LIMITED

Navrangpura-Ahmedabad
Gujarat-380009

FINANCIAL STATEMENTS

YEAR : 2017-18

T R CHADHA & CO LLP
REG. NO. 006711N / N500028
CHARTERED ACCOUNTANTS

AUDITORS

T R CHADHA & CO LLP
CHARTERED ACCOUNTANTS

AHMEDABAD
GUJARAT

INDEPENDENT AUDITOR'S REPORT

To
The Members of
MONTECARLO SINGHARA BINJHABAHAL HIGHWAY PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **MONTECARLO SINGHARA BINJHABAHAL HIGHWAY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), for the period April 04, 2017 to March 31, 2018, the statement of Cash Flows and the Statement of Changes in Equity for the period then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS Financial Statements").

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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 there under.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

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

T R CHADHA & CO LLP
REG. NO. 006711N / N500028
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We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether th company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2018, and its Loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the period ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 & 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued there under.

(e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

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

I. The Company does not have any pending litigations which would impact its financial position.

II. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

III. There were no amounts which were required to be transferred to the investor's education and protection fund by the company during the period ended March 31, 2018.

For T R Chadha & Co LLP
Chartered Accountants
Firm Regn. No: 006711N/N500028

Brijesh

Brijesh Thakkar
Partner
Membership No – 135556

T R CHADHA & CO LLP * REG. NO. 006711N/N500028 * CHARTERED ACCOUNTANTS

Place: Ahmedabad
Date: 29/05/2018

ANNEXURE A

MONTECARLO SINGHARA BINJHABAHAL HIGHWAY PRIVATE LIMITED
Annexure to Independent Auditors' Report for the period ended March 31, 2018
(Referred to in Paragraph 1 under the Heading "Report on Other Legal and Regulatory Requirements" of our Report of even date)

(i) Fixed Assets

The Company does not hold any fixed assets as at the Balancesheet date. Hence clause i (a), (b) and (c) of the Order is not applicable to the Company.

(ii) Inventories

The Company does not have any inventory during the year. Hence clause (ii) of the Order is not applicable to the Company.

(iii) Loans given

In our opinion and according to the information and explanation given to us during the course of audit, the Company has not granted any Secured or unsecured loan to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) Compliance of Sec. 185 & 186

In our opinion and according to the information and explanation given to us during the course of audit, the Company has not entered into any transaction in resect of loans, investments, guarantee and security which attracts compliance to provisions of section 185 & 186 of the Companies Act, 2013, hence clause (iv) of the order is not applicable to the company.

(v) Public Deposit

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the company has not accepted any deposit from the public in terms of Section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.

T R CHADHA & CO LLP
REG. NO. 006711N/N500028
CHARTERED ACCOUNTANTS

(vi) Cost Records

In our opinion and according to information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, for any of the activities carried out by the company during the year.

(vii) Statutory Dues

a) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the 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, GST and any other statutory dues as applicable have generally been regularly deposited with the appropriate authorities. There are no undisputed statutory dues outstanding for more than six months as on 31st March 2018.

b) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that there are no dues of income tax or sale tax or service tax or duty of customs or duty of excise or value added tax, cess or GST which have not been deposited on account of any dispute,

(viii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken any loans or borrowings from any financial institutions & banks, hence clause (viii) of the order is not applicable to the company.

(ix) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not raised money by way of initial public offer or further public offer (including debt instrument) any term loans during the period under audit therefore, hence clause (ix) of the order is not applicable to the company.

(x) Based upon the audit procedures performed for the purpose of reporting the true and 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 any fraud on the company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has not paid / provided for managerial remuneration and hence requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act is not necessary.

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(xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company.

(xiii) According to the records examined by us, and information and explantions given to us, transactions with the related parties are in compliance with section 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Furter as explainedto us, provisions of section 177 of the Companies Act, 2013 are not applicable to the company.

(xiv) As per the information and explanations given by the management, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, hence clause (xiv) of the order is not applicable to the company.

(xv) As per the information and explanations given by the management, the company has not entered into any non-cash transaction with directors or persons connected with him.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For T R Chadha & Co LLP
Chartered Accountants
FirmRegn.No: 006711N/N500028

Brijesh

Place: Ahmedabad
Date : 29/05/2018

Brijesh Thakkar
Partner
Membership No. 135556

T R CHADHA & CO LLP ★ REG. NO. 006711N / N500028 ★ CHARTERED ACCOUNTANTS

MONTECARLO SINGHARA BINJHABAHAL HIGHWAY PRIVATE LIMITED
CIN NO:- U45309GJ2017PTC096751
BALANCE SHEET AS AT MARCH 31, 2018

(Amount in ₹)

Particulars	Note No	As at March 31, 2018
I ASSETS		
1 Current assets		
(a) Financial Assets		
(i) Cash and Cash Equivalents	2	56,439
(b) Other Current Assets	3	37,561,995
		37,618,434
Total Assets		**37,618,434**
II. EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	4	100,000
(b) Other Equity	5	37,279,534
		37,379,534
Liabilities		
1 Current liabilities		
(a) Financial liabilities		
(i) Trade payables	6	212,500
(b) Other current liabilities	7	26,400
		238,900
Total Equity and Liabilities		**37,618,434**
Notes forming part of the financial statements	1 to 18	

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg. No.: 006711N / N500028

T R CHADHA & CO LLP REG. NO. 006711N / N500028 CHARTERED ACCOUNTANTS

Brijesh Thakkar
Partner
Membership No. : 135556

Place: Ahmedabad
Date: 29/05/2018

For and on behalf of the Board of Directors of
Montecarlo Singhara Binjhabahal Highway Pvt Ltd

Mr. Brijesh K. Patel
Director
Din: 00025479

Place: Ahmedabad
Date: 29/05/2018

Mr. Mrunal K. Patel
Director
Din: 00025525

Place: Ahmedabad
Date: 29/05/2018

MONTECARLO SINGHARA BINJHABAHAL HIGHWAY PRIVATE LIMITED
CIN NO:- U45309GJ2017PTC096751
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2018

	Particulars	Note No.	For the period ended 31/03/2018
1	**Revenue from operations**		-
2	**Other Income**		-
3	**Total revenue (1+2)**		-
4	**Expenses**		
	(i) Finance Cost	8	762
	(i) Other expenses	9	7,102,751
	Total expenses		**7,103,513**
5	**Profit \ (Loss) before tax (3-4)**		**(7,103,513)**
6	**Tax expense:**		
	(a) Current tax expense		-
	(b) Deferred tax		-
7	**Loss for the year (5-6)**		**(7,103,513)**
8	**Other comprehensive income**		-
9	**Total Comprehensive income for the year (7+8)**		**(7,103,513)**
10	**Earnings per share (of ₹ 10/- each):**	10	
	(a) Basic (In ₹)		(764.83)
	(b) Diluted (In ₹)		(764.83)
	Notes forming part of the financial statements	1 to 18	

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg. No.: 006711N / N500028

Brijesh Thakkar
Partner
Membership No. : 135556

Place: Ahmedabad
Date: 29/05/2018

T R CHADHA & CO LLP REG. NO. 006711N / N500028 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
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Director
Din: 00025479

Place: Ahmedabad
Date: 29/05/2018

Mr. Mrunal K. Patel
Director
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Place: Ahmedabad
Date: 29/05/2018

MONTECARLO SINGHARA BINJHABAHAL HIGHWAY PRIVATE LIMITED
CIN NO:- U45309GJ2017PTC096751
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2018

	Particualrs	2017-2018	
		₹	₹
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Loss before tax	(7,103,513)	
	Adjustments for :		
	Finance Cost	762	
	Changes in Working Capital:-		
	Adjustment for (Increase) / Decrease in Operating Assets		
	- Other Current Assets	(37,561,995)	
	Adjustment for Increase / (Decrease) in Operating Liabilities		
	- Trade Payables	212,500	
	- Other Current Liabilities	26,400	
	Cash generated from Operations		(44,425,846)
	Direct taxes paid		-
	Net cash used in Operating Activities (A)		**(44,425,846)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		-
	Net Cash used in / from Investing Activities (B)		-
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Short Term Borrowings from Directors		10,000
	Repayment of Short Term Borrowings to Directors		(10,000)
	Interest Paid		(762)
	Proceeds from Issue of Equity Share Capital		100,000
	Proceeds from Quasi Equity from Holding Company		44,383,047
	Net cash inflow from Financing Activities (C)		**44,482,285**
	Net increase in cash and cash equivalents (A+B+C)		**56,439**
	Cash and cash equivalents at the beginning of the year		-
	Cash and cash equivalents at the end of the year		**56,439**
	Components of Cash & Cash Equivalents		
	Cash on Hand		-
	Balances with banks:		
	a) In current account		56,439
	Total Cash and Bank Equivalents (As per Note 2)		**56,439**

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 read with Companies (Indian Accounting Standards) Rules, 2015.*

Notes forming part of the financial statements	1 to 18

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg. No.: 006711N / N500028

T R CHADHA & CO LLP REG. NO. 006711N / N500028 CHARTERED ACCOUNTANTS

Brijesh Thakkar
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Membership No. : 135556

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Date: 29/05/2018

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Director
Din: 00025479

Place: Ahmedabad
Date: 29/05/2018

Mr. Mrunal K. Patel
Director
Din: 00025525

Place: Ahmedabad
Date: 29/05/2018

MONTECARLO SINGHARA BINJHABAHAL HIGHWAY PRIVATE LIMITED
Notes to the Financial Statements

STATEMENT OF CHANGES IN EQUITY

(a) Equity Share Capital

(Amount in ₹)

Particulars	As at March 31, 2018
Balance at the beginning of the year	-
Changes in equity share capital during the year	100,000
Balance at the end of the year	**100,000**

(b) Instruments entirely equity in nature

(Amount in ₹)

Particulars	As at March 31, 2018
Quasi Equity from Holding Company*	
Balance at the beginning of the year	-
Received During the Year	44,383,047
Balance at the end of the year	**44,383,047**

Interest free loan received from Holding Company is accounted as equity contributionas 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.

(c) Other Equity

As on 31st March, 2018 (Amount in ₹)

Particulars	Reserves & Surplus		Other	Total Equity
	General reserve	Retained earnings	Comprehensive	
Balance at the beginning of the year	-	-	-	-
Profit \ (Loss) for the year	-	(7,103,513)	-	(7,103,513)
Balance at the end of the year	**-**	**(7,103,513)**	**-**	**(7,103,513)**

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg. No.: 006711N / N500028

Brijesh Thakkar
Partner
Membership No. : 135556

Place: Ahmedabad
Date: 29/05/2018

T R CHADHA & CO LLP
REG. NO. 006711N / N500028
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Montecarlo Singhara Binjhabahal Highway Pvt Ltd

Mr. Brijesh K. Patel
Director
Din: 00025479

Place: Ahmedabad
Date: 29/05/2018

Mr. Mrunal K. Patel
Director
Din: 00025525

Place: Ahmedabad
Date: 29/05/2018

MONTECARLO SINGHARA BINJHABAHAL HIGHWAY PRIVATE LIMITED
Company Overview

1 COMPANY INFORMATION

Montecarlo Singhara Binjhabahal Highway Private Limited (SPV) having its registered office at 706, Ship Building, C.G. Road, Navrangpura Ahmedabad - 380009 was incorporated on April 04, 2017 vide certificate of Incorporation No. U45309GJ2017PTC096751 issued by the Registrar of Companies Ahmedabad, Gujarat. It is a wholly owned Subsidiary Company of Montecarlo Projects India Limited.

The Company has been awarded Rehabilitation & Upgradation of Four Lining of Singhara to Bijhabahal Section from Km 311 to Km 414 of NH - 6 (New NH - 49) in the State of Odisha under NHDP- IV on Hybrid Annuity Model basis.

The financial statements of the Company are prepared for the period April 4, 2017 to March 31, 2018 and authorized for issue by the board of Directors at their meeting held on 29/05/2018.

2 BASIS OF PREPARATION

a. The financial statements have been prepared to comply in all material respects with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and rules framed there under.

The financial statements are for the period April 4, 2017 to March 31, 2018 are the first financial statements of the company prepared in Accordance with Ind AS. The aforesaid financial statements are prepared from the date of incorporation i.e. April 04, 2017 to March 31, 2018 and hence previous period figures are not applicable.

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

The Financial Statements are presented in Indian Rupees (INR), which is the Company's Functional Currency.

b. **Current and Non-Current Classification**
Assets and Liabilities are classified as current if it is expected to realize or settle within twelve months after the balance sheet date. Deferred Tax Asset & Liabilities are classified as Non-Current.

3(A) SIGNIFICANT ACCOUNTING POLICIES

i) Property, Plant and Equipment

All the items of property, plant and equipment are stated at historical cost net off Cenvat credit less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful life is taken in accordance with Schedule II to the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

ii) Impairment of non - financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

iii) Service concession arrangements

The Company construct or upgrades infrastructure (constructing or services) used to a public service 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 is used to the extent the Company has an unconditional contractual right to receive cash Of 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 Of 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 amortized amount initially recognized plus the cumulative interest on that amount is calculated using the effective interest any assets carried under concession arrangement is on disposal or when no future economic benefits are expected from its future use or disposal of the contractual rights to the financial assets expire.

iv) Revenue

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. All revenues are accounted on accrual basis except to extent stated otherwise.

a) Construction contract revenue

Revenue from construction contracts is recognized by applying percentage of completion method after providing for foreseeable losses. if any. Percentage of completion method is determined as a proportion of the cost incurred up to the reporting date to the total estimated cost to complete. Foreseeable losses, if any on the contracts is recognized an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of cost and related incidental income not included in contact revenue is taken into consideration. Contract is reflected at cost that are cost that are expected to be recoverable till such time the outcome of the contact cannot be ascertained reliably and at releasable value thereafter.
Contract revenue corresponds to the fair value of consideration received/ receivable from the customer to the extent that it is probable that the result in revenue, and they are capable of being reliably measured.

b) Trade Receivables

Trade Receivables are recognized initially at fair value and subsequently measured at amortized cost, less provision for impairment.

c) Interest Income

Interest income from a financial asset is recognized 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.

v) Taxes on Income

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

vi) 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 recognized 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.

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vii) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

viii) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

ix) Provisions, Contingent Liabilities and Contingent Assets

a) Provisions

Provisions are recognized 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 recognized 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 recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

b) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation which is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized, but are disclosed in the financial statements.

x) Financial Instrument

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.

a) Financial assets

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets at initial recognition. All financial assets are recognized initially at fair value plus transaction costs that ate directly attributable to the acquisition of the financial asset except for financial assets classified as fair value through profit or loss.

Subsequent measurement

For the purposes of subsequent measurement. financial assets are classified in four categories:

a) Debt instruments measured at amortized cost

b) Debt instruments measured at fair value through other comprehensive income (FVTOCI)

c) Debt instruments measured at fair value through profit or loss (FVTPL)

d) Equity instruments measured at FVTOCI or FVTPL

Debt instruments

The subsequent measurement of debt instruments depends on their classification. The classification depends on the Company's business model of managing the financial assets and the contractual terms of the cash flows.

a) Debt Instruments measured at amortized cost

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in the statement of profit and loss when the asset is derecognized or impaired. Income from these financial assets is included in interest income using the effective interest rate method.

b) Debt instruments measured at FVTOCI

Debt instruments that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payment of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest income which are recognized in statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in the CCI is reclassified from equity to statement of profit and loss. Home from these financial assets is included in interest income using the effective interest rate method. Currently the Company doesn't have any financial assets classified under this category.

c) Debt instruments measured at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

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d) Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value, Equity instruments which are held for trading are classified as FVTPL. The Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There Is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may Transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Currently the Company doesn't have any financial assets classified under these categories.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

I) Financial assets measured at amortized cost

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

Expected credit losses are measured through a loss allowance at an amount equal to the twelve months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within twelve months after the reporting dale) or full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial liability at initial recognition. All financial liabilities are recognised Initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial liability except for financial liabilities classified as fair value through profit or loss.

Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

a) Financial liabilities measured at amortized cost

b) Financial liabilities measured at FVTPL (fair value through profit or lass)

a) Financial liabilities measured at amortized cost

After initial recognition. financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

b) Financial liabilities measured at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the statement of profit and loss.

DE recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability ate substantially modified, such an exchange or modification is treated as the DE recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

xi) Fair value measurement

The Company measures financial instruments, such as, investment in debt and equity instruments at fair value at each reporting date.

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 measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

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.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure lair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3— Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

xii) Cash flow statement

Cash flows are reported using indirect method, whereby Profit before tax reported under statement of profit/ (loss) is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

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xiii) **Employees Benefits**

Payments to defined contribution retirement benefit plans are recognized 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 recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized 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 categorized 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 recognized 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.

Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

xiv) **Segment Reporting**

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

Based on the Company's business model, Infrastructure Development and construction / Project activities have been considered as the only reportable business and geographical 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.

xv) **Operating Cycle**

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

xvi) **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 realized or intended to be sold or consumed in normal operating cycle
2 Held primarily for the purpose of trading
3 Expected to be realized within twelve months after the reporting period, or
4 Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non - current.

ii A liability is current when it is:
1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
All other liabilities are treated as non - current.

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

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xvii) Recent accounting pronouncements

Ind As 115 - Revenue from contracts with customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition

Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

xviii) Govement grants

Government grants (except those existing on transition date) are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the statement of profit or toss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments.

xix) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a Substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

xx) Exceptional items

On certain occasions, the size , type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

3 (B) Significant estimates, judgments and assumptions

The preparation of financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognized in the period in which the estimates are revised and in any future periods affected.

a) Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that have a low probability of crystallizing or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes, if any, but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.

b) Impairment testing

i) Judgment Is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered. or on more detailed reviews of individually significant balances.

ii) Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash Sows forecast to be derived from the asset. This forecast involves cashflow projections and selecting the appropriate discount rate.

c) Tax

a) The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

b) Accruals for tax contingencies require management to make judgments and estimates in relation to tax audit issues and exposures.

c) The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Company in which the deferred tax asset has been recognized.

d) Fair Value Measurement

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make, These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. For details of the key assumptions used and the impact of changes to these assumptions.

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Notes to the Financial Statements

(Amount in ₹)

Note 2 Cash and Cash Equivalents

	Particulars	As at March 31, 2018
(a)	**Cash and cash equivalents**	
	(i) Cash on hand	-
	(ii) Balances with Banks	56,439
	Total	**56,439**

Note 3 Other Current Assets

	Particulars	As at March 31, 2018
(a)	**Unsecured, Considered Good**	
	(i) Balance with Government Authorities	
	- IGST Receivable	3,310,328
	(ii) Prepaid Expense	34,251,667
	Total	**37,561,995**

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Notes to the Financial Statements

(Amount in ₹)

Note 4 Equity Share Capital

Particulars	As at March 31, 2018
Authorised	
4,00,00,000 Equity Shares of ₹ 10 each fully paid-up	400,000,000
Total	**400,000,000**
Issued, Subscribed and fully paid up	
10,000 (Previous year 10,000) Equity Shares of ₹ 10 each fully paid-up	100,000
Total	**100,000**

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	₹
Numbers of shares at the Beginning	-	-
Add: Shares issued during the year	10,000	100,000
Numbers of shares at the End	10,000	100,000

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

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

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 and its nominees	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.

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Notes to the Financial Statements

Note 5 Other Equity

As on 31st March, 2018 **(Amount in ₹)**

Particulars	Reserves & Surplus			Other Comprehensive Income	Equity Component of Unsecured Loan	Total
	Securities premium	General reserve	Retained earnings			
Balance at the beginning of April 1, 2017	-	-	-	-	-	-
Quasi Equity from Holding Company*					44,383,047	44,383,047
Profit \ (Loss) for the period	-	-	(7,103,513)	-	-	(7,103,513)
Balance at the end of March 31, 2018	**-**	**-**	**(7,103,513)**	**-**	**44,383,047**	**37,279,534**

***Interest free loan received from Holding Company is accounted as equity contributionas 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.**

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Notes to the Financial Statements

(Amount in ₹)

Note 6 Current Financial Liabilities - Trade Payables

Particulars	As at March 31, 2018
Trade payables - Other than acceptances*	
(a) Due of Micro, Small and Medium Enterprises	-
(b) Others	212,500
Total	**212,500**

The average credit period on purchases of certain goods \ services is 30 to 60 days. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Dues payable to Micro, Small and Medium Enterprises:

Under the Micro, Small & Medium Enterprises Development Act, 2006 which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small & Medium Enterprises. The Company is in the process of compiling relevant information from its suppliers about their coverage under the said Act. Since the relevant information is not readily available, no disclosures have been made in the accounts. However, in the view of the management, the impact of interest, if any, which may subsequently become payable in accordance with the provisions of the act would not be material and the same, if any, would be disclosed in the year of payment of interest.

Note 7 Other Current Liabilities

Particulars	As at March 31, 2018
(a) Statutory Remittances	26,400
Total	**26,400**

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Notes to the Financial Statements

(Amount in ₹)

Note 8 Finance Cost Particulars	Period Ended March 31, 2018
Interest Expense	
- On Borrowings	762
	762

Note 9 Other expenses Particulars	Period Ended March 31, 2018
a) Legal & Professional Charges	2,509,043
b) Rates & Taxes	4,443,708
c) Payments to Auditors*	150,000
Total	**7,102,751**
*** Payment to Auditors**	
For Audit fee	150,000
TOTAL	**150,000**

Note 10 Earnings Per Share (Basic & Diluted) Particulars		As at March 31, 2018
Profit/(Loss) for the year attributable to Owners of the Company		(7,103,513)
Amount available for calculation of Basic and Diluted EPS	- (a)	(7,103,513)
Weighted Agerage No. of Equity Shares Outstanding for Basic & Diluted EPS	- (b)	9,288
Basic and Diluted Earnings Per Share of ₹ 10/- Each (In ₹)	- (a) \ (b)	**(764.83)**

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11. 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 Hubli Haveri Highway Private Limited

(iv) Directors / Key Management Personnel

Mr. Brijesh Kanubhai Patel
Mr. Mrunal Kanubhai Patel
Mr. Kanubhai Mafatlal Patel

(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 Construction LLP (Formerly known as Construction Private Limited)
Montecarlo Charitable Trust

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

(Amount in ₹)

Description of the nature of the transactions	Montecarlo Projects India Limited	Mr. Brijesh Kanubhai Patel
	2017-2018	2017-2018
Issue of Equity Share Capital	99,900	-
Quasi Equity Received	44,383,047	-
Receipt of Unsecured Loan	-	10,000
Repayment of Unsecured Loan	-	(10,000)
Interest Paid on Unsecured Loan		762
Balance Outstanding as at Year End		
- Quasi Equity Received	**(44,383,047)**	-
- Unsecured Loan	-	-

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12 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
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 31 March, 2018

(Amount in ₹)

Financial assets*	FVTPL	FVTOCI	Amotised Cost	Total carrying value
Cash and cash equivalents	-	-	56,439	56,439
	-	-	**56,439**	**56,439**

Financial liabilities*	FVTPL	FVTOCI	Amotised Cost	Total carrying value
Trade payables	-	-	212,500	212,500
	-	-	**212,500**	**212,500**

(b) FAIR VALUE MEASUREMENT

All Financial assets and liabilities are measured at amortised cost hence disclosure of fair value measurement in Level 1, Level 2 & Level 3 categories are not required.

(c) FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES:

The Company's principal financial liabilities comprise of trade and other payables. The Company's principal financial assets include Investment, loans and advances, and cash and bank balances that derive directly from its operations. However as there are no business operations being carried out, Company is not exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of all these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

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Market Risk

Market risk is the risk that the fair value of future cash flows of a financial assets will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The company monitors the risks arising out of trade payables on a regular basis with the help of the group treasury team. Further the company may enter into derivatives if the exposure arising out of these risks exceeds significantly.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. However the Company's exposure to the risk of changes in market interest rates is Nil as there are no Long-term \ Short Term debt obligations .

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. However as of now the Company's exposure to the risk of changes in foreign currency rates is Nil as there are no transactions entered by the company in foreign currency.

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. However as of now there is no operations in the company and all the loans \ advances has been given to wholly owned subsidiary only, hence Company's exposure to credit risk is Nil.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. However as of now there is no operations in the company and hence Company's exposure towards the same is Nil .

Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the Management on regular basis.

Liquidity Risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of interest free loan from Holding Company and funding from financial institution.

	As at March 31, 2018				
	<1 year	**1-3 Years**	**3-5 Years**	**> 5 Years**	**Total**
Current					
- Trade Payable	212,500	-	-	-	212,500
Total	**212,500**	**-**	**-**	**-**	**212,500**

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Notes to the Financial Statements

13. Service Concession Agreement

The Company manages concession agreement which include the construction of road on hybrid annuity basis followed by a period in which company has to maintain and operate the infrastructure. These concession agreement sets out Rights & Obligations relating to the infrastructure & services to be provided. For fulfilling those obligations, the company is entitled to receive cash from the grantor. The consideration received or receivable is allocated by reference to the relative fair value of the services provided.

Revenue from the Concession arrangements earned under the financial asset model consists of the (i) fair value of the amount due from the grantor and (ii) interest income related to the capital investment in the project.

Main Features of Concession Arrangement

i Name of the Concession:-	Rehabilitation & upgradation of Singhara to Bijhabahal Section of NH-6
ii Description of Arrangements:-	Rehabilitation & upgradation by Four- Laning of Singhara to Bijhabahal Section from Km. 311.000 to Km. 414.000 (Design Chainage from km. 310.806 to Km. 414.982) of NH-6 (New NH-49) in the state of Odisha under NHDP-IV
iii Significant Terms of Arrangements:-	Period of Concession:- 15 Years from COD Construction Period:- 910 Days Remuneration:- Annuity, Interest and O&M Investment Grant from Concession Grantor:- Yes Investment and Renewal Obligations:- No Re-pricing Dates:- Half Yearly for O&M Basis of Re-pricing:- Inflation Price Index as defined in Concession agreement
iii Financial Assets:-	₹ Nil

14. 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	100,000
Other Equity	44,383,047
TOTAL	**44,483,047**

15. Segment Reporting

The Company operates in only one segment, namely "DBOT-Annuity" hence there are no reportable segments in accordance with Indian Accounting Standard-108 'Segment Reporting' prescribed under the Companies (Indian Accounting Standards) Rules, 2015. The geographical segment is not relevant as the company operates in the single geographical segment in india.

The directors of the company has been identified as The Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

16. Capital Commitment & Contingent Liabilities (To the extent not provided for) - ₹ Nil

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17. Event occurred after the Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of the financial statements to determine the necessity for recognition and / or reporting of any of these events and transactions in the financial statements. As of May 29, 2018 there were no material subsequent events to be recognized or reported that are not already previously disclosed.

18. Previous year's Comparative Figure have not been provided since, it is the first financial statement drawn after the incorporation of the company (i.e. from April 04, 2017 to March 31, 2018).

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg. No.: 006711N / N500028

T R CHADHA & CO LLP REG. NO. 006711N / N500028 CHARTERED ACCOUNTANTS

Brijesh Thakkar
Partner
Membership No. : 135556

Place: Ahmedabad
Date: 29/05/2018

For and on behalf of the Board of Directors of
Montecarlo Singhara Binjhababal Highway Pvt Ltd

Mr. Brijesh K. Patel
Director
Din: 00025479

Place: Ahmedabad
Date: 29/05/2018

Mr. Mrunal K. Patel
Director
Din: 00025525

Place: Ahmedabad
Date: 29/05/2018