

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF
HATSAR ESTATES PRIVATE LIMITED****Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **Hatsar Estates Private Limited ('the Company')**, which comprise the balance sheet as at 31 March 2019, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and its profit (or Loss) and its cash flows for the year ended on that date.

Basis for Opinion

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

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.



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

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

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

Management's Responsibility for the Financial Statements

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher



than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of Section 143 (11) of the Act (hereinafter referred to as the 'order'), we give in the Annexure – A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.



- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, Section 197 of the Act related to the managerial remuneration not applicable.
- h. 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 which would impact its financial position as at March 31, 2019;
 - 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 Education and Protection Fund by the Company.

For G S CHAWLA & CO.
Chartered Accountants
Firm's Registration No.:027884N

CA Gurvinder Singh
(Proprietor)
Membership No.507636
UDIN: 19507636AAAAAL2808
Place of Signature: Gurgugram
Date: 31st August 2019

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the Property, Plant and Equipment were physically verified by the management during the year in accordance with the programme of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. To the best of our knowledge, no material discrepancies were noticed on verification conducted during the year as compared with the book and records.
- (c) According to the information and explanation given to us and the records examined by us, we report that, the title deeds of immovable property are held in the name of the company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
- (ii) The Company does not hold any inventories of stores, spare parts, raw materials and finished goods. Inventory comprises of land and projects in progress. According to the information and explanations given to us, and also keeping in view the nature of the operations of the Company, inventory of land and projects in progress cannot be physically verified. Hence the provisions of clauses 4(ii) (a) (b) and (c) of the Companies (Auditor's Report) Order, 2003 (as amended) (hereinafter referred to as 'Order') are not applicable.
- (iii) As per the information furnished, the Company has not granted any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraphs 3(iii) (a), (b) and (c) of the Order are not applicable.
- (iv) As per the information furnished, the Company has not made investments, given loans, guarantees and securities as per the provisions of section 185, 186 of the Companies Act 2013.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the Rules Framed thereunder.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the products of the company.
- (vii) (a) According to the information and explanations given to us and records examined by us, the Company has generally been regular in depositing undisputed statutory dues with the appropriate authorities in respect of provident fund, employees' state insurance, income-tax, VAT, service tax, excise duty and GST and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and records examined by us, there are no dues of income tax, sales tax, service tax, custom duty, excise duty & cess or any other statutory dues which have not been deposited on account of any dispute.



- (viii) According to the information and explanations given to us and records examined by us. The Company has neither taken any loans from a financial institution, government/ bank nor issued any debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and as certified by the management, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For G S CHAWLA & CO.
Chartered Accountants
Firm's Registration No.:027884N

CA Gurvinder Singh
(Proprietor)
Membership No.507636
UDIN: 19507636AAAAAL2808
Place of Signature: Gurgugram
Date: 31st August 2019

Annexure – B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Hatsar Estates Private Limited ("the Company")** as of 31 March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For G S CHAWLA & CO.

Chartered Accountants

Firm's Registration No.:027884N

CA Gurvinder Singh

(Proprietor)

Membership No.507636

UDIN: 19507636AAAAAL2808

Place of Signature: Gurgugram

Date: 31st August 2019



HATSAR ESTATES PRIVATE LIMITED
BALANCE SHEET AS AT March 31, 2019
(Amount in Rupees, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Current Assets			
Inventories	3	-	3,37,35,490
Financial Assets			
(i) Cash and cash equivalents	4	29,327	29,860
(ii) Loans	5	1,16,284	-
Current Tax assets (Net)	6	1,20,000	-
		<u>2,65,611</u>	<u>3,37,65,350</u>
Total Assets		<u>2,65,611</u>	<u>3,37,65,350</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	7	5,00,000	5,00,000
Other Equity	8	(2,58,589)	(1,74,316)
		<u>2,41,411</u>	<u>3,25,684</u>
Liabilities			
Current Liabilities			
Financial Liabilities			
(i) Borrowings	9	-	2,33,27,266
(ii) Other financial liabilities	10	24,200	12,400
Other current liabilities	11	-	1,01,00,000
		<u>24,200</u>	<u>3,34,39,666</u>
Total Equity and Liabilities		<u>2,65,611</u>	<u>3,37,65,350</u>

Significant accounting policies

Note 2

The accompanying notes are and integral part of these financial statements

As per our report of even date attached to the Balance Sheet

FOR G S CHAWLA & CO.

CHARTERED ACCOUNTANTS

Firm Registration No. 027884N

For and on behalf of the Board

CA Gurvinder Singh

Proprietor

Membership No. 507636

UDIN: 19507636AAAAALQ808

Place: Gurugram

Dated: 31st August 2019

NADEEM AHMAD
KHAN

Director
DIN : 02534694

RAJEEV KUMAR

Director
DIN : 07258433

HATSAR ESTATES PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019
(Amount in Rupees, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2019	Year ended March 31, 2018
INCOME			
Revenue from operations	12	1,20,00,000	-
Other income	13	-	12,983
Total income (I)		1,20,00,000	12,983
EXPENSES			
Changes in inventories of finished goods work-in-progress and stock-in-trade	14	1,20,00,000	-
Other expenses	15	84,273	15,957
Total expenses (II)		1,20,84,273	15,957
Profit/(loss) from continuing operations before exceptional items (I-II)		(84,273)	(2,974)
Exceptional items		-	-
Profit/(loss) from continuing operations after exceptional items		(84,273)	(2,974)
Tax expense:			
Current tax		-	-
Profit/(loss) for the year from continuing operations		(84,273)	(2,974)
Other comprehensive income			
(a) Items that will be reclassified to profit or loss		-	-
(b) Items that will not be reclassified to profit or loss		-	-
Comprehensive income for the year		-	-
Total comprehensive income for the year		(84,273)	(2,974)
Earnings per equity share (computed on the basis of profit/(loss) for the year)	21		
(1) Basic		(1.69)	(0.06)
(2) Diluted		(1.69)	(0.06)

Significant accounting policies
The accompanying notes are and integral part of these financial statements

Note 2

As per our report of even date attached to the Balance Sheet

FOR G S CHAWLA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 027884N

CA Gurvinder Singh
Proprietor
Membership No. 507636
UDYN: 19507636AAAAA2808
Place: Gurugram
Dated: 31st August 2019

For and on behalf of the Board

NADEEM AHMAD
KHAN
Director
DIN : 02534694

RAJEEV KUMAR
Director
DIN : 07258433

HATSAR ESTATES PRIVATE LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019
(Amount in Rupees, unless otherwise stated)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	(84,273)	(2,974)
<i>Working capital adjustments:</i>		
Decrease / (Increase) in Inventories	3,37,35,490	-
Decrease / (Increase) in trade and other receivables	(1,16,284)	-
Movement in trade and other payables	(1,00,88,200)	39,87,342
Cash Generated from Operations	2,34,46,733	39,84,368
Direct Taxes Paid	(1,20,000)	-
Net cash from operating activities	2,33,26,733	39,84,368
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net cash used in Investing Activities	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from unsecured loans	(2,33,27,266)	(39,87,459)
Net cash from financing activities	(2,33,27,266)	(39,87,459)
Net increase in Cash and Cash Equivalents (A+B+C)	(533)	(3,091)
Total cash and cash equivalents at the beginning of the year	29,860	32,951
Cash and cash equivalents at the end of the year	29,327	29,860
Components of cash and cash equivalents		
Cash on hand	314	314
On current accounts	29,013	29,546
	29,327	29,860

Significant accounting policies

Note 2

The accompanying notes are and integral part of these financial statements

As per our report of even date attached to the Balance Sheet

FOR G S CHAWLA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 027884N

CA Gurvinder Singh

Proprietor

Membership No. 507636

UDIN: 19507636AAAAAL2808

Place: Gurugram

Dated: 31st August 2019

For and on behalf of the Board

NADEEM AHMAD
KHAN
Director
DIN : 02534694

RAJEEV KUMAR
Director
DIN : 07258433

HATSAR ESTATES PRIVATE LIMITED

Statement of changes in equity for the year ended as on March 31, 2019

(Amount in Rupees, unless otherwise stated)

A. Equity Share Capital

As at April 1, 2017	Changes during the year	As at March 31, 2018	Changes during the year	As at March 31, 2019
5,00,000	-	5,00,000	-	5,00,000

B. Other Equity (Refer Note No. 7)

Particulars	Reserves & Surplus	Others Comprehensive Reserves	
	Retained earnings	Remeasurement of Defined benefit plan	Total
As at April 1, 2017	(1,71,342)	-	(1,71,342)
Net Income / (Loss) during the year	(2,974)	-	(2,974)
Other Comprehensive Income	-	-	-
Total comprehensive income	(2,974)	-	(2,974)
Dividend	-	-	-
Dividend distribution tax	-	-	-
Balance as at March 31, 2018	(1,74,316)	-	(1,74,316)
Net Income / (Loss) during the year	(84,273)	-	(84,273)
Other Comprehensive Income	-	-	-
Total comprehensive income	(84,273)	-	(84,273)
Dividend	-	-	-
Dividend distribution tax	-	-	-
As at March 31, 2019	(2,58,589)	-	(2,58,589)

Significant accounting policies

Note 2

The accompanying notes are and integral part of these financial statements

As per our report of even date attached to the Balance Sheet

FOR G S CHAWLA & CO.

CHARTERED ACCOUNTANTS

Firm Registration No. 027884N

CA Gurvinder Singh

Proprietor

Membership No. 507636

UDIN: 19507636 AAAAAL2808

Place: Gurugram

Dated: 31st August 2019

For and on behalf of the Board

NADEEM AHMAD
KHAN

Director

DIN : 02534694

RAJEEV KUMAR

Director

DIN : 07258433

Notes to the financial statements for the year ended 31st March, 2019
HATSAR ESTATES PRIVATE LIMITED

Note 1:- SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information of the Company:-

Hatsar Estates Private Limited was incorporated on October 19, 2007. It is a wholly owned subsidiary of Unitech Limited Engaged into real estate development. Necessary steps have been initiated to start the work relating to survey and investigation for the project .The projects of the company are still in the development stage.

2. Significant Accounting Policies

a) Basis of preparation:-

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013(the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The financial statements upto year ended 31 March, 2019 were prepared in accordance with generally accepted accounting principles in India, the relevant provisions of the Companies Act, 2013 (to the extent notified), the Companies Act, 1956 (to the extent applicable) including Accounting Standards notified there under and the provisions of the Electricity Act, 2003 to the extent applicable.

b) Historical cost convention:-

The financial statements have been prepared on accrual basis and under the historical cost convention.

c) Use of Estimates:-

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of asset and liabilities on the date of the financial statements and the reported amount of the revenue and the expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

d) Summary of Significant Accounting Policy:

1. Inventories:-

Inventories are valued at weighted average cost.

Cost of inventories shall comprise of all cost of purchase, taxes and other costs incurred in bringing the inventories to their present location and condition.

2. Tax Expenses:-

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognized in the statement of Profit & Loss, except to the extent that it relates to items recognized in the Other comprehensive income or in equity. In which case, the tax is also recognized in Other Comprehensive income.

Current Tax- Current Tax Assets & Liabilities are measured at the amount expected to be recovered from or paid to the Income Tax Authorities, based on tax rates and laws that are enacted at balance sheet date.



Notes to the financial statements for the year ended 31st March, 2019
HATSAR ESTATES PRIVATE LIMITED

MAT:- Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period. Mat are recognized under other non-current assets.

Deferred Tax:- Deferred Tax is recognized on temporary differences between the carrying amounts of assets & liabilities in Financial Statements and the corresponding tax bases used in computation of taxable profit.

Deferred Tax asset & Liabilities 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 carrying amount of Deferred Tax liabilities and assets are reviewed at the end of each reporting period.

3. Fair Value Measurement:-

The Company measures financial instruments at fair value at each balance sheet 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

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

The Entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair 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



Notes to the financial statements for the year ended 31st March, 2019
HATSAR ESTATES PRIVATE LIMITED

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

4. 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.

Financial asset is any assets that is

Cash;

an equity instrument of another entity;

a contractual right:

(i) to receive cash or another financial asset from another entity; or

(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity; or

a contract that will or may be settled in the entity's own equity instruments and is:

(i) a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or

(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial assets includes Security deposits ,trade receivable, loan to body corporate, loan to employees, and other eligible current and non-current assets

Financial Liability is any liabilities that is

a contractual obligation :

(i) to deliver cash or another financial asset to another entity; or

~~(ii) to exchange financial assets or financial liabilities with another entity under conditions~~

that are potentially unfavorable to the entity; or

a contract that will or may be settled in the entity's own equity instruments and is:

~~(i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or~~

(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments.

Financial liabilities includes Loans, trade payable and eligible current and non-current liabilities



Notes to the financial statements for the year ended 31st March, 2019
HATSAR ESTATES PRIVATE LIMITED

i. Classification:-

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both: the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

A financial asset is measured at amortized cost if both of the following conditions are met: the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met: the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

All financial liabilities are subsequently measured at amortized cost using the effective interest method or fair value through profit or loss.

ii. Initial recognition and measurement:-

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value at initial recognition, plus or minus, any transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss.

iii. Financial assets subsequent measurement:-

Financial assets as subsequent measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) as the case may be.

Financial liabilities as subsequent measured at amortised cost or fair value through profit or loss

iv. Effective interest method :-

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial a classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.



Notes to the financial statements for the year ended 31st March, 2019
HATSAR ESTATES PRIVATE LIMITED

v. Trade Receivables:-

Trade receivables are the contractual right to receive cash or other financial assets and recognized initially at fair value. Subsequently measured at amortised cost (Initial fair value less expected credit loss). Expected credit loss is the difference between all contractual cash flows that are due to the company and all that the company expects to receive (i.e. all cash shortfall), discounted at the effective interest rate.

vi. Cash and cash Equivalents:-

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

vii. Impairment of Financial Assets:-

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

viii. Financial liabilities:-

Financial liabilities are recognized initially at fair value less any directly attributable transaction costs. These are subsequently carried at amortized cost using the effective interest method or fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

ix. Trade payables :-

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year and which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 3 years after the reporting period or not paid/payable within operating cycle. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

x. Borrowings:-

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the



Notes to the financial statements for the year ended 31st March, 2019
HATSAR ESTATES PRIVATE LIMITED

reporting period with the effect that the liability becomes payable on demand on the reporting date, the company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

5. Provision and Contingent Liability:-

- i. 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 that 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. The Company does not recognize a contingent liability but discloses its existence in the financial statements.
- ii. Contingent liabilities, if material, are disclosed by way of notes unless the possibility of an outflow of resources embodying the economic benefit is remote and contingent assets, if any, is disclosed in the notes to financial statements.
- iii. A provision is recognized, when company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made for the amount of obligation. The expense relating to the provision is presented in the profit and loss net of any reimbursement.

6. Earnings Per Share

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. For the purpose of calculating Diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

7. Operating cycle:-

Based on the nature of products / 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 3 years for the purpose of classification of its assets and liabilities as current and non-current.

8. Standard Issued but Not Effective

The company is regularly reviewing the new standards and their applicability on the Accounts wherever applicable.



HATSAR ESTATES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in Rupees, unless otherwise stated)

Notes	Particulars	As at 31 March 2019	As at 31 March 2018
3	Inventories		
	Land	-	3,37,35,490
	Total	-	3,37,35,490
4	Cash and cash equivalents		
	Balance with banks current accounts	29,013	29,546
	Cash on hand	314	314
	Total	29,327	29,860
5	Loans		
	Unsecured, considered good		
	Loans to related parties		
	Unitech Limited	1,16,284	-
	Total	1,16,284	-
6	Current tax assets		
	Income tax receivable	1,20,000	-
	Total	1,20,000	-



HATSAR ESTATES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019
(Amount in Rupees, unless otherwise stated)

Note No. 7 Equity Share Capital

Particulars	31-Mar-2019		31-Mar-2018	
	Number	Rs.	Number	Rs.
Authorised				
Equity shares of Rs. 10/- each	50,000	5,00,000	50,000	5,00,000
Total	50,000	5,00,000	50,000	5,00,000
Issued, Subscribed & Paid up				
Equity shares of Rs. 10/- each	50,000	5,00,000	50,000	5,00,000
Total	50,000	5,00,000	50,000	5,00,000

Note 7.1 Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	31-Mar-2019		31-Mar-2018	
	Equity Shares		Equity Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	50,000	5,00,000	50,000	5,00,000
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	50,000	5,00,000	50,000	5,00,000

Note 7.2 Shares (in aggregate) of each class held by

Name of Shareholder	31-Mar-2019	31-Mar-2018
	No of shares	No of shares
Holding Company - Unitech Limited	50,000	50,000

Note 7.3 Terms/Rights attached to equity shares

The company has only one class of equity share having face value of Rs. 10/- per share. The holder of the equity shares is entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing annual general meeting. The holder of shares is entitled to voting rights proportionate to their shareholding.

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

Note 7.4 Following shareholders hold of equity shares more than 5 percent of the total equity shares of the Company

Name of Shareholder	31-Mar-2019		31-Mar-2018	
	No. of equity shares held	% of holding	No. of equity shares held	% of holding
Unitech Limited	50,000	100.00	50,000	100.00

Note 7.5 Aggregate number and class of equity shares for a period of 5 years immediately preceding pursuant to contract(s) without payment being received in cash

	Financial Year				
	During 2018-19	During 2017-18	During 2016-17	During 2015-16	During 2014-15
	Nil	Nil	Nil	Nil	Nil



HATSAR ESTATES PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in Rupees, unless otherwise stated)

Note : 8 Other Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Reserve and Surplus		
Surplus in the statement of profit and loss		
Opening balance	(1,74,316)	(1,71,342)
Profit / (Loss) for the year	(84,273)	(2,974)
Net surplus in the statement of profit and loss	(2,58,589)	(1,74,316)
Total other equity	(2,58,589)	(1,74,316)



HATSAR ESTATES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in Rupees, unless otherwise stated)

Notes	Particulars	As at 31 March 2019	As at 31 March 2018
9	Borrowings (Current)		
	Unsecured		
	From Related parties (*)		
	Unitech Limited	-	2,33,27,266
	Total	-	2,33,27,266
(*) Note: the above loan is repayable on demand and interest free			
10	Other Financial Liabilities		
	Other expenses payables	24,200	12,400
	Total	24,200	12,400
11	Other current liabilities		
	Other Payables	-	1,01,00,000
	Total	-	1,01,00,000



HATSAR ESTATES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in Rupees, unless otherwise stated)

Notes	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
12	Revenue from operation		
	Sale of products	1,20,00,000	-
	Total	1,20,00,000	-
13	Other income		
	Excess provision written back	-	12,983
	Total	-	12,983
14	Change in inventories of finished goods, stock in trade and work in progress		
	Opening stock		
	Land	3,37,35,490	3,37,35,490
		3,37,35,490	3,37,35,490
	Less: Other adjustment	(2,17,35,490)	-
	Closing stock		
	Land	-	3,37,35,490
		-	3,37,35,490
	Total	1,20,00,000	-
15	Other expenses		
	Bank Charges	533	716
	Consultancy, legal & professional fee	8,540	600
	Registration and filling fee	63,400	2,541
	Auditor's remuneration		
	For audit	11,800	12,100
	Total	84,273	15,957



Notes to the financial statements for the year ended 31st March, 2019
HATSAR ESTATES PRIVATE LIMITED

16. "SEGMENT REPORTING: Segment wise revenue, results & other information

The company is primarily in the business of real estate development. Further majority of the business conducted is within the geographical boundaries of India.

In view of the above, in the opinion of the management and based on the organizational and internal reporting structure, the company's business activities as described above are subject to similar risks and returns. Further, since the business activities undertaken by the company are within India, in the opinion of the management, the environment in India is considered to have similar risks and returns. Consequently, the company's business activities primarily represent a single business segment. Similarly this company's operations in India represent a single geographical segment."

17. In the opinion of management there is no item which is required to be considered for ascertaining the amount of deferred tax assets / liability, therefore, the same is taken at nil.

18. As per information available with the company, the trade payables do not include any amount due to Micro, Small and Medium Enterprises registered under "The Micro, Small and Medium Enterprises Development Act, 2006" as at 31st March 2019.

19. Contingent liability – 31.03.2019 - Nil (31.03.2018 – Nil).

20. RELATED PARTY DISCLOSURES

a) Name of Related Parties and description of relationship:

Holding company	Unitech Limited
-----------------	-----------------

b) Summary of significant related parties transactions carried out in ordinary course of business are as under:

(Amount in Rs)

S.No.	Description	Holding Company	
		31.03.2019	31.03.2018
1	Advance received	5,180	12,541
2	Advance repaid back	17,80,000	40,00,000
3	Loss reimbursed	2,17,35,490	-

c) Balances as at 31.03.2019:

(Amount in Rs)

S. No.	Name of the company	Net balance 31.03.2019		Net balance 31.03.2018	
1.	Unitech Limited (Borrowings)	-	-	2,33,27,266	Cr.
2.	Unitech Limited (Loans)	1,16,284	Dr.	-	-



Notes to the financial statements for the year ended 31st March, 2019
HATSAR ESTATES PRIVATE LIMITED

21. EARNING PER SHARE

	Particulars	31.03.2019	31.03.2018
a)	Weighted average number of shares considered for calculation of EPS	50,000	50,000
b)	Net profit / (Loss) after tax (₹)	(84,273)	(2,974)
c)	Basic earnings per share (₹)	(1.69)	(0.06)
d)	Diluted earnings per share (₹)	(1.69)	(0.06)
e)	Nominal Value of a Equity Share (₹)	10	10

22. GOING CONCERN

The company has incurred cash loss in Current as well as in previous year, though its Net worth is positive. It is a 100% Subsidiary of Unitech Limited and it is dependent upon its Holding company for its ability to continue as a going concern.



HATSAR ESTATES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019
(Amount in Rupees, unless otherwise stated)

23 Fair values measurements

(i) Financial instruments by category

Particulars	31 March 2019		31 March 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Cash and cash equivalents	-	29,327	-	29,860
Total financial assets	-	1,45,611	-	29,860
Financial liabilities				
Borrowings (current)	-	-	-	2,33,27,266
Other financial liabilities	-	24,200	-	12,400
Total financial liabilities	-	24,200	-	2,33,39,666

(ii) Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

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

Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.



HATSAR ESTATES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019
(Amount in Rupees, unless otherwise stated)

24 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise borrowings, trade payables, and employee liabilities. The Company's principal financial assets include trade and other receivables and cash and short-term deposits/ loan that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by the Board of Directors that advises on financial risks and the appropriate financial risk governance framework for the Company. The board provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

I. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include , deposits.

The sensitivity analyses of the above mentioned risk in the following sections relate to the position as at 31 March 2019 and 31 March 2018

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations, provisions, and the non-financial assets and liabilities of foreign operations. The analysis for contingent liabilities is provided in Note 35.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2019 and 31 March 2018

A. 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. The exposure to the risk of changes in market interest rates relates primarily to debt obligations with floating interest rates. The company is not exposed to interest rate risk as its long term borrowings carry a fixed rate of interest.

B. Foreign currency sensitivity

There is no any foreign currency transaction during the year, hence, it is not applicable on this company.

II. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Credit risk from investments with banks and other financial institutions is managed by the Treasury functions in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and/or other criteria, and are only made within approved limits. The management continually re-assess the Company's policy and update as required. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty failure.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date

A. Trade receivables

There is no any trade receivables, hence, it is not applicable on this company.

B. 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 counterparties.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	within 1 year	1 to 3 years	> 3 years	Total
Year ended					
31-Mar-19					
Other financial liabilities	24,200	-	-	-	24,200
	24,200	-	-	-	24,200
Year ended					
31-Mar-18					
Borrowings (current)	2,33,27,266	-	-	-	2,33,27,266
Other financial liabilities	12,400	-	-	-	12,400
	2,33,39,666	-	-	-	2,33,39,666



HATSAR ESTATES PRIVATE LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019****(Amount in Rupees, unless otherwise stated)****25 Capital Management**

The objective of the Company's capital management structure is to ensure that there remains sufficient liquidity within the Company to carry out committed work programme requirements. The Company monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility.

The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital, issue new shares for cash, repay debt, put in place new debt facilities or undertake other such restructuring activities as appropriate.

No changes were made in the objectives, policies or processes during the year ended 31 March 2019.

	31 March 2019	31 March 2018
Borrowings	-	2,33,27,266
Other financial liabilities	24,200	12,400
Total Debts	24,200	2,33,39,666
Less: Cash and cash equivalents	29,327	29,860
Net debts	(5,127)	2,33,09,806
Total equity	2,41,411	3,25,684
Total debt and equity	2,36,284	2,36,35,490
Gearing ratio (%)	10.24%	98.75%



Notes to the financial statements for the year ended 31st March, 2019
HATSAR ESTATES PRIVATE LIMITED

26. PREVIOUS YEAR FIGURES

Previous year figures have been regrouped, rearranged and reclassified wherever considered necessary.

In terms of our report of even date annexed

For G S CHAWLA & CO.

Chartered Accountants

Firm Registration No: 027884N



CA Gurvinder Singh

Proprietor

Membership No.: 507636

UDIN: 19507636 AAAAAL2808

Place: Gurugram

Dated: 31st August 2019

For and on behalf of the Board

Nadeem Ahmad Khan

Director

DIN : 02534694

Rajeev Kumar

Director

DIN : 07258433