

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Birla Estates Private Limited

**Report on the Audit of the Ind AS Financial Statements****Opinion**

We have audited the accompanying Ind AS financial statements of Birla Estates Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

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 Companies Act, 2013, as amended ("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, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS 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 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 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 Ind AS financial statements.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the Board Report but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

**Responsibility of Management for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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.

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

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

**Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 Ind AS 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 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### 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 of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 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 the Statement of Other Comprehensive Income, the Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



# SRBC & CO LLP

Chartered Accountants

Birla Estates Private Limited

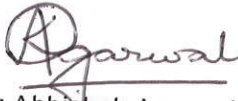
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- (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Abhishek Agarwal  
Partner

Membership Number: 112773

UDIN: 19112773AAAABS8240



Place of Signature: Mumbai

Date: May 2, 2019



**Annexure 1 referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date**

- i. a.) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
b.) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
  
c.) According to the information and explanations given by the management, the title deeds of immovable properties, included in property, plant and equipment and inventories are held in the name of the company.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii. a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities.  
  
b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.  
  
c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- viii. The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.



# S R B C & CO LLP

Chartered Accountants

Birla Estates Private Limited

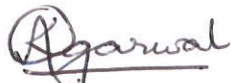
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- ix. According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Abhishek Agrawal  
Partner

Membership Number: 112773

UDIN: 19112773AAAABS8240



Place of Signature: Mumbai

Date: May 02, 2019



**Annexure 2 to the Independent Auditor's report of even date on the financial statements of Birla Estates Private Limited****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

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

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these financial statements 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.





**Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements**

A company's internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 With Reference to these Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 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 S R B C &amp; CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Abhishek Agrawal  
Partner

Membership Number: 112773

UDIN: 19112773AAAABS8240



Place of Signature: Mumbai

Date: May 02, 2019

	Note No.	As at 31 March 2019 In Rs.	As at 31 March 2018 In Rs.
<b>I ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	3	44,697	-
(b) Capital Work in Progress		7,84,054	-
(c) Intangible Assets	4	1,93,206	-
(d) Non Current Tax Assets (Net)	5	58,25,045	-
<b>SUB-TOTAL</b>		<b>68,47,002</b>	<b>-</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	6	71,40,42,450	-
(b) Financial Assets			
(i) Cash and Cash Equivalents	7	8,50,37,874	4,98,282
(c) Other Current Assets	8	86,08,799	18
<b>SUB-TOTAL</b>		<b>80,76,89,123</b>	<b>4,98,300</b>
<b>TOTAL ASSETS</b>		<b>81,45,36,125</b>	<b>4,98,300</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	9	82,05,00,000	5,00,000
(b) Other Equity		(12,06,56,647)	(19,200)
<b>SUB-TOTAL</b>		<b>69,98,43,353</b>	<b>4,80,800</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Provisions	10	34,64,282	-
<b>SUB-TOTAL</b>		<b>34,64,282</b>	<b>-</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	11	3,51,21,315	-
(ii) Trade Payables	12	-	-
1) Outstanding dues from micro and small enterprises		6,34,53,843	17,500
2) Outstanding dues from other than micro and small enterprises		451	-
(iii) Other Financial Liabilities	13	22,98,708	-
(b) Provisions	10	1,03,54,173	-
(c) Other Current Liabilities	14	11,12,28,490	17,500
<b>SUB-TOTAL</b>		<b>81,45,36,125</b>	<b>4,98,300</b>
<b>TOTAL</b>		<b>81,45,36,125</b>	<b>4,98,300</b>
Significant accounting policies	2A		
The accompanying notes are an integral part of these financial statements			


As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
Firm Registration Number 324982E / E300003

  
per Anishek Agarwal  
Partner

Membership No: 112773  
Place: Mumbai  
Date: May 2, 2019

For and on behalf of Board of Directors of  
Birla Estates Private Limited

  
Manoj Fitkariwala  
Chief financial officer

  
Yukti Taneja  
Company secretary

  
Karat Tazhtetli Jithendran  
Whole time director and chief  
executive officer

DIN: 01181998  
Place: Mumbai  
Date: May 2, 2019

  
Rajendra Kumar Dalmia  
Director

DIN: 00040951  
Place: Mumbai  
Date: May 2, 2019

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Birla Estates Private Limited  
Statement of Profit and loss for the period ended 31 March 2019

Particulars	Note No.	Year Ended 31 March 2019	For the period 26 December 2017 to 31 March 2018
		In Rs.	In Rs.
I Revenue from operations	15	5,75,00,000	-
II Other Income	16	11,80,464	-
III Total Revenue (I + II)		5,86,80,464	-
IV EXPENSES			
(a) Employee benefit expense	17	8,87,88,934	-
(b) Finance costs	18	1,34,795	-
(c) Depreciation and amortisation expense	19	3,869	-
(d) Other expenses	20	9,03,90,313	19,200
Total Expenses (IV)		17,93,17,911	19,200
V (Loss) before tax		(12,06,37,447)	(19,200)
VI Tax expense/(income)			
(1) Current tax	21	-	-
(2) Deferred tax	21	-	-
VII (Loss) for the year (V- VI)		(12,06,37,447)	(19,200)
VIII Other Comprehensive Income		-	-
IX Total comprehensive Income (VII+VIII)		(12,06,37,447)	(19,200)
X Earnings per equity share (Nominal value per share is Rs 10 each):			
(1) Basic earning per share	22	(5.95)	(1.46)
(2) Diluted earning per share	22	(5.95)	(1.46)
Significant accounting policies	2A		
The accompanying notes are an integral part of these financial statements			

As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
Firm Registration Number 324982E / E300003

per Abhishek Agarwal  
Partner

Membership No: 112773  
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Chief financial officer

Yukti Taneja  
Company secretary

For and on behalf of Board of Directors of  
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Karat Tazhtetil Jithendran  
Whole time director and Chief  
executive officer  
DIN: 01181998  
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Rajendra Kumar Dalmia  
Director

DIN: 00040951  
Place : Mumbai  
Date: May 2, 2019



Birla Estates Private Limited  
Cash Flow Statement for the period ended on 31 March 2019

A. CASH FLOW FROM OPERATING ACTIVITIES

Net (Loss) before tax  
Add/(Less) :  
Depreciation and amortisation expense  
Interest expense

Working capital adjustments :

Decrease / (increase) in other current assets  
Decrease / (increase) in other inventory  
(Decrease) / increase in other current liabilities  
(Decrease) / increase in provision  
(Decrease) / increase in other financial liabilities  
(Decrease) / increase in trade payables

Less: Tax paid

**NET CASH GENERATED FROM OPERATING ACTIVITIES**

B. CASH FLOW FROM INVESTING ACTIVITIES :

Capital expenditure

**NET CASH GENERATED FROM INVESTING ACTIVITIES**

C. CASH FLOW FROM FINANCING ACTIVITIES :

Proceeds from issuance of equity share capital  
Borrowings from holding company

**NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES**

**NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS**

Cash and cash equivalents at the beginning of the period (Refer note 7)

Cash and cash equivalents at the end of the period (Refer note 7)

Significant accounting policies (Refer note 2A)

The accompanying notes are an integral part of these financial statements

For the year Ended  
31 March 2019

For the period 26 December  
2017 to 31 March 2018

(In Rs.)	(In Rs.)
(12,06,37,447)	(19,200)
3,869	-
1,34,795	-
(12,04,98,783)	(19,200)
(86,08,781)	-
(71,40,42,450)	-
1,03,40,693	-
57,62,990	-
451	-
6,34,36,343	17,500
(64,31,10,753)	17,500
(58,25,045)	-
(76,94,34,582)	(1,700)
(10,25,826)	-
(10,25,826)	-
82,00,00,000	5,00,000
3,50,00,000	-
85,50,00,000	5,00,000
8,45,39,592	4,98,300
4,98,282	-
8,50,37,874	4,98,300

As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
Firm Registration Number 324982E / E300003

per Abhishek Agarwal  
Partner

Membership No: 112773  
Place: Mumbai  
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DIN: 01181998  
Place: Mumbai  
Date: May 2, 2019

Rajendra Kumar Dalmia  
Director

DIN: 00040951  
Place : Mumbai  
Date: May 2, 2019

Birla Estates Private Limited  
Statement of changes in equity for the year 31 March 2019

(Amount in Rs.)


Particular	Equity share capital	Other equity (Retained earnings)	Total equity
As at 26 December 2017	-	-	-
Issue of equity share capital	5,00,000	-	5,00,000
Loss for the period	-	(19,200)	(19,200)
As at 31 March 2018	5,00,000	(19,200)	4,80,800
Issue of equity share capital	82,00,00,000	-	82,00,00,000
Loss for the year	-	(12,06,37,447)	(12,06,37,447)
As at 31 March 2019	82,05,00,000	(12,06,56,647)	69,98,43,353

Significant accounting policies (Refer note 2A)

The accompanying notes are an integral part of these financial statements

As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of  
Birla Estates Private Limited

  
per Abhishek Agarwal  
Partner


Membership No: 112773  
Place: Mumbai  
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Manoj Fitkariwala  
Chief financial officer

  
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Whole time director and Chief  
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DIN: 01181998  
Place: Mumbai  
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Rajendra Kumar Dalmia  
Director  
DIN: 00040951  
Place : Mumbai  
Date: May 2, 2019



## 1. Corporate information

Birla Estates Private Limited is a private company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The principal place of business of the company is located at Birla Aurora, level 8, Dr. Annie Besant Road, Worli, Mumbai - 400030. The Company is principally engaged in Real Estate Business.

The financial statements were authorised for issue in accordance with a resolution of the board of directors on May 02, 2019.

## 2A. Significant accounting policies

### 2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The company prepared its financial statements for the period ended March 31, 2019 in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis and are presented in INR.

### 2.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent 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.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

### 2.3 Fair Value Measurement

The company measures financial instruments, such as derivatives, investments etc, 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

The principal or the most advantageous market must be accessible by 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.

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 Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## **2.4 Revenue from contract with customer**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Goods and Service tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The Company recognises revenue from consultancy services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Company.

### **Contract balances**

#### **Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

#### **Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

#### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

## **2.5 Taxes**

### Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the end of the reporting date.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is recognised 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 recognised for all taxable temporary differences. Deferred tax assets are generally recognised 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 utilised. Such deferred tax assets and liabilities are not recognised 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.

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax 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 realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction in OCI.

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.





GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

## 2.6 Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is recognised 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 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.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Class	Useful life
Computer	05 years

The management has estimated the above useful life and the same is supported by technical expert.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised 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 recognised in profit or loss.

## 2.7 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Cost of software capitalised is amortised over its useful life which is estimated to be a period of five years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

## 2.8 Provisions

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





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

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

## **2.9 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

## **2.10 Employee Benefits**

### **Defined Contribution plans**

Employee benefit in the form of Provident fund are defined contribution plans. The Company has no obligation, other than the contribution payable to the respective fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

### **Defined benefit plans**

The Company provides for retirement benefit in the form of gratuity. The Company's liability towards this benefit is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of balance sheet.

Periodic contributions are charged to the Statement of profit and loss. The Company's liability is determined based on an actuarial valuation using the projected unit credit method.

### **Compensated absences**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under current provision in the Balance Sheet. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

## **2.11 Foreign currencies**

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at INR spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

## **2.12 Financial instruments**

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





## Financial assets

### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

### Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments including derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

## Financial liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial liabilities at fair value through profit or loss

Gains or losses on liabilities held for trading are recognised in the profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

## 2.13 Inventories

### Construction materials and consumables

The construction materials and consumables are valued at lower of cost or net realisable value. The construction materials and consumables purchased for construction work issued to construction are treated as consumed.

### Construction work in progress

The construction work in progress is valued at lower of cost or net realisable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses.

### Finished stock of completed projects

The finished stock of completed projects and stock in trade units is valued at lower of cost or net realisable value.

## 2.14 Earnings per share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the period attributable to equity holders by the weighted average number of equity shares outstanding during the period.

## 2.15 Contingent liabilities

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.





## 2.16 Changes in accounting policies and disclosures

### New and amended standards and interpretations

The Company applied for the first time certain amendments to the standards, which are effective for annual periods beginning on or after 1st April, 2018. The nature and the impact of each amendment is described below:

#### Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 supersedes Ind AS 11 Construction Contracts, Ind AS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Company adopted Ind AS 115 using the full retrospective method of adoption. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires relevant disclosures.

On adoption of Ind AS 115, amount recoverable from consumers are considered as contract assets also liabilities towards consumers are considered as contract liabilities. The impact of adoption of Ind AS 115 is not significant.

## 2.17 Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are as below:

- Ind AS 116 – Leases
- Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)
- Ind AS 23 – Borrowing Costs
- Ind AS 109 – Prepayment Features with Negative Compensation
- Ind AS 19 – Plan Amendment, Curtailment or Settlement
- Ind AS 23 – Borrowing Costs

The Company intends to adopt these standards, if applicable, when they become effective. The Company does not expect any significant impact of the above amendment on its financial statements.

## 2B. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

### Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### Employee benefit plans

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 24.





**Birla Estates Private Limited**  
**Notes to the financial statements for the year ended 31 March 2019**

**Note 3 : PROPERTY, PLANT AND EQUIPMENT**

(Amount in Rs.)

Particulars	Computer
Balance as at 26 December 2017	-
Additions	-
Disposals/sale of Assets	-
<b>Balance as at 31 March 2018</b>	-
Additions	45,932
Disposals/sale of Assets	-
<b>Balance as at 31 March 2019</b>	<b>45,932</b>
<b>II. Accumulated depreciation</b>	
Balance as at 26 December 2017	-
Depreciation for the year	-
<b>Balance as at 31 March 2018</b>	-
Depreciation for the year	(1,235)
<b>Net Block as at 31 March 2019</b>	<b>44,697</b>
<b>Net Block as at 31 March 2018</b>	-

**Note 4 : INTANGIBLE ASSETS**

Particulars	Computer Software
Balance as at 26 December 2017	-
Additions	-
Disposals/sale of Assets	-
<b>Balance as at 31 March 2018</b>	-
Additions	1,95,840
Disposals/sale of Assets	-
<b>Balance as at 31 March 2019</b>	<b>1,95,840</b>
<b>II. Accumulated depreciation</b>	
Balance as at 26 December 2017	-
Depreciation for the year	-
<b>Balance as at 31 March 2018</b>	-
Depreciation for the year	(2,634)
<b>Net Block as at 31 March 2019</b>	<b>1,93,206</b>
<b>Net Block as at 31 March 2018</b>	-



**NOTE : 5 NON CURRENT TAX ASSET**

	As at 31 March 2019	As at 31 March 2018
TDS receivable	58,25,045	-
<b>Total</b>	<b>58,25,045</b>	<b>-</b>

**NOTE : 6 INVENTORIES**

	As at 31 March 2019	As at 31 March 2018
Construction Work-in-progress (Including Land)	71,40,42,450	-
<b>Total</b>	<b>71,40,42,450</b>	<b>-</b>

**NOTE : 7 CASH AND CASH EQUIVALENTS**

	As at 31 March 2019	As at 31 March 2018
(a) Balances with banks		
- Current Accounts	96,77,258	4,98,282
- Fixed Deposits with maturity less than 3 months (Including accrued interest)	7,53,60,616	-
<b>Total</b>	<b>8,50,37,874</b>	<b>4,98,282</b>

**NOTE : 8 OTHER CURRENT ASSETS  
(Unsecured)**

	As at 31 March 2019	As at 31 March 2018
(a) Advances other than capital advances		
(i) Advances recoverable in cash		
Advance to Vendor	31,13,553	-
(ii) Cenvat / GST Receivable	54,95,246	18
<b>Total</b>	<b>86,08,799</b>	<b>18</b>

**NOTE : 9 EQUITY SHARE CAPITAL**

	As at 31 March 2019	As at 31 March 2018
1(a) <b>Authorised:</b>		
20,00,00,000 (31 March 2018: 50,000) Equity shares of Rs.10/- each.	2,00,00,00,000	5,00,000
	<b>2,00,00,00,000</b>	<b>5,00,000</b>
1(b) <b>Issued, subscribed and paid up:</b>		
8,20,50,000 (31 March 2018: 50,000) Equity shares of Rs.10/- each.	82,05,00,000	5,00,000
	<b>82,05,00,000</b>	<b>5,00,000</b>

**1(c) Terms / right attached to equity shares**

The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

**1(d) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.**

Particulars	Opening	Fresh Issue	Closing Balance
Equity shares with voting rights Year ended 31 March 2019			
No. of Shares	50,000	8,20,00,000	8,20,50,000
Amount	5,00,000	82,00,00,000	82,05,00,000
Equity shares with voting rights Period ended 31 March 2018			
No. of Shares	-	50,000	50,000
Amount	-	5,00,000	5,00,000

**1(e) Shareholders holding more than 5% shares of the Company and share held by holding company**

Particulars	As at 31 March 2019	As at 31 March 2018
Class of shares / Name of shareholder	Number of shares held	Number of shares held
Equity shares with voting rights		
Century Textiles and Industries Limited (Holding Company)	8,20,49,999	49,999
% Holding company	100%	100%

**1(f) The Company has not issued any equity share as bonus or for consideration other than cash and has not bought back any shares from its incorporation.**





**NOTE : 10 PROVISIONS**

	As at 31 March 2019		As at 31 March 2018	
	Non Current	Current	Non Current	Current
(a) Provision for employee benefits				
(1) Leave entitlement	34,64,282	-	-	-
(2) Gratuity (Refer note 24)	-	22,98,708	-	-
<b>Total</b>	<b>34,64,282</b>	<b>22,98,708</b>	<b>-</b>	<b>-</b>

**NOTE : 11 SHORT-TERM BORROWINGS**  
(Unsecured)

	As at 31 March 2019	As at 31 March 2018
<b>Secured Borrowings</b>		
(a) Loan from Holding company (Interest @ 8% p.a.)	3,51,21,315	-
<b>Total</b>	<b>3,51,21,315</b>	<b>-</b>

**NOTE : 12 TRADE PAYABLES**

	As at 31 March 2019	As at 31 March 2018
Trade payable - Other than micro and small enterprises	6,34,53,843	17,500
<b>Total</b>	<b>6,34,53,843</b>	<b>17,500</b>

**NOTE : 13 OTHER CURRENT FINANCIAL LIABILITIES**  
(At amortised cost)

	As at 31 March 2019	As at 31 March 2018
<b>Other Financial Liabilities Measured at Amortised Cost</b>		
Other liabilities	451	-
<b>Total</b>	<b>451</b>	<b>-</b>

**NOTE : 14 OTHER CURRENT LIABILITIES**

	As at 31 March 2019	As at 31 March 2018
Statutory dues		
- Taxes payable (other than income taxes)	91,79,006	-
- Provident fund payable	11,75,167	-
<b>Total</b>	<b>1,03,54,173</b>	<b>-</b>

**NOTE : 15 REVENUE FROM OPERATIONS**

	Year Ended 31 March 2019	For the period 26 December 2017 to 31 March 2018
<b>Revenue from contract with customers</b>		
(a) Sale of services	5,75,00,000	-
<b>Total</b>	<b>5,75,00,000</b>	<b>-</b>

**Note (a)**

Transaction price as per agreement is same as revenue from contract with customers.

**Note (b) - Disaggregation of revenue**

The company has a single stream of revenue i.e. providing consultancy services to real estate developers.

**Note (c) - Contract balances**

There are no contract balances outstanding as at 31 March 2019 and 31 March 2018.

**Note (d) - Remaining performance obligation**

There are no remaining performance obligation outstanding as at 31 March 2019 and 31 March 2018.

**NOTE : 16 OTHER INCOME**

	Year Ended 31 March 2019	For the period 26 December 2017 to 31 March 2018
Interest income from fixed deposit with bank	11,11,060	-
Miscellaneous income	69,404	-
<b>Total</b>	<b>11,80,464</b>	<b>-</b>

**NOTE : 17 EMPLOYEE BENEFITS EXPENSE**

	Year Ended 31 March 2019	For the period 26 December 2017 to 31 March 2018
Salaries, wages, bonus etc.	8,32,34,081	-
Contributions to provident fund (Refer note 24)	26,74,707	-
Gratuity expense (Refer note 24)	22,98,708	-
Staff welfare expenses	5,81,438	-
<b>Total</b>	<b>8,87,88,934</b>	<b>-</b>



**NOTE : 18 FINANCE COST**

	Year Ended 31 March 2019	For the period 26 December 2017 to 31 March 2018
Interest on borrowing	1,34,795	-
<b>Total</b>	<b>1,34,795</b>	<b>-</b>

**NOTE : 19 DEPRECIATION AND AMORTIZATION EXPENSE**

	Year Ended 31 March 2019	For the period 26 December 2017 to 31 March 2018
Depreciation of tangible assets (See Note 3)	1,235	-
Amortization of intangible assets (See Note 4)	2,634	-
<b>Total</b>	<b>3,869</b>	<b>-</b>

**NOTE : 20 OTHER EXPENSES**

	Year Ended 31 March 2019	For the period 26 December 2017 to 31 March 2018
Buildings repairs	4,60,546	-
Rent	22,06,570	-
Rates and taxes	1,99,46,470	1,600
Advertisement and publicity	4,55,46,300	-
Travelling expenses	42,58,359	-
Payment to auditors (Refer note A below)	1,00,000	17,500
Miscellaneous expenses	49,49,885	100
Insurance	69,543	-
Legal and professional fees	1,28,52,640	-
<b>Total</b>	<b>9,03,90,313</b>	<b>19,200</b>

**Note (A) Payment to auditors**

Statutory audit fees	1,00,000	17,500
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**NOTE : 21 INCOME TAX**

	Year Ended 31 March 2019	For the period 26 December 2017 to 31 March 2018
a) <b>Tax expense recognised in the Statement of Profit and Loss</b>		
Current tax	-	-
Deferred tax	-	-
Net tax expenses recognised in the Statement of Profit and Loss	-	-
b) Income tax recognised in other comprehensive income	-	-
c) Amounts recognised directly in equity	-	-
d) <b>Reconciliation of Income tax expense and the accounting profit multiplied by Company's tax rate:</b>		
Profit/(loss) before tax	(12,06,37,447)	(19,200)
Income tax (expense)/income calculated at 26% (31 March 2018: 26%)	3,13,65,736	4,992
Effect of deferred tax asset not recognized on tax losses	(3,13,65,736)	(4,992)
Income tax expense recognised in profit or loss	-	-

Note: The tax rate used for above tax reconciliation for 31 March 2019 and 31 March 2018 is 26%.

- e) Considering the uncertainty over reliability, the company has not recognised deferred tax assets to the extent of Rs. 3,13,70,728 (31 March 2018 Rs. 4,992) on tax losses. The expiry of unrecognised deferred tax assets on losses is as follows

Unrecognised deferred tax assets on tax losses	7 years	8 years	Total
As at 31 March 2019	4,992	3,13,65,736	3,13,70,728
As at 31 March 2018	-	4,992	4,992

**NOTE : 22 EARNINGS PER SHARE (EPS)**

	Year Ended 31 March 2019	For the period 26 December 2017 to 31 March 2018
Net profit / (Loss) for basic and diluted EPS	(12,06,37,447)	(19,200)
Weighted average number of equity share outstanding for diluted and basic EPS	2,02,69,178	13,151
Basic and diluted earnings per share (Rs.)	(5.95)	(1.46)

**NOTE : 23 CONTINGENT LIABILITY AND COMMITMENT**

There are no amount of claims against the company that are not acknowledged as debts or guarantees or other amounts for which the company is contingently liable and also there is no such commitments as of 31 March 2019 and 31 March 2018.





Note : 24 EMPLOYEE BENEFIT

Disclosures pursuant to - "Employee Benefits"

(a) Defined Contribution Plan:

The Company's contribution to provident fund amounting to Rs.26,74,707 (31 March 2018: Rs. Nil) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plan:

i) Gratuity

The company has a defined benefit gratuity plan (non-funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation as at	
	31-Mar-19	31-Mar-18
Employee attrition rate	5.00%	-
Discount rate	7.60%	-
Expected rate of salary increase	5.00%	-

Defined benefit plans – as per actuarial valuation on 31 March 2019

Particulars	Funded Plan Gratuity	
	31-Mar-19	31-Mar-18
<b>(a) Expense recognised in the Statement of Profit and Loss for the year ended 31 March 2019</b>		
Current Service Cost	23,82,611	-
Past service cost and (gains)/losses from settlements	-	-
Net interest expense	(83,903)	-
Components of defined benefit costs recognised in profit or loss	<b>22,98,708</b>	-
<b>(b) Included in other Comprehensive Income</b>		
Remeasurement of gain/loss	31,428	-
Return on plan asset	(31,428)	-
	-	-
<b>Net Asset/(Liability) recognised in the Balance Sheet as at 31 March 2019</b>		
1. Present value of defined benefit obligation as at 31 March 2019	74,54,949	-
2. Fair value of plan assets as at 31 March 2019	51,56,241	-
<b>Net Asset/(Liability) recognised in the Balance Sheet as at 31 March 2019</b>	<b>(22,98,708)</b>	-
<b>III. Change in the obligation during the year ended 31 March 2019</b>		
1. Present value of defined benefit obligation at the beginning of the year	-	-
2. Liability to be Transferred in from holding company	51,87,669	-
3. Expenses Recognised in Profit and Loss Account		
Current Service Cost	23,82,611	-
Past Service Cost	-	-
- Interest Expense (Income)	(83,903)	-
Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Experience Adjustments	(31,428)	-
Present value of defined benefit Obligation at the end of the year	<b>74,54,949</b>	-
<b>IV. Change in fair value of assets during the year ended 31 March 2019</b>		
1. Fair value of plan assets at the beginning of the year	-	-
2. Fair Value of plan assets to be transferred in from holding company	51,87,669	-
3. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actual Return on plan assets in excess of the expected return	(31,428)	-
Fair value of plan assets at the end of the year *	<b>51,56,241</b>	-

Expected Contribution during next Annual reporting period Rs 22.98 Lacs

Plan assets for the obligation yet to be transferred from holding company and is recorded as receivable from holding company and adjusted against the outstanding provision.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption		Changes in assumption	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	2019	1%	73,52,388	82,03,868
	2018	1%	-	-
Salary growth rate	2019	1%	82,11,133	73,39,380
	2018	1%	-	-

Maturity profile of defined benefit obligation:

Particular	31-Mar-19	31-Mar-18
Within 1 year	6,65,577	-
1 - 2 year	8,75,802	-
2 - 3 year	10,88,696	-
3 - 4 year	19,31,092	-
4 - 5 year	20,92,364	-
5 - 10 years	1,79,29,143	-
<b>Plan Assets</b>	<b>2,45,82,674</b>	-



Birla Estates Private Limited  
Notes to the financial statements for the year ended 31 March 2019

**Note : 25 RELATED PARTY DISCLOSURE FOR THE YEAR ENDED 31 MARCH 2019**

**Relationships:**

**(a) Where the control exists:**

**Holding Company:**

Century Textiles and Industries Limited

**(b) Key Management Personnel (KMP):**

Mr. Karat Tazhtetil Jithendran (Whole-time director and Chief executive officer)

(w.e.f 1st January, 2019)

Mr. Manoj Fitkariwala (Chief financial officer)

(w.e.f 1st January, 2019)

Ms. Yukti Taneja (Company secretary)

(w.e.f 1st January, 2019)

**(c) List of Non Executive Directors**

Mr. Ketan Dalal

Mrs. Alka Bharucha

Mr. Rajendra Kumar Dalmia

(Amount in Rs.)

Name of the related party	Transaction during the year	Year Ended 31 March 2019	For the period 26 December 2017 to 31 March 2018
Century Textiles and Industries Limited	Issuance of equity share capital	82,00,00,000	5,00,000
	<b>Sale of services</b>		
	Development management fees	5,00,00,000	-
	Facility management fees	75,00,000	-
	Loan taken	3,50,00,000	-
	Interest expense on loan from holding company	1,34,795	-
Key Management Personnel	Remuneration to KMP*	1,61,12,159	-

Name of the related party	Balance outstanding	As at 31 March 2019	As at 31 March 2018
Century Textiles and Industries Limited	Loan balance including interest accrued	3,51,21,315	-
Key Management Personnel	Remuneration payable to KMP	45,57,557	-

\* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is included above on payment basis.





**Note : 26 CAPITAL MANAGEMENT**

The company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position. The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

	31-Mar-19	31-Mar-18
Equity	82,05,00,000	5,00,000
Add: Borrowings from holding company	3,51,21,315	-
Less: Cash and cash equivalents	(8,50,37,874)	(4,98,282)
	77,05,83,441	1,718

**Note : 27 FINANCIAL RISK MANAGEMENT FRAMEWORK**

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade payables. The Company's principal financial assets include cash and cash equivalents and other financial assets that derive directly from its operations.

The Company is exposed to liquidity risk. The Company's senior management oversees the management of this risks. The Company's senior management provides assurance 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 Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**A. Credit Risk**

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. It arises mainly from trade receivables and other financial assets. The Company is not exposed to credit risk in current financial year as there are not outstanding trade receivables as at year end.

**B. 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 of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes borrowings and other financials

**(i) Currency Risk**

The Company is not exposed to currency risk in current financial year as it does not have any foreign currency transactions.

**(ii) Interest rate risk**

The Company is not exposed to interest rate risk in current financial year as Company only has fixed rate borrowings from holding company.

**(iii) Equity Price Risk**

The Company is not exposed to equity price risk in current financial year it does not have any equity investments.

**C. Liquidity Risk**

**(i) Liquidity risk management**

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year.

**(ii) Maturities of financial liabilities**

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

As at 31 March 2019	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Borrowings (including interest accrued)	-	3,51,21,315	-	-	-	3,51,21,315
Trade payables						
Trade payables - other than micro and small enterprises	-	6,34,53,843	-	-	-	6,34,53,843
Other Financial Liabilities	-	451	-	-	-	451
<b>Total</b>	-	<b>9,85,75,609</b>	-	-	-	<b>9,85,75,609</b>

As at 31 March 2018	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Trade payables						
Trade payables - other than micro and small enterprises	-	17,500	-	-	-	17,500
<b>Total</b>	-	<b>17,500</b>	-	-	-	<b>17,500</b>

**(iii) Maturities of financial assets**

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

As at 31 March 2019	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Cash and Cash Equivalents	-	8,50,37,874	-	-	-	8,50,37,874
<b>Total</b>	-	<b>8,50,37,874</b>	-	-	-	<b>8,50,37,874</b>

As at 31 March 2018	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Cash and Cash Equivalents	-	4,98,282	-	-	-	4,98,282
<b>Total</b>	-	<b>4,98,282</b>	-	-	-	<b>4,98,282</b>



Note : 28 FAIR VALUE MEASUREMENT

(Amount in Rs.)

Fair value of financial assets and financial liabilities

Particulars	As at 31 March 2019		As at 31 March 2018	
	Carrying Value	Fair value	Carrying Value	Fair value
<b>Financial liabilities</b>				
<i>Financial liabilities at amortised cost for which Fair value are disclosed</i>				
Borrowings (including interest accrued)	3,51,21,315	3,51,21,315	-	-
Trade payables	6,34,53,843	6,34,53,843	17,500	17,500
Other Financial Liabilities	451	451	-	-
<b>Total</b>	<b>9,85,75,609</b>	<b>9,85,75,609</b>	<b>17,500</b>	<b>17,500</b>

Particulars	As at 31 March 2019		As at 31 March 2018	
	Carrying Value	Fair value	Carrying Value	Fair value
<b>Financial assets</b>				
<i>Financial assets at amortised cost for which Fair value are disclosed</i>				
Cash and Cash Equivalents	8,50,37,874	8,50,37,874	4,98,282	4,98,282
<b>Total</b>	<b>8,50,37,874</b>	<b>8,50,37,874</b>	<b>4,98,282</b>	<b>4,98,282</b>

Fair value measurement hierarchy of financial assets and financial liabilities

Particulars	Fair value hierarchy as at 31 March 2019			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
<i>Financial liabilities at amortised cost for which Fair value are disclosed</i>				
Borrowings (including interest accrued)	-	3,51,21,315	-	3,51,21,315
Trade payables	-	6,34,53,843	-	6,34,53,843
Other Financial Liabilities	-	451	-	451
<b>Total</b>	-	<b>9,85,75,609</b>	-	<b>9,85,75,609</b>

Particulars	Fair value hierarchy as at 31 March 2019			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
<i>Financial assets at amortised cost for which Fair value are disclosed</i>				
Cash and Cash Equivalents	-	8,50,37,874	-	8,50,37,874
<b>Total</b>	-	<b>8,50,37,874</b>	-	<b>8,50,37,874</b>

Particulars	Fair value hierarchy as at 31 March 2018			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
<i>Financial liabilities at amortised cost for which Fair value are disclosed</i>				
Trade payables	-	17,500	-	17,500
<b>Total</b>	-	<b>17,500</b>	-	<b>17,500</b>

Particulars	Fair value hierarchy as at 31 March 2018			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
<i>Financial assets at amortised cost for which Fair value are disclosed</i>				
Cash and Cash Equivalents	-	4,98,282	-	4,98,282
<b>Total</b>	-	<b>4,98,282</b>	-	<b>4,98,282</b>

As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of  
Birla Estates Private Limited

per Abhishek Agarwal  
Partner

Manoj Fitkariwala  
Chief financial officer

Yukti Panjia  
Company secretary

Karat Tazhetil Jithendran Rajendra Kumar Dalmia  
Whole time director and chief Director  
executive officer

Membership No: 112773  
Place: Mumbai  
Date: May 2, 2019

DIN: 01181998  
Place: Mumbai  
Date: May 2, 2019

DIN: 00040951  
Place : Mumbai  
Date: May 2, 2019



## INDEPENDENT AUDITOR'S REPORT

To the Members of Birla Century Exports Private Limited

### Report on the Audit of the Ind AS Financial Statements

#### Opinion

We have audited the accompanying Ind AS financial statements of Birla Century Exports Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013, as amended ("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, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS 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 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 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 Ind AS financial statements.

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. The Board Report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.



**Responsibility of Management for the Ind AS Financial Statements**

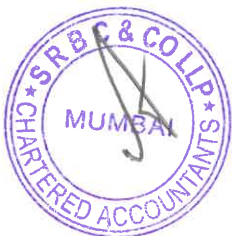
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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.

In preparing the Ind AS 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 Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 Ind AS 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 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

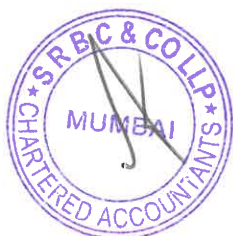
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2019 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 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 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 the Statement of Other Comprehensive Income, the Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;





Birla Century Exports Private Limited

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(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, as amended 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 Education and Protection Fund by the Company.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E



per Abhishek Agarwal  
Partner  
Membership Number: 112773  
UDIN: 19112773AAAABT2907  
Place of Signature: Mumbai  
Date: May 2, 2019



**Annexure 1 referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date**

- i. According to the information and explanations given by the management, there are no property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i) of the Order are not applicable to the Company.
- ii. According to the information and explanations given by the management, there is no inventory with the company, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. Since the Company has not commenced commercial operation, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii. a) The Company is regular in depositing with appropriate authorities undisputed statutory dues applicable to it.  
b) According to the information and explanations given to us, there are no dues which have not been deposited on account of any dispute.
- viii. The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the period.
- ix. According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the period.





- xi. According to the information and explanations given by the management, there is no managerial remuneration paid / provided in accordance of section 197 read with Schedule V of the Act are applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- xii. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- xiv. According to the information and explanations given to us and on overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and not commented upon.
- xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R B C &amp; CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Abhishek Agrawal  
Partner

Membership Number: 112773

UDIN: 19112773AAAABT2907

Place of Signature: Mumbai

Date: May 02, 2019



**Annexure 2 of the Independent Auditor's Report of even date on the Financial Statements of Birla Century Exports Private Limited****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Birla Century Exports Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these financial statements 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.





We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

**Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements**

A company's internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with Reference to these Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Birla Century Exports Private Limited

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**Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 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 S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



per Abhishek Agarwal  
Partner

Membership Number: 112773  
UDIN: 19112773AAAABT2907  
Place of Signature: Mumbai  
Date: May 2, 2019





	Note No.	As at March 31, 2019 In Rs.
<b>I ASSETS</b>		
<b>CURRENT ASSETS</b>		
(a) Financial assets		
(i) Cash and cash equivalents	1	10,00,000
(b) Other current assets	2	8,10,169
<b>SUB-TOTAL</b>		<u>16,10,169</u>
<b>TOTAL</b>		<u>16,10,169</u>
<b>II EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share capital	3	50,00,000
(b) Other equity	4	(34,39,831)
<b>SUB-TOTAL</b>		<u>15,60,169</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
(a) Financial liabilities		
(i) Trade payables	5	-
1) Total outstanding dues to micro enterprises and small enterprises		45,000
2) Total outstanding dues of creditors other than micro enterprises and small enterprises		5,000
(b) Other current liabilities	6	
<b>SUB-TOTAL</b>		<u>50,000</u>
<b>TOTAL</b>		<u>16,10,169</u>
<b>Significant accounting policies</b>	2A	
The accompanying notes are an integral part of these financial statements		

As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
Firm Registration Number 324982E / E300003

per Abhishek Agarwal  
Partner  
Membership No: 112773  
Place: Mumbai  
Date: 2 May 2019



For and on behalf of Board of Directors of  
Birla Century Exports Private Limited

*(Signature)*

Nilay Rathi  
Director  
Din: 08278468  
Place: Mumbai  
Date: 2 May 2019

Rajendra Kumar Dalmia  
Director  
Din: 00040951  
Place: Mumbai  
Date: 2 May 2019



**Birla Century Exports Private Limited**  
**Statement of profit and loss for the period November 13, 2018 to March 31, 2019**

Particulars	Note No.	For the period November 13, 2018 to March 31, 2019
		In Rs.
I Revenue from operations		-
II Other Income		-
III Total Income (I + II)		-
IV EXPENSES		
(a) Other expenses	7	34,39,831
Total Expenses (IV)		34,39,831
V Profit/(loss) before tax (III - IV)		(34,39,831)
VI Tax Expense		
(a) Current tax	8	-
(b) Deferred tax	8	-
Total tax expense		-
VII Loss for the year (V - VI)		(34,39,831)
VIII Other Comprehensive Income		-
IX Total comprehensive income (VII + VIII)		(34,39,831)
X Earnings per equity share:		
Basic / Diluted earning per share of nominal value of Rs 10/- each (not annualised)	9	(18.20)
Significant accounting policies	2A	
The accompanying notes are an integral part of these financial statements		

As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
Firm Registration Number 324982E / E300003

  
per Abhishek Agarwal  
Partner  
Membership No: 112773  
Place: Mumbai  
Date: 2 May 2019



For and on behalf of Board of Directors of  
Birla Century Exports Private Limited

  
Nilay Rath  
Director  
Din No: 08278468  
Place: Mumbai  
Date: 2 May 2019

  
Rajendra Kumar Dalmia  
Director  
Din No: 00040951  
Place: Mumbai  
Date: 2 May 2019





**Birla Century Exports Private Limited**  
Cash Flow Statement for the period November 13, 2018 to March 31, 2019

	For the period November 13, 2018 to March 31, 2019 (In Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	
Loss before tax	(34,39,831)
	(34,39,831)
<u>Working capital adjustments :</u>	
Decrease / (increase) in other assets	(6,10,169)
(Decrease) / increase in trade payables	50,000
	(5,60,169)
<b>NET CASH USED IN FROM OPERATING ACTIVITIES</b>	(40,00,000)
<b>B. CASH FLOW FROM FINANCING ACTIVITIES :</b>	
Proceeds from issuance of equity share capital	50,00,000
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	50,00,000
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	10,00,000
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	10,00,000
The accompanying notes are an integral part of these financial statements (Refer Note 2A)	

As per our report of even date  
For **S R B C & CO LLP**  
Chartered Accountants  
Firm Registration Number 324982E / E300003

  
per Abhishek Agarwal  
Partner

Membership No: 112773  
Place: Mumbai  
Date: 2 May 2019



For and on behalf of Board of Directors of  
Birla Century Exports Private Limited

  
Nilay Rath  
Director

Din: 08278468  
Place: Mumbai  
Date: 2 May 2019



Rajendra Kumar Dalmia  
Director  
Din: 00040951  
Place: Mumbai  
Date: 2 May 2019



**Birla Century Exports Private Limited**  
**Statement of changes in equity for the period November 13, 2018 to March 31, 2019**

(In Rs.)

Particulars	Equity share capital	Other equity (Retained earnings)	Total equity
<b>As at November 13, 2018</b>	-	-	-
Issuance of Equity share capital	50,00,000	-	50,00,000
Loss during the period	-	(34,39,831)	(34,39,831)
<b>As at March 31, 2019</b>	<b>50,00,000</b>	<b>(34,39,831)</b>	<b>15,60,169</b>

The accompanying notes are an integral part of these financial statements (Refer Note 2A)

As per our report of even date

For **S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E / E300003



per **Abhishek Agarwal**  
 Partner  
 Membership No: 112773  
 Place: Mumbai  
 Date: 2 May 2019



For and on behalf of Board of Directors of

Birla Century Exports Private Limited



**Nilay Rathl**  
 Director  
 Din: 08278468  
 Place: Mumbai  
 Date: 2 May 2019



**Rajendra Kumar Dalmia**  
 Director  
 Din: 00040951  
 Place: Mumbai  
 Date: 2 May 2019





## **Birla Century Exports Private Limited**

### **Notes to financial statements for the period November 13, 2018 to March 31, 2019**

#### **1. Corporate information**

Birla Century Exports Private Limited is a private company domiciled in India and is incorporated under the provisions of the Companies Act 2013, applicable in India. The principal place of business of the company is located at Century Bhavan, Dr Annie Besant Road, Worli, Mumbai 400030. The Company is principally engaged in trading of Textiles products. The Company is a wholly owned subsidiary of Century Textiles and Industries Limited.

The financial statements were authorised for issue in accordance with a resolution of the board of directors on May 02, 2019

#### **2A. Significant accounting policies**

##### **2.1 Basis of preparation**

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The company prepared its financial statements for the period ended March 31, 2019 in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis and are presented in INR.

##### **2.2 Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent 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.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.



## **2.3 Fair Value Measurement**

The company measures financial instruments, such as derivatives, investments etc, 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
- The principal or the most advantageous market must be accessible by 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.

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 Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## **2.4 Taxes**

### Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the end of the reporting date.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.



**Notes to financial statements for the period November 13, 2018 to March 31, 2019**

Deferred tax is recognised 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 recognised for all taxable temporary differences. Deferred tax assets are generally recognised 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 utilised. Such deferred tax assets and liabilities are not recognised 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.

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 utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax 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 realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction in OCI.

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.

## **2.5 Provisions**

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

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

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





## **Birla Century Exports Private Limited**

**Notes to financial statements for the period November 13, 2018 to March 31, 2019**

### **2.6 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

### **2.7 Financial instruments**

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

#### **Financial assets**

##### **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### **Subsequent measurement**

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments including derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### **Financial liabilities**

##### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

##### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

### **2.8 Earnings per share:**

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the period attributable to equity holders by the weighted average number of equity shares outstanding during the period.



**Notes to financial statements for the period November 13, 2018 to March 31, 2019**

**2.9 Contingent liabilities**

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.

**2.10 Standards issued but not yet effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below.

- Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)
- Ind AS 109 – Prepayment Features with Negative Compensation
- Ind AS 19 – Plan Amendment, Curtailment or Settlement
- Ind AS 23 – Borrowing Costs

The Company intends to adopt these standards, if applicable, when they become effective. The Company does not expect any significant impact of the above amendments on its financial statements.

**2B. Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.



**NOTE : 1 CASH AND BANK BALANCES**

	As at March 31, 2019 In Rs.
<b>Cash and cash equivalents</b>	
(a) Balances with banks	
- Current Accounts	10,00,000
Total	10,00,000

**NOTE : 2 OTHER CURRENT ASSET**

	As at March 31, 2019 In Rs.
Balances with Government authorities	6,10,169
Total	6,10,169

**NOTE : 3 EQUITY SHARE CAPITAL****1(a) Authorised :**

10,00,000 Equity shares of Rs.10/- each.	1,00,00,000
	1,00,00,000

**1(b) Issued,Subscribed and paid up :**

5,00,000 Equity shares of Rs. 10/- each.	50,00,000
	50,00,000

**1(c) Terms / right attached to equity shares**

The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	Opening	Fresh Issue	Closing Balance
Equity shares with voting rights*			
Period ended March 31, 2019			
No. of Shares	-	5,00,000	5,00,000
Amount	-	50,00,000	50,00,000

**1(d) Shareholders holding more than 5% shares of the Company**

Particulars	As at March 31, 2019
Class of shares / Name of shareholder	Number of shares held
Equity shares with voting rights	
Century Textiles and Industries Limited	4,99,999
	4,99,999

The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares from its incorporation.





NOTE : 4 OTHER EQUITY

	As at March 31, 2019 In Rs. (34,39,831)
Retained earnings	
	<u>(34,39,831)</u>

NOTE : 5 CURRENT LIABILITIES - FINANCIAL LIABILITY

	As at March 31, 2019 In Rs.
Trade payable - Other than micro, small & medium enterprises	45,000
Total	<u>45,000</u>

NOTE : 6 OTHER CURRENT LIABILITIES

	As at March 31, 2019 In Rs.
Statutory dues	
Taxes payable (other than income taxes)	5,000
Total	<u>5,000</u>

For the period  
November 13, 2018  
to March 31, 2019

NOTE : 7 OTHER EXPENSES

	In Rs.
Remuneration to auditors	50,000
Filing Fees	2,27,566
Legal & Professional Fees	31,62,265
Total	<u>34,39,831</u>
Note (A) Payment to Auditors	
Statutory audit fees	50,000

NOTE : 8 INCOME TAX

For the period  
November 13, 2018  
to March 31, 2019  
In Rs.

a) <u>Tax expense recognised in the Statement of Profit and Loss</u>	
Current tax	-
Deferred tax	-
Net tax expenses recognised in the Statement of Profit and Loss	<u>-</u>
b) Income tax recognised in other comprehensive income	-
c) Amounts recognised directly in equity	-
d) <u>Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:</u>	
Profit/(loss) before tax	(34,39,831)
Income tax (expense)/income calculated at 26%	8,94,356
Effect of deferred tax asset not recognized on tax losses	<u>(8,94,356)</u>
Income tax expense recognised in profit or loss	<u>-</u>

Note: The tax rate used for above tax reconciliation for 31 March 2019 is 26%.

- e) Considering the uncertainty over realisability, the company has not recognised deferred tax assets to the extent of Rs. 8,94,356 on tax losses.  
The expiry of unrecognised deferred tax assets on losses is as follows

Unrecognised deferred tax assets on tax losses	8 years	Total
As at 31 March 2019	8,94,356	8,94,356

NOTE : 9 EARNING PER SHARE (EPS)

For the period  
November 13, 2018  
to March 31, 2019

	In Rs.
Net Loss as per statement of profit and loss	(34,39,831)
Weighted average number of equity share outstanding	1,89,041
Basic and diluted earning per share (Rs.)	<u>(18.20)</u>



**Note : 10 RELATED PARTY DISCLOSURE FOR THE PERIOD NOVEMBER 13, 2018 TO 31 MARCH 2019**

**Relationships:**

**(a) Where the control exists:**

**Holding Company:**  
Century Textiles and Industries Limited

**(b) List of Non Executive Director**

Rajendra Kumar Dalmia  
Nilay Rath

Name of the related party	Transaction during the year	For the period November 13, 2018 to March 31, 2019
Century Textiles and Industries Limited	Issuance of equity share capital	50,00,000
	Reimbursement of expenses	
	Legal & Professional Fees	31,62,265
	Filing Fees	2,27,566

**NOTE : 11 : CONTINGENT LIABILITY AND COMMITMENT**

There are no amount of claims against the company that are not acknowledged as debts or guarantees or other amounts for which the company is contingently liable and also there is no such commitments as of March 31, 2019.

**NOTE : 12**

The company was incorporated during the current year and accordingly the previous year figures have not been reported. Figures have been rounded off to the nearest rupee.

**NOTE : 13 : SEGMENT REPORTING**

For management purpose, the Company comprise of only one reportable segment – Trading in textiles products

**Note : 14 : CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital. The Company is a zero debt company with no long-term borrowings. The Company is not subject to any externally imposed capital requirements.

**Note: 15 : FINANCIAL RISK MANAGEMENT FRAMEWORK**

The Company's principal financial liabilities, other than derivatives, comprise trade and other payables. The Company's principal cash and cash equivalents that derive directly from its operations.

As the Company is incorporated during the period and not commence operation company is exposed to only liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance 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. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**(i) Liquidity risk management**

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year.



**Birla Century Exports Private Limited**

Notes to the financial statements for the period November 13 to March 31, 2019

**(i) Maturities of financial liabilities**

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at 31 March 2019	On Demand	Less than 1 Year	More than 1 Year	Total
<b>(a) Non Derivative financial instruments</b>				
Trade payables				
Trade payables - other than micro, small & medium enterprises	-	45,000	-	<b>45,000</b>

**Fair Value Measurement**

Fair value of financial assets and financial liabilities

Particulars	As at 31 March 2019	
	Carrying Value	Fair value
<b>Financial liabilities</b>		
Trade payables	45,000	45,000

**Fair value measurement hierarchy of financial assets and financial liabilities**

Particulars	Fair value hierarchy as at 31 March 2019			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
<u>Financial liabilities at amortised cost for which Fair value are disclosed</u>				
Trade payables	-	45,000	-	45,000
<b>Total</b>	-	45,000	-	45,000

As per our report of even date

For **S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Abhishek Agarwal**  
Partner  
Membership No: 112773  
Place: Mumbai  
Date: 2 May 2019



For and on behalf of Board of Directors of  
Birla Century Exports Private Limited

**Nilay Rath**  
Director  
Din No: 08278468  
Place: Mumbai  
Date: 2 May 2019

**Rajendra Kumar Dalmia**  
Director  
Din No: 00040951  
Place: Mumbai  
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