

INDEPENDENT AUDITOR'S REPORT

To The Members
RAJPUTANA INFRASTRUCTURE CORPORATE LIMITED

Report on the Audit of Standalone IND AS Financial Statements

Opinion

We have audited the accompanying standalone IND AS financial statements of **RAJPUTANA INFRASTRUCTURE CORPORATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of the 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 standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit/loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities* for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 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 opinion.

Responsibility of Management for the Standalone IND AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone IND AS financial statements that give a true & 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 Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design,



implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objective are to obtain reasonable assurance about whether the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risk of material misstatement of the 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 omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial control 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 the material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in;

- (1) planning the scope of our audit work and in evaluating the results of our work; and
- (2) To evaluate the effect of any identified misstatements in the financial statements.

We communicate 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 the 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 Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone IND AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, however, in exception to the compliance with the Ind AS 34 as issued by the Institute of Chartered Accountants of India with reference to the fair and periodic comparative presentation of financial statements.
- e) On the basis of the written representations received from the directors of the Company 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 and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) 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 impacts its financial position in its standalone IND AS financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there will be any material foreseeable losses.
 - iii. There were no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For and on behalf of
Jindal & Company
Chartered Accountants
FRN: 000844N



CA Akhil Jindal
PARTNER
M. No. 090515

Place: New Delhi
Dated: 08/04/2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Rajputana Infrastructure Corporate Limited of even date)

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

We have audited the internal financial controls over financial reporting of **RAJPUTANA INFRASTRUCTURE CORPORATE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

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

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

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 and on behalf of
Jindal & Company
Chartered Accountants
Firm Reg. No. 000841N



CA Akhil Jindal
PARTNER
M. No. 090515

Place: New Delhi

Dated: 08/04/2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Rajputana Infrastructure Corporate Limited** of even date)

- i. The company does not have any fixed assets, hence sub clause (a), (b) & (c) of the paragraph 3(i) of the Order, 2016 are not applicable to the company.
- ii. As explained to us, the company does not have inventory. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has granted advance of Rs. 399,312,000/- to a party (Association of Persons), covered in the register maintained under section 189 of the Companies Act, 2013 and the rate of interest and other terms & conditions of such loans are prima facie not prejudicial to the interest of Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has an interest free deposits of Rs. 232,000,000/- from Holding Company namely M/s Friendly Reality Projects Limited (Formerly known as Kashyap Metal & allied Industries Limited) as at March 31, 2019.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. (a) As informed to us, during the year under audit the provisions of the Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Duty of customs, Duty of excise, Value added tax, Cess and any other statutory dues are not applicable to the company.
(b) In our opinion and according to the information and explanation given to us there was no outstanding due of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or Cess on account of any dispute.
- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. No managerial remuneration has been paid or provided in accordance with requisite approvals mandated by the provisions of the section 197 read with schedule V to the companies act.



- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone IND AS financial statements as required by the applicable accounting standards.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: New Delhi

Dated:

08/04/2019

For and on behalf of
Jindal & Company
Chartered Accountants
Firm Reg. No. 000844N



CA Akhil Jindal
PARTNER
M. No. 090515

RAJPUTANA INFRASTRUCTURE CORPORATE LIMITED
BALANCE SHEET AS AT Mar 31, 2019

All amounts in INR. unless otherwise stated

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-current assets			
Other non current assets	2	399,312,000	357,100,000
Total non-current assets		399,312,000	357,100,000
Current assets			
Investments	3	-	20,248,173
Cash and cash equivalents	4	23,016,765	3,363,956
Other current assets	5	485,341	408,181
		23,502,106	24,020,310
Total current assets		23,502,106	24,020,310
Total assets		422,814,106	381,120,310
EQUITY AND LIABILITIES			
Equity			
Equity share capital	6	900,000	800,000
Other equity	7	162,706,706	121,129,100
Total equity		163,606,706	121,929,100
Liabilities			
Non-current liabilities			
Borrowings	8	232,000,000	232,000,000
Deferred tax liability	9	-	51,124
Other Non-current liabilities	10	27,000,000	27,000,000
Total non-current liabilities		259,000,000	259,051,124
Current liabilities			
Other current liabilities	11	207,400	140,086
Total current liabilities		207,400	140,086
Total liabilities		259,207,400	259,191,210
Total equity and liabilities		422,814,106	381,120,310

Notes forming part of the Financial Statements

1-20

In terms of our report attached

For JINDAL & CO.

Chartered Accountants

Akhil Jindal

Partner

Membership No.90515

FRN NO. : 000844N

Place : New Delhi

Dated : 08.04.2019

For and on behalf of the Board of Directors

Sanjay Kumar Gupta

Director

DIN 00027728

Sudeep Kumar Agarwal

Director

DIN 07417248

RAJPUTANA INFRASTRUCTURE CORPORATE LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED Mar 31,2019**

All amounts in INR. unless otherwise stated

Particulars	Note No.	As at 31.3.2019	As at 31.3.2018
INCOME			
Other income	12	<u>2,630,557</u>	<u>1,693,511</u>
TOTAL INCOME		<u>2,630,557</u>	<u>1,693,511</u>
EXPENSES			
Other expenses	13	<u>345,412</u>	<u>279,630</u>
TOTAL EXPENSES		<u>345,412</u>	<u>279,630</u>
Profit before tax		<u>2,285,145</u>	<u>1,413,881</u>
Tax expense:			
Current tax		658,663	418,318
Current tax expense relating to prior years		-	1,776
Deferred Tax		(51,124)	51,124
Profit for the period		<u>1,677,606</u>	<u>942,663</u>
Earning per equity share- basic/diluted (Face value of share - Rs. 10 each)		18.64	11.78

Notes forming part of the Financial Statements


1-20


In terms of our report attached


For JINDAL & CO.

Chartered Accountants

For and on behalf of the Board of Directors


Akhil Jindal
Partner
Membership No.90515
FRN NO. : 000844N


Sanjay Kumar Gupta
Director
DIN 00027728


Sudeep Kumar Agarwal
Director
DIN 07417248

Place : New Delhi
Dated : 08.04.2019

RAJPUTANA INFRASTRUCTURE CORPORATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MAR 31 2019
All amounts in INR. unless otherwise stated

Particulars	For the year ending 31 MAR 2019	For the year ending 31 March 2018
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax	2,285,145	1,413,881
Adjustments for:		
Interest income from:		
Others	(2,382,035)	(1,445,338)
Fair value adjustment - Current Investment	-	(248,173)
Net Gain/Loss on Sale of Investments	(248,522)	
Operating profit before working capital changes	(345,412)	(279,630)
Adjustments for:		
Increase/(Decrease) in other bank balance	(19,478,499)	(1,333,933)
Trade and other receivables	-	-
Trade and other payables	51,000	6,500
	(19,427,499)	(1,327,433)
Cash generated from operations	(19,772,911)	(1,607,063)
Direct taxes paid	(642,349)	(282,686)
Net cash from operating activities	(20,415,260)	(1,889,749)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	2,304,875	1,082,568
Investment (made)/Sold	20,496,695	(20,000,000)
Net cash used in investing activities	22,801,570	(18,917,432)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Equity Share Capital received	100,000	100,000
Share premium received	39,900,000	39,900,000
Preference Share Capital Under Non current Financial		
Liabilities received	-	20,000,000
Advance given	(42,212,000)	(41,100,000)
Loan repaid	-	(500,000)
Net cash used in financing activities	(2,212,000)	18,400,000
Net Increase/(decrease) in cash and Cash equivalents	174,310	(2,407,181)
Cash and cash equivalents at the beginning of the year	107,968	2,515,149
cash and cash equivalents at the end of the year	282,278	107,968
Components of cash and cash equivalents:		
with bank- in current Accounts	282,278	107,968
	282,278	107,968

In terms of our report attached
For JINDAL & CO.
Chartered Accountants

Akhil Jindal
Partner
Membership No.90515
FRN NO. : 000844N

Place : New Delhi
Dated : 08.04.2019

For and on behalf of the Board of Directors

Sanjay Kumar Gupta
Director
DIN 00027728

Sudeep Kumar Agarwal
Director
DIN 07417248

Rajputana Infrastructure Corporate Limited

Note-1: Notes to Financial Statements for the period ended 31 March 2019

1. Corporate information

Rajputana Infrastructure Corporate Limited ('the Company') was incorporated in India on December 20, 2006, the Company is fully owned by Indian Shareholders.

The addresses of its registered office is Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025

2. Statement of compliance

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

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. In view of applicability of Ind As on the ultimate holding company, the adopted Ind As and the financial statements for the year ended March 31, 2017 are the Company's first Ind AS financial statement. The date of transition to Ind AS is April 01, 2015.

3. Basis of preparation and presentation

a. Basis of preparation and presentation

The financial statements are presented in INR.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

b. Use of Estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities.

The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results may differ from these estimates. Any revision to the accounting estimates or difference between the estimates and the actual results are recognised in the periods in which the results are known/materialise or the estimates are revised.

4. Significant accounting policies

a. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable.

Income from services

Revenue from service contracts priced on a time basis is recognised when services are rendered and related costs are incurred.

Other income

Other income comprises of gain on investments, interest income, dividend income .

Income from investments and interest income is accounted for on accrual basis. Dividend income from shares/ mutual funds is recognised for when the right to receive it is established.

b. Taxation

Current tax

Provision for current tax for the period is based on taxable income computed in accordance with the provisions of the Income-tax Act, 1961.

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

c. Finance Costs

Finance costs comprise interest expense on loans and borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the Statement of Profit and Loss using effective interest rate (EIR). Borrowing cost may include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

d. Cash and cash equivalents

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

e. Earnings per share (EPS)

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

f. Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits 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 the 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 time value is material).

g. 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- ▶ Debt instruments at amortised cost
- ▶ Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Equity investments:

All equity investments in scope of Ind AS 109 are measured at fair value, with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- ▶ The rights to receive cash flows from the asset have expired, or
- ▶ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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.

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

h. Fair value measurement

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

External valuers are involved, wherever required, for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Board of directors and the selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Board of directors, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the board of directors and the analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the board of directors verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The board of directors, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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.

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.

Rajputana Infrastructure Corporate Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019
(All amounts are in INR. unless otherwise stated)

(a) Equity share capital

Particular	Amount
Balance at March 31, 2018	800,000
Changes in equity share capital during the year	100,000
Balance at March 31, 2019	900,000

(b) Other equity

Particular	Share Premium	Retained earnings	Total
Balance at March 31, 2018	119,700,000	1,429,100	121,129,100
Profit for the year	39,900,000	1,677,606	41,577,606
Balance at March 31, 2019	159,600,000	3,106,706	162,706,706

Notes forming part of the financial statements

In terms of our report attached
For JINDAL & CO.
Chartered Accountants

Akhil Jindal
Partner
Membership No.90515
FRN NO. : 000844N

Place : New Delhi
Dated : 08-04-2019

For and on behalf of the Board of Directors

Sanjay Kumar Gupta
Director
DIN 00027728

Sudeep Kumar Agarwal
Director
DIN 07417248

RAJPUTANA INFRASTRUCTURE CORPORATE LIMITED

All amounts in INR. unless otherwise stated

	As at 31.3.2019 Amount	As at 31.3.2018 Amount
2 Non current Assets		
Advance given to: Rajputana Developers Projects (AOP)	399,312,000	357,100,000
	399,312,000	357,100,000
3 Current Assets		
Dsp Black rock Mutual Fund	-	10,123,373
Reliance Mutual fund	-	10,124,800
	-	20,248,173
4 Cash and cash equivalents		
Balances with Banks		
-FDR bank balances	22,734,487	3,255,988
-In current accounts	282,278	107,968
	23,016,765	3,363,956
Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.		
For the purpose of the statement of Cash flow, Cash and cash equivalents comprise of the		
-Balances with Banks		
-In current accounts	282,278	107,968
	282,278	107,968
5 Other assets		
Current		
Interest accrued on bank and other deposits	485,341	408,181
Tax recoverable (Net of Provision of tax)	-	-
	485,341	408,181

RAJPUTANA INFRASTRUCTURE CORPORATE LIMITED
All amounts in INR, unless otherwise stated

	As at 31.03.2019	As at 31.3.2018
6 Equity Share capital		
Authorised		
250,000 Equity Shares of Rs. 10 each	2,500,000	2,500,000
750,000 Preference Shares of Rs. 10/-each	7,500,000	7,500,000
2000000 Preference Shares of Rs. 10/-each	20,000,000	20,000,000
	<u>30,000,000</u>	<u>30,000,000</u>
Issued & subscribed		
50000 Equity shares of Rs. 10 each at par	500,000	500,000
40000 Equity shares of Rs 10 each (issued at a premium of Rs 3990)	400,000	400,000
	<u>900,000</u>	<u>900,000</u>
Paid up		
50000 Equity shares of Rs. 10 each at par	500,000	500,000
40000 Equity shares of Rs 10 each at a premium of Rs 3990, paid up Rs 10 (Previous year - Paid up Rs 7.5)	400,000	300,000
	<u>900,000</u>	<u>800,000</u>

(i) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

(ii) Shares held by each shareholder holding more than 5%

Name of the shareholder	No. of shares	% held as at Mar 31, 2019	No. of shares	% held as at March 31, 2018
Friendly Reality Projects Limited*	90,000	100.00	90,000	100.00

RAJPUTANA INFRASTRUCTURE CORPORATE LIMITED

All amounts in INR. unless otherwise stated

	As at 31.03.2019	As at 31.3.2018
7 Other equity		
Share premium A/c	159,600,000	119,700,000
Retained Earning	3,106,706	1,429,100
	162,706,706	121,129,100
 Share Premium A/c		
Opening balance	119,700,000	79,800,000
Add : During the year	39,900,000	39,900,000
	159,600,000	119,700,000
 Retained Earning		
Opening balance	1,429,100	486,437
Add : Net profit for the current year	1,677,606	942,663
	3,106,706	1,429,100
 8 Borrowings		
Non-current borrowings		
Advance received from Holding company	232,000,000	232,000,000
Total non current borrowings	232,000,000	232,000,000
 9 Deferred Tax Liability		
Fair value of Current investment	-	51,124
	-	51,124
 10 Other Non-current Liabilities		
Financial liabilities		
700000 Preference shares of Rs. 10 each. (8% non cumulative Non Convertible redeemable preference shares)	7,000,000	7,000,000
2000000 Prefrence shares of Rs. 10 each. (6.25% non cumulative Non Convertible redeemable preference shares)	20,000,000	20,000,000
	27,000,000	27,000,000
 11 Current liabilities		
Other Current liabilities		
Audit fees payable	54,000	18,000
Trade Payable/Statutory payble	15,000	-
Tax recoverable (Net of Provision of tax)	138,400	122,086
	207,400	140,086

RAJPUTANA INFRASTRUCTURE CORPORATE LIMITED

All amounts in INR. unless otherwise stated

	Year ended 31.03.2019	Year ended 31.3.2018
12 Other income		
Interest on Fixed deposit	2,382,035	1445338
Current Investments fair valued through profit & loss	-	248173
Net Gain/Loss on Sale of Investments	248,522	
	<u>2630557</u>	<u>1693511</u>
13 Other Expenses		
Interest Paid	-	41,671
Audit Fees	62,600	31,500
Bank charges	472	1,319
Filling fees	5,415	11,200
Professional Fees	252,725	9,940
Rates & Taxes	20,000	180,000
Misc. exp	4,200	4,000
	<u>345,412</u>	<u>279,630</u>

14. In the opinion of the Board, the Current Assets and Loan & Advances are approximately of the value stated, if realized, in the ordinary course of business. There are no contingent liabilities outstanding at the end of the year.
15. During the financial year 2007-08, Friendly Reality Projects Limited the holding company granted an interest free advance of Rs.2320 lacs to the Company. During the financial year 2015-16, The advance as stated above was taken from the Holding Company in order to meet funding requirement in respect of a proposed real estate venture to be undertaken and pursued jointly with Rajputana Fertilizers Limited (RFL) in whom valuable landed properties with significant potential for development and marketing profitably were vested in pursuance of certain orders passed by BIFR as well as Delhi High Court in respect of Modi Spinning & Weaving Mills Company Limited. Subsequently the Company formed an Association of Persons (AOP) with RFL in the name and style of 'Rajputana Developers Projects', so as to implement the said real estate venture. As on the Balance Sheet date, the Company contributed Rs. 3993.12 lacs towards funding requirement of the said AOP. The loss in the books of AOP for current year and other accumulated losses as on the balance sheet date are pending for distribution/allocation between the company and RFL and the same will be done at the time of completion of project or dissolution of AOP, whichever is earlier. As per arrangement, as on the Balance sheet date, the AOP's profit/loss shall be shared in the ratio of 68:32 between the Company and RFL respectively. The AOP became subsidiary of the Company in the financial year 2015-16 and its accounts have been consolidated with the Company during the financial year 2016-17 for the first time with effect from the date on which AOP became subsidiary of the Company.
16. Being a Single unit Company, segment reporting in accordance with Ind As 108 as issued by the Institute of Chartered Accountants of India, is not applicable.
17. Deferred tax assets have not been recognized in relation to carried forward losses from previous years in view of uncertainty of sufficient future taxable income, in accordance with Ind As 12 as issued by the Institute of Chartered Accountants of India.

18. Related party disclosure :

(A). Names of related parties and nature of related party relationships:

Holding Company

- Friendly Reality Projects Limited

Ultimate Holding Company

- Godfrey Phillips India Limited

Associates of the Ultimate Holding Company

- KKM Management Centre Private Limited
- IPM India Wholesale Trading Private Limited
- KKM Management Centre Middle East FZE

Subsidiaries of the Ultimate Holding Company

- International Tobacco Company Limited
- Chase Investments Limited
- Friendly Reality Projects Limited.
- Flavours & More Inc
- Godfrey Phillips Middle East DMCC
- Rajputana Infrastructure Corporate Limited

(B) Key Management Personnel (KMP)

(i) KMP of the Holding company:

- Mr. Sanjay Kumar Gupta, Director
- Mr. Sunil Agrawal, Director
- Mr. Shailender Singh Rana, Director

ii) KMP of the company:

- Mr. Sanjay Kumar Gupta, Director
- Mr. Gobind Uttam Chandiramani, Director
- Mr. Sudeep Agarwal, Director

(C) Enterprises over which key management personnel and their relatives are able to exercise significant influence: **None**

(D) Disclosure of transactions between the company and related parties and the status of outstanding balances as at the year ended:

Nature of transaction	2018-19	2017-18
	Rs.	Rs.
With associates	None	None
Transaction during the year		
With Holding Company,		
Friendly Reality projects limited		
-Share capital issued - Equity	100000	100000
-Share capital issued - Preference Share	-----	20000000
-Share premium received	39900000	39900000
-Advance given to AOP	42212000	41100000
- Loan repaid	-----	500000
-Interest paid	-----	41671
Outstanding Balances		
1. With immediate Holding Company		
Friendly Reality projects limited		
-Advance received - outstanding balance	232000000	232000000
-Preference Share Capital	27000000	27000000
2. With Association of Person (AOP)		
Rajputana Developers Projects (Refer Note No. 13 above):		
-Advance given - outstanding balance	399312000	357100000
With Key Management personal	None	None
With enterprises over which significant influences exists	None	None

19. The paid up share capital of the company as on 31st March, 2019, is as under:


Description of shares	Nos of Shares	Face Value	Paid up	Amount
Equity	50,000	Rs 10 at par	Fully paid up	5,00,000
Equity	40,000	Rs 10 each at a premium of Rs 3990	Fully paid up	4,00,000
			Total	900,000

The paid up share Capital as per Ministry of Corporate Affairs (MCA) record is Rs 800,000 which will get updated to Rs. 900,000 upon submission of form MGT-7 for the financial year 2018-19 after next Annual General Meeting of the Company.

20. The previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors


Sanjay Kumar Gupta
Director
DIN 00027728


Sudeep Kumar Agarwal
Director
DIN 07417248

Place : New Delhi
Dated : 08.04.2019