

Radius Infra Holdings Private Limited

Financial Statements For The Year Ended
31 March 2019

Registered Office Address:
One BKC,
A-Wing 1401, Plot No. C-66,
G Block, Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051



Independent Auditor's Report

To,
The Members of
Radius Infra Holdings Private Limited

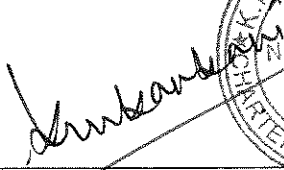
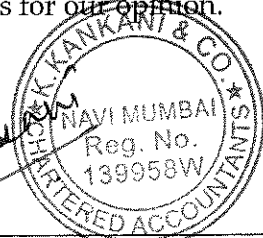
Report on the Audit of the financial statements

Opinion

1. We have audited the financial statements of **Radius Infra Holdings Private Limited** (the 'Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss and statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31 March 2019, and its loss (financial performance) and its cash flows for the year ended on that date.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.
4. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

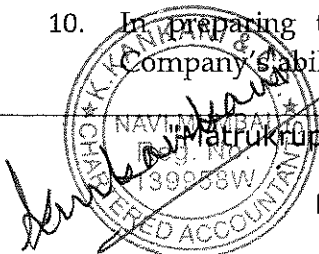
5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information other than the financial statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.
7. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
8. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the 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.

Responsibilities of Management and Those Charged with Governance for the financial statements

9. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act 2013, with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance) and Cash Flows of the Company in accordance with the 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 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
10. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related





to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

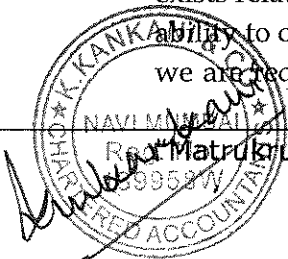
11. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

12. Our objectives 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- a. Identify and assess the risks 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 omissions, misrepresentations, or the override of internal control.
- b. 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 explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. 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.

- e. 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.
14. 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.
15. 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.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Further to our comments in Annexure A, 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 purpose of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;





- (c) The Balance Sheet, the Statement of Profit and Loss, statement of cash flows dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164(2) of the Act.;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our 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 does 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 K. Kankani & Co.

Chartered Accountants

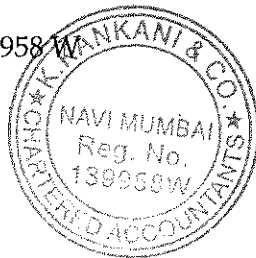
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Krishnamurari Kankani

Partner

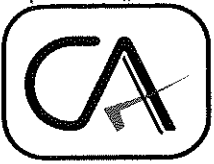
Membership No.: 159946

UDIN : 19159946AAAACD6486



Place : Mumbai

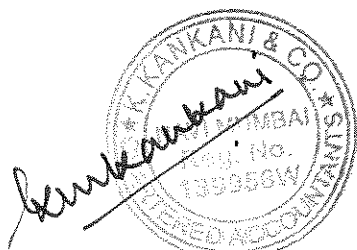
Date : 30/08/2019



Annexure A to Independent Auditors' Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31st March, 2019, we report that:

- 1)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) According to the information and explanation provided to us, all the fixed assets have been physically verified by the management during the year and we are further informed that no material discrepancy has been noticed by the management on such verification. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the company and nature of its fixed assets.
 - (c) According to the information and explanation given to us and on the basis of our examination of the record of the Company, there is no existence of any immovable property in fixed assets. Thus, paragraph 3 (i) (c) of the Order is not applicable to the Company.
- 2) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and we are further informed that no material discrepancy has been noticed by the management on such verification.
- 3) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii)(a),(b)&(c) of the Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans and investments made, guarantees and security provided by it.
- 5) The Company has not accepted any deposits from the public. Thus, paragraph 3(v) of the Order is not applicable to the Company.
- 6) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act.

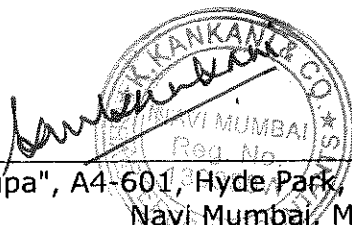




- 7) a) According to the information and explanations given to us and the records examined by us, undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, wealth —tax, customs duty, excise-duty, service tax, cess and other statutory dues wherever applicable *have not been regularly deposited with the appropriate authorities and there have been serious delays in a large number of cases. The details of dues which has been outstanding for more than six months as on last day of financial year are given below;*

Name of the statute : Income Tax Act, 1961			
Name of the Dues: Tax deducted at source			
Amount	Period to which amount is relates	Due Date	Payment Date
77,03,367/-	Upto march-18	Various Due Dates	Not Yet Paid
21,73,645/-	April-18	07-05-2018	Not Yet Paid
45,440/-	May-18	07-06-2018	Not Yet Paid
82,66,010/-	June-18	07-07-2018	Not Yet Paid
25,89,558/-	July-18	07-08-2018	Not Yet Paid
12,43,519/-	Aug-18	07-09-2018	Not Yet Paid

- b) According to the records of the Company, there are no dues outstanding of goods and service tax, income tax, customs duty, or cess on account of any dispute.
- 8) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans outstanding from financial institutions during the year. Thus, paragraph 3(viii) of the Order is not applicable.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of term loans and by issue of debentures. Thus, paragraph 3(ix) of the Order is not applicable to the Company.
- 10) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, Section 197 read with Schedule V to The Companies Act, 2013 is not applicable to Company. Thus, paragraph 3(xi) of the Order is not applicable to the Company.
- 12) In our opinion, the Company is not a Nidhi Company. Thus, paragraph 3(xii) of the Order is not applicable to the Company.





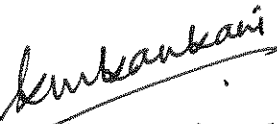
K. Kankani & Co.

CHARTERED ACCOUNTANTS

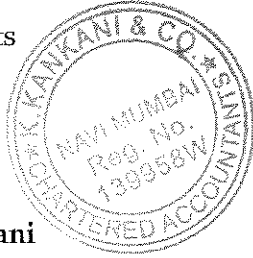
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- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Thus, paragraph 3(xiv) of the Order is not applicable to the Company.
- 15) Based upon the audit procedures performed and 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. Thus, paragraph 3(xv) of the Order is not applicable to the Company.
- 16) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Thus, paragraph 3(xvi) of the Order is not applicable to the Company

For K. Kankani & Co.
Chartered Accountants
F.R.No. : 139958W


Krishnamurari Kankani

Proprietor
Membership No. : 159946
UDIN : 19159946AAAACD6486



Place: Mumbai
Date:30/08/2019



Annexure B to Independent Auditors' Report

Referred to in paragraph (g) of the Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of Radius Infra Holdings Private Limited on the financial statements for the year ended March 31, 2019.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls over financial reporting of Radius Infra Holdings 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.

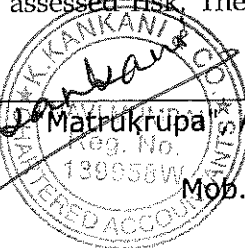
Management's Responsibility for Internal Financial Controls

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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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





assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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





K. Kankani & Co.

CHARTERED ACCOUNTANTS

Firm Reg. No. - 139958W

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 **K. Kankani & Co.**

Chartered Accountants

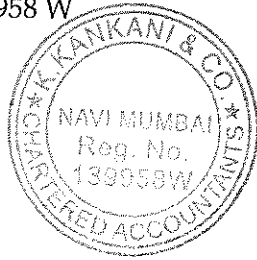
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Krishnamurari Kankani

Partner

Membership No.: 159946

UDIN : 19159946AAAACD6486



Place : Mumbai

Date : 30/08/2019

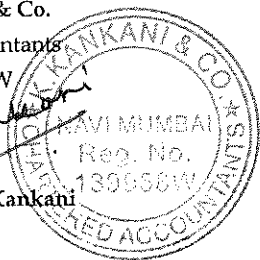
Radius Infra Holdings Private Limited
Balance Sheet as at 31st March 2019
(All amounts in Rupees, unless otherwise stated)

	Note	As at 31st March 2019	As at 31st March 2018
Equity and liabilities			
Shareholders' funds			
Share capital	3	100,000	100,000
Reserves and surplus	4	(42,356,919)	(25,275,749)
Non current liabilities			
Long term borrowings	5	1,120,880,067	849,900,000
Other long term liabilities	6	908,833	671,306
Current liabilities			
Short term borrowings	7	5,500,000	1,000,000
Trade payables	8	57,990,651	58,652,279
Other current liabilities	9	525,070,630	187,220,563
Total		1,668,093,262	1,072,268,399
Assets			
Non current assets			
Fixed Assets			
Tangible assets	10	258,490	375,901
Intangible assets	10	141,346	157,051
Capital work in progress	11	585,510	468,010
Non current investments	12	250,026,617	5,000
Deferred tax assets (net)	13	10,630,630	9,606,566
Long term loans and advances	14	285,207	29,112
Other non current assets	15	41,262,001	38,762,001
Current assets			
Inventories	16	1,297,492,874	1,002,261,231
Trade receivables	17	-	133,100
Cash and bank balances	18	542,869	166,352
Short term loans and advances	19	64,300,854	12,288,452
Other current assets	20	2,566,864	8,015,623
Total		1,668,093,262	1,072,268,399
Significant accounting policies	2		
Notes on financial statements	3 to 34		

This is the Balance Sheet referred to in our report of even date

For K. Kankani & Co.
Chartered Accountants
F.R.No. : 139958W

Krishnamurari Kankani
Proprietor
M.No. : 159946



For and on behalf of the Board of Directors

Sanjay Chhabria
Director
DIN: 00390438

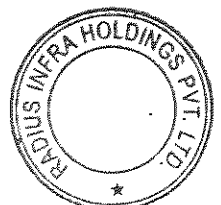
Anil Chhabria
Director
DIN: 07596939

Place: Mumbai

Date: 30 AUG 2019

Place : Mumbai

Date : 30 AUG 2019



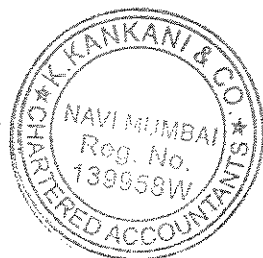
Radius Infra Holdings Private Limited
Profit and Loss for the Year ended 31 March 2019
(All amounts in Rupees, unless otherwise stated)

	Note	Year ended 31st March 2019	Year ended 31st March 2018
Income			
Other Income	21	96,162	8,431,974
Total income		96,162	8,431,974
Expenses			
Decrease / (Increase) in work in progress	22	(295,793,280)	(1,001,670,099)
Cost of construction	23	21,934,126	907,110,244
Depreciation expense	24	133,115	170,740
Finance cost	25	260,630,896	90,559,126
Other expenses	26	31,296,539	46,171,375
Total expenses		18,201,396	42,341,386
Profit/(Loss) before tax		(18,105,234)	(33,909,412)
Tax expenses			
Current tax		-	-
Deferred tax		(1,024,064)	(9,527,819)
Net Profit / (Loss) for the year		(17,081,170)	(24,381,593)
Earnings per equity share			
Basic and diluted	30	(1,708.12)	(2,438.16)
Significant accounting policies	2		
Notes on financial statements	3 to 34		

This is the Statement of Profit and Loss referred to in our report of even date

For K. Kankani & Co.
Chartered Accountants
F.R.No. : 139958W

Krishnamurari Kankani
Krishnamurari Kankani
Proprietor
M.No. : 159946



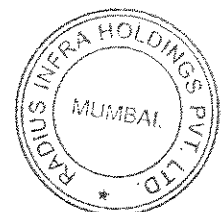
For and on behalf of the Board of Directors

Sanjay Chhabria
Sanjay Chhabria
Director
DIN: 00390438

Anil Chhabria
Anil Chhabria
Director
DIN: 07596939

Place: Mumbai
Date: 30 AUG 2019

Place : Mumbai
Date : 30 AUG 2019



Radius Infra Holdings Private Limited
Provisional Cash Flow statement for the period ended 31 March 2019
(All amounts in Rupees, unless otherwise stated)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
(A) Cash flow from operating activities		
Profit/(loss) before Tax	(18,105,234)	(33,909,412)
Adjustments for :		
Interest income	(1,750)	(8,306,746)
Interest expenses	170,593,993	82,006,268
Depreciation	133,115	170,740
	<u>152,620,124</u>	<u>39,960,850</u>
Changes in assets and liabilities		
(Increase)/decrease in inventories	(295,231,643)	(1,002,261,231)
Decrease/(Increase) in current assets, loans and advances, others	(51,879,302)	5,825,847
Increase/(decrease) in current liabilities and provisions	30,329,382	66,974,850
Cash generated from/(used in) operations	<u>(164,161,439)</u>	<u>(889,499,684)</u>
Payment of taxes	(256,095)	(29,112)
Net cash generated from/ (used in) operating activities	<u>(164,417,534)</u>	<u>(889,528,796)</u>
(B) Cash flow from investing activities		
Purchase of fixed assets	(117,500)	(73,713)
Investment in fixed deposits	(2,500,000)	(38,762,001)
Investment in shares	(250,021,617)	-
Withdrawal from partnership firm	371,456,096	96,495,961
Interest Income	5,450,509	291,123
Net cash generated from/(used in) investing activities	<u>124,267,488</u>	<u>57,951,370</u>
(C) Cash flow from financing activities		
Proceeds from secured loans	1,120,880,067	849,935,616
Repayment of secured loans	(849,900,000)	(35,616)
Proceeds from unsecured loans	4,500,000	1,000,000
Interest expenses paid	(234,953,505)	(19,742,642)
Net cash generated from/(used in) financing activities	<u>40,526,562</u>	<u>831,157,358</u>
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	376,517	(420,068)
Cash and cash equivalents at the beginning of the year	166,352	586,420
Cash and cash equivalents at the end of the year (Refer Note 18)	<u>542,869</u>	<u>166,352</u>
Components of cash and cash equivalents		
Cash on hand	-	-
Balances with scheduled banks in current accounts	542,869	166,352
Cash and cash equivalents for cash flow statement (Refer Note 18)	<u>542,869</u>	<u>166,352</u>

Note

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3, Cash Flow Statements, prescribed under the Companies (Accounting Standards) Rules, 2006.

This is the Cash flow statement referred to in our report of even date

For K. Kankani & Co.

Chartered Accountants

F.R.No. : 139958W

Krishnamurari Kankani

Proprietor

M.No. : 159946

Place : Mumbai

Date : 30 AUG 2019

For and on behalf of the Board of Directors



Sanjay Chhabria

Director

DIN: 00390438

Place : Mumbai

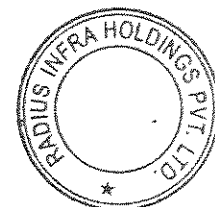
Date : 30 AUG 2019



Anil Chhabria

Director

DIN: 07596939



Radius Infra Holdings Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31st March 2019

(All amounts in Rupees, unless otherwise stated)

1 Background and nature of operations

Radius Infra Holdings Private Limited (the 'Company') was incorporated in India on July 23, 2014 as a private limited company. The Company is engaged primarily in the business of Real estates and Property Development, leasing the residential & commercial properties to earn lease rentals and for capital appreciations.

2 Significant accounting policies

(a) Basis of preparation of financial statements

The financial statements which have been prepared under the historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act, 2013 (the 'Act') and comply in all material aspects with the Accounting Standards specified under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 as applicable. The accounting policies have been consistently applied by the Company and are consistent with those in use during the previous year.

(b) Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Key estimates include estimate of income taxes, recognition of revenue and future obligations. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

(c) Revenue recognition

Revenue from real estate under development/sale of developed property is recognised upon transfer of all significant risks and rewards of ownership of such real estate/property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/agreements, except for contracts where the company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards. In such cases, the revenue is recognised on percentage of completion method in accordance with the principles enumerated in "Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India. Revenue is recognised in proportion to which contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. Land cost is not included for the purpose of computing the percentage of completion.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(d) Fixed assets and depreciation

Fixed assets

Tangible fixed assets

Tangible Fixed Assets are stated at cost of acquisition including any attributable cost for bringing the assets to its working condition and exclusive of value added tax credit on capital account. Further in case of impairment of assets, the fixed assets are carried at cost or recoverable amount whichever is less.

Depreciation

i) Tangible fixed assets

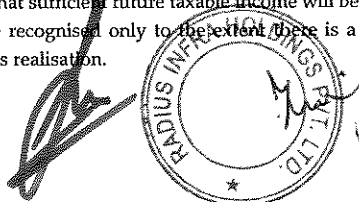
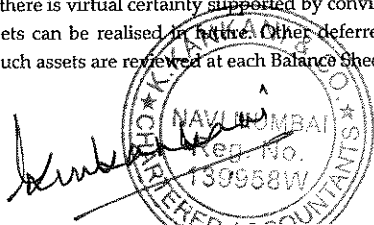
The Company has depreciated the tangible fixed assets on written down value method on the basis of useful life prescribed under Schedule II of The Companies Act, 2013.

i) Intangible fixed assets

The Company has depreciated the intangible fixed assets on straight line method on the basis of useful life prescribed under Schedule II of The Companies Act, 2013.

(e) Taxes on income

The provision for current taxation is computed in accordance with the relevant tax regulations. Deferred tax is recognised on timing differences between the accounting and taxable income for the period and quantified using the tax rates and laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses under tax laws are recognised and carried forward to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised in future. Other deferred tax assets are recognised only to the extent there is a reasonable certainty of realisation in future. Such assets are reviewed at each Balance Sheet date to reassess realisation.



Radius Infra Holdings Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31st March 2019

(All amounts in Rupees, unless otherwise stated)

(f) Earnings per share

The earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises of the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of shares, if any which would have been issued on the conversion of all dilutive potential equity shares.

(g) Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates. Provisions are recognised in the financial statements in respect of present probable obligations, for amounts which can be reliably estimated. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

(h) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Trade investments are the investments made for or to enhance the Company's business interests. Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost and provision for diminution in their value, other than temporary, is made in the financial statements. Profit/loss on sale of investments is computed with reference to the average cost of the investment.

(i) Cash and cash equivalents

Cash and cash equivalents for the purposes of Cash Flow Statement comprise cash at bank and on hand and short-term investments with an original maturity of three months or less.

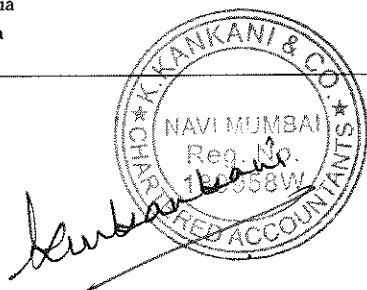
3 Share capital

3.1 Authorised, issued, subscribed & paid up share capital

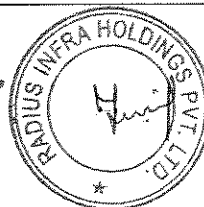
	As at 31st March 2019	As at 31st March 2018
(a) Authorised share capital		
Equity share capital		
10,000 (Previous year 10,000) equity shares of Rs. 10 each	100,000	100,000
(b) Issued, subscribed & paid up share capital		
Equity share capital		
10,000 (Previous year 10,000 shares) equity shares of Rs.10 each fully paid up	100,000	100,000
Total	100,000	100,000

3.2 Shareholders holding more than 5% of the share capital

	As at 31st March 2019		As at 31st March 2018	
	%held	No's	%held	No's
Equity shareholders				
Mr. Sanjay Chhabria	75%	7500	75%	7500
Mrs. Ritu Chhabria	25%	2500	25%	2500



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Radius Infra Holdings Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31st March 2019

(All amounts in Rupees, unless otherwise stated)

3.3 Reconciliation of share

	As at 31st March 2019	As at 31st March 2018
Equity shares		
Outstanding at the beginning of the year	10,000	10,000
Add: Shares issued during the year	-	-
Outstanding at the end of the year	<u>10,000</u>	<u>10,000</u>

3.4 Aggregate number of bonus shares issued and shares issued for consideration other than cash during five years immediately preceding the reporting date

The company has not issued any bonus shares nor has there been any buy back of shares during the five year immediately preceding 31 March 2019.

4 Reserves and surplus

	As at 31st March 2019	As at 31st March 2018
Surplus/ (Deficit) in the statement of profit and loss		
Balance at the beginning of the year	(25,275,749)	(894,156)
Profit / (Loss) for the year	(17,081,170)	(24,381,593)
Balance at the end of the year	<u>(42,356,919)</u>	<u>(25,275,749)</u>

5 Long term borrowings

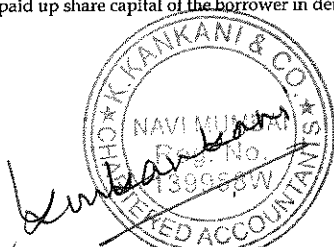
	As at 31st March 2019	As at 31st March 2018
Secured		
Non Convertible debentures (Refer foot note 1)	-	849,900,000
Loan from financial institution (Refer foot note 2)	1,120,880,067	-
Total	<u>1,120,880,067</u>	<u>849,900,000</u>

Foot notes:

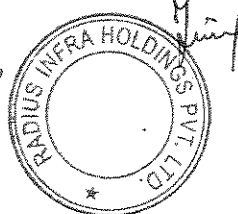
- 1) The Company had issued 849,900,000 Nos. 18% Non Convertible Debenture of Rs. 100,000/- each during FY 2017-18. The same has been repaid during the year
- 2) The Company has been sanctioned a term loan facilities amounting to Rs. 145,00,00,000 from a financial institution at an interest rate ranging from 14% to 14.5% pa. The tenure of the total loan is 60 months.

The above loan is secured by:

- a) Exclusive charge by way of registered mortgage on 1607 Sq. mtrs. (1675 sq. mtrs. As per actual survey) ("said Land") out of larger land admeasuring land admeasuring 3739.8 Sq. Mts. (as per Property card) bearing C.T.S. No. 1064 corresponding to Survey No. 82 and Plot No. 28 of Village Versova, Mumbai.
- b) Exclusive charge by way of hypothecation on all the movable assets of the Borrower Present and future, of the Project;
- c) Exclusive charge on Transferable Development Rights ("TDR") and/or FSI generating out of The Project (including the TDR purchased, if any by the Borrower for the Project until the Same is consumed in the Project);
- d) Exclusive charge on the entire Project receivables, both present and future;
- e) Exclusive charge/assignment by way of security interest on all rights, title, interest, claims, benefits, demands and privileges under Project documents, both present and future, including any benefits arising therefrom;
- f) Exclusive Charge on the Escrow Account, Debt Service Reserve Account ("DSRA") Maintained for the respective Project and monies deposited therein (including over any Investments made from the Escrow Account or in lieu of the DSRA, as the case may be);
- g) Unconditional and irrevocable Personal Guarantee of Mr. Sanjay Chhabaria;
- h) 100% Share pledge of fully paid up share capital of the borrower in dematerialized form (free from all kinds of encumbrances or restrictive covenants);
- i) Demand Promissory Note.



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Radius Infra Holdings Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31st March 2019

(All amounts in Rupees, unless otherwise stated)

6 Other long term liabilities

	As at 31st March 2019	As at 31st March 2018
Retention Money	908,833	671,306
Total	908,833	671,306

7 Short term borrowings

	As at 31st March 2019	As at 31st March 2018
Unsecured		
Loans from related parties	1,000,000	1,000,000
Loans from other	4,500,000	-
Total	5,500,000	1,000,000

8 Trade payables

	As at 31st March 2019	As at 31st March 2018
Due to micro and small enterprises (Refer foot notes)	-	-
Due to others	57,990,651	58,652,279
Total	57,990,651	58,652,279

Footnotes :

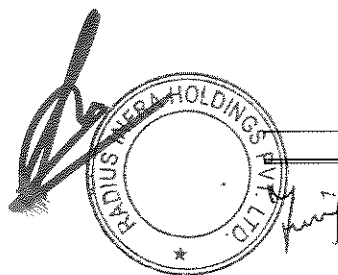
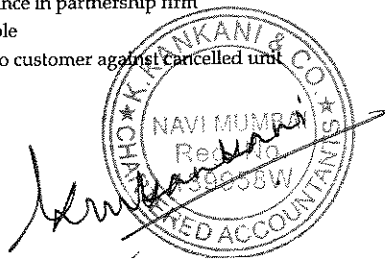
Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006").

- | | |
|--|-----|
| a. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year. | NIL |
| b. The amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to a supplier beyond the appointed day during each accounting year . | NIL |
| c. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed date during the year) but without adding interest under the act. | NIL |
| d. The amount of interest accrued and remaining unpaid at the end of each accounting year. | NIL |
| e. The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small companies, for the purpose of disallowance as deductible expenditure under section 23 . | NIL |

The Company has initiated the process of sending intimation to the suppliers regarding status under the Micro, Small and Medium Enterprises (M.S.M.E.) Development Act, 2006 (the 'Act'). The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company. They are relied upon by the auditors.

9 Other current liabilities

	As at 31st March 2019	As at 31st March 2018
Interest payable	347,499	64,707,011
Current account balance in partnership firm	486,035,676	114,579,580
Duties and tax payable	34,287,455	7,933,972
Advance repayable to customer against cancelled unit	4,400,000	-
Total	525,070,630	187,220,563



Radius Infra Holdings Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31st March 2019

(All amounts in Rupees, unless otherwise stated)

10 Fixed assets

	Tangible Motor car	Intangible Trademarks	Total
Gross block			
As at 31 March 2017	1,019,377	-	1,019,377
Additions	-	157,051	157,051
As at 31 March 2018	1,019,377	157,051	1,176,428
Additions	-	-	-
As at 31 March 2019	1,019,377	157,051	1,176,428
Accumulated depreciation			
As at 31 March 2017	472,736	-	472,736
Depreciation for the year ended 31 March 2018	170,740	-	170,740
As at 31 March 2018	643,476	-	643,476
Depreciation for the year ended 31 March 2019	117,410	15,705	133,115
As at 31 March 2019	760,886	15,705	776,591
Net block			
As at 31 March 2018	375,901	157,051	532,952
As at 31 March 2019	258,491	141,346	399,837

11 Capital work in progress

	As at 31st March 2019	As at 31st March 2018
Capital work in progress	585,510	468,010
Total	585,510	468,010

12 Non current investments

	As at 31st March 2019	As at 31st March 2018
Investment in partnership firm		
M/s. Radius Enterprises	5,000	5,000
Investment in equity shares, unquoted		
E-Commerce Magnum Solution Ltd	250,021,617	-
Total	250,026,617	5,000



Radius Infra Holdings Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31st March 2019

(All amounts in Rupees, unless otherwise stated)

12.1 The Company is a partner in a Partnership Firm named "Radius Enterprises" with a share of 6% in profits and loss of the firm. Following are the relevant details :

Name of the partners	Profit/loss sharing ratio (%)	Amount
Aaditri Estate Developers Private Limited	6.00%	5,000
Aaditri Estate Projects Private Limited	6.00%	5,000
Arlington Developers LLP	0.10%	5,000
Astoria Homes LLP	0.10%	5,000
Chelmsford Developers LLP	0.10%	5,000
Devaryaa Hospitalities Private Limited	7.50%	5,000
Dipti Realtors Private Limited	6.00%	5,000
Epitome Residency Private Limited	6.00%	5,000
Indo Global Soft Solutions & Technologies Private Limited	6.00%	5,000
Radius Infra Holdings Private Limited	6.00%	5,000
Raghuleela Builders Private Limited	8.00%	5,000
Raghuleela Infraventures Private Limited	6.00%	5,000
RSC Infrarealty LLP	0.10%	5,000
Mr. Sanjay R Chhabria	0.10%	5,000
SC Infraventures Private Limited	6.00%	5,000
SRC Estate Projects Private Limited	6.00%	5,000
Radius Estates and Developers Private Limited	6.00%	5,000
Radius Estate Projects Private Limited	6.00%	5,000
Vishwaroop Residency Private Limited	6.00%	5,000
Epitome Homes Private Limited	6.00%	5,000
Equinox Residency Private Limited	6.00%	5,000
Total	100.00%	105,000

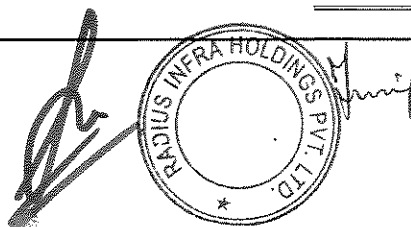
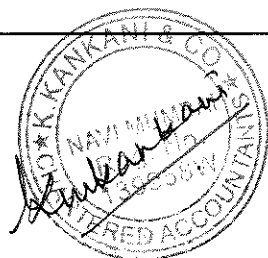
The accounts of the partnership firm are provisional and yet to be finalized. In the absence of audited financial statements of the partnership firm, the Company has not recorded share of profit/(loss) of the partnership firm in the current year and the same would be recorded only on completion of audit of financial statements of the partnership firm.

13 Non current investments

	As at 31st March 2019	As at 31st March 2018
Deferred tax assets		
Difference in written down value of fixed assets as per tax books and financial books	99,060	94,357
On account of carry forward losses and unabsorbed depreciation as per tax laws	10,531,570	9,512,209
Total	10,630,630	9,606,566

14 Long term loans and advances

	As at 31st March 2019	As at 31st March 2018
(Unsecured, considered good unless otherwise stated)		
Advance tax (net of provision)	285,207	29,112
Total	285,207	29,112



Radius Infra Holdings Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31st March 2019

(All amounts in Rupees, unless otherwise stated)

15 Other non current assets

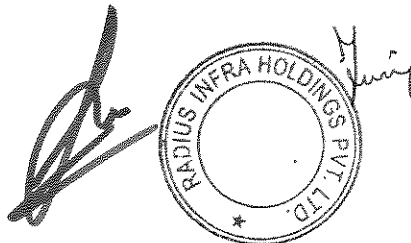
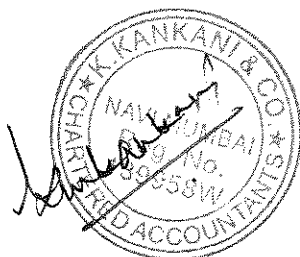
	As at 31st March 2019	As at 31st March 2018
Deposits with scheduled banks (Refer note 18)	41,262,001	38,762,001
Total	41,262,001	38,762,001

16 Inventories

	As at 31st March 2019	As at 31st March 2018
(At cost or net realizable value, whichever is less)		
Construction work in progress	1,297,463,379	1,001,670,099
Raw materials	29,494	591,132
Total	1,297,492,874	1,002,261,231
Opening work in progress	1,001,670,099	-
Total (a)	1,001,670,099	-
Cost incurred during the year		
Cost of construction	21,934,126	907,110,244
Finance cost	260,630,896	78,535,691
Marketing cost	137,050	7,671,703
Legal and professional charges	13,091,208	8,352,461
Total (b)	295,793,280	1,001,670,099
Total construction cost at the year end (a+b)	1,297,463,379	1,001,670,099
Less : Transfer of cost during the year		
Transferred to Statement of Profit and Loss	-	-
Total (c)	-	-
Closing work in progress	1,297,463,379	1,001,670,099

17 Trade receivables

	As at 31st March 2019	As at 31st March 2018
(Unsecured, considered good unless otherwise stated)		
Outstanding for a period exceeding six months	-	-
Others	-	133,100
Total	-	133,100



Radius Infra Holdings Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31st March 2019

(All amounts in Rupees, unless otherwise stated)

18 Cash and bank balances

	As at 31st March 2019	As at 31st March 2018
Cash and cash equivalents		
Balance with scheduled banks in current accounts	542,869	166,352
	<u>542,869</u>	<u>166,352</u>
Other balances with scheduled bank		
Deposits with maturity more than 3 months but less than 12 months	-	-
Bank deposits with maturity of more than 12 months	41,262,001	38,762,001
Less : Non current portion (Refer note 15)	<u>(41,262,001)</u>	<u>(38,762,001)</u>
	-	-
Total	<u>542,869</u>	<u>166,352</u>

19 Short term loans and advances

	As at 31st March 2019	As at 31st March 2018
(Unsecured, considered good unless otherwise stated)		
Balance with statutory authorities	33,982,135	12,272,312
Prepaid expenses	52,645	-
Security deposits	16,140	16,140
Advance to suppliers	476,025	-
Loans to related parties	7,016,200	-
Other receivables	22,757,709	-
Total	<u>64,300,854</u>	<u>12,288,452</u>

20 Other current assets

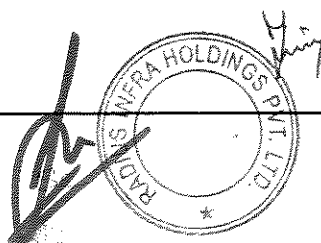
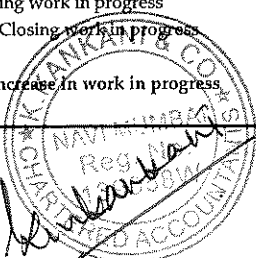
	As at 31st March 2019	As at 31st March 2018
Interest receivable	2,566,864	8,015,623
Total	<u>2,566,864</u>	<u>8,015,623</u>

21 Other Income

	Year ended 31st March 2019	Year ended 31st March 2018
Scrap income	94,412	125,228
Interest income	1,750	8,306,746
Total	<u>96,162</u>	<u>8,431,974</u>

22 Decrease / (Increase) in work in progress

	Year ended 31st March 2019	Year ended 31st March 2018
Opening work in progress	1,001,670,099	-
Less: Closing work in progress	1,297,463,379	1,001,670,099
Net increase in work in progress	<u>(295,793,280)</u>	<u>(1,001,670,099)</u>



Radius Infra Holdings Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31st March 2019

(All amounts in Rupees, unless otherwise stated)

23 Cost of construction

	Year ended 31st March 2019	Year ended 31st March 2018
Land and development rights	-	731,562,500
Material, labour, other development and construction costs	21,893,308	137,889,044
Stamp duty and registration charges	40,818	37,658,700
Total	21,934,126	907,110,244

24 Depreciation expense

	Year ended 31st March 2019	Year ended 31st March 2018
Depreciation on fixed assets (Refer note 10)	133,115	170,740
Total	133,115	170,740

25 Finance cost

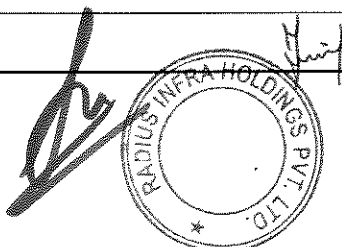
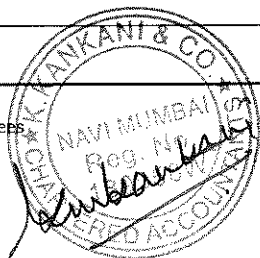
	Year ended 31st March 2019	Year ended 31st March 2018
Interest expenses		
- On secured loan	168,744,678	71,510,569
- Others	1,849,315	10,495,699
Loan processing charges and Stamp duty charges	53,871,000	8,530,000
Brokerage and commission	39,000,000	-
Bank charges	17,974	22,858
Less : Interest income on fixed deposit	(2,852,071)	-
Total	260,630,896	90,559,126

26 Other expenses

	Year ended 31st March 2019	Year ended 31st March 2018
Remuneration to auditors (Refer note 27)	10,000	5,000
Directors Remuneration	120,000	-
Share of loss from partnership firm	14,951,719	3,352,576
Pre operative expenses	-	17,078,548
Legal and professional charges	13,091,208	8,352,461
Rates and taxes	26,777	33,246
Marketing cost	137,050	7,671,703
Interest on statutory dues	2,595,947	9,582,130
Administrative and other expenses	363,838	95,711
Total	31,296,539	46,171,375

27 Remuneration to auditors

	Year ended 31st March 2019	Year ended 31st March 2018
Statutory audit fees	10,000	5,000



Radius Infra Holdings Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31st March 2019

(All amounts in Rupees, unless otherwise stated)

28 Related Party Transactions

28.1 Names of related parties and description of relationship

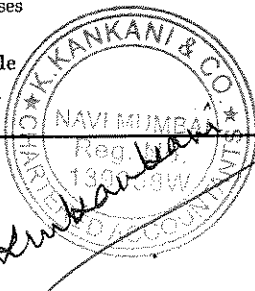
Relationship	Name of related party
Key Managerial Personnel	Mr. Sanjay Chhabria Mr. Anil Chhabria
Enterprises controlled or significantly influenced by Company or their relatives with whom transactions have occurred	Indo Global Soft Solutions and Technologies Private Limited Radius Enterprises E Commerce Magnum Solution Limited

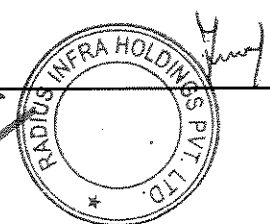
28.2 Details of related party transactions

	Year ended 31st March 2019	Year ended 31st March 2018
Unsecured loans taken		
Indo Global Soft Solutions and Technologies Private Limited	-	1,000,000
Unsecured loans given		
E Commerce Magnum Solution Limited	7,016,200	
Investment in/(withdrawal from) partnership firm		
Radius enterprises		
- Current capital	(356,504,377)	(93,143,385)
Profit/(loss) received from partnership firm		
Radius Enterprises	(14,951,719)	(3,352,576)
Interest income		
Radius Enterprises	-	8,015,623
Interest expenses		
Sanjay Chhabria	-	386,110

28.3 Details of outstanding to related parties

	Year ended 31st March 2019	Year ended 31st March 2018
Unsecured loans taken		
Indo Global Soft Solutions and Technologies Private Limited	1,000,000	1,000,000
Unsecured loan given		
E Commerce Magnum Solution Limited	7,016,200	-
Investment in/(withdrawal from) partnership firm		
Radius enterprises		
- Fixed capital	5,000	5,000
- Current capital	(486,035,676)	(114,579,580)
Interest receivable		
Radius Enterprises	-	8,015,623
Interest payable		
Sanjay Chhabria	347,499	347,499

Sanjay Chhabria


[Signature]


Radius Infra Holdings Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31st March 2019

(All amounts in Rupees, unless otherwise stated)

29 Expenditure in foreign currency (on accrual basis)

	Year ended 31st March 2019	Year ended 31st March 2018
Consultancy Charges (Refer Note no.23)	1,565,784	-
Total	1,565,784	-

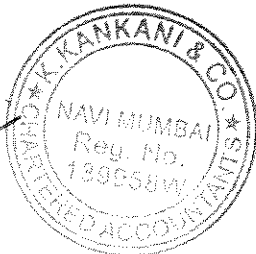
30 Earnings per equity share

	Year ended 31st March 2019	Year ended 31st March 2018
a) Computation of profit/(loss) for computing Basic earnings per share from total operations		
Loss attributable to equity shareholders	(17,081,170)	(24,381,593)
b) Computation of number of shares Basic earnings per share	10,000	10,000
c) Nominal value of shares	10	10
d) Computation Basic and diluted	(1,708.12)	(2,438.16)

- 31 The Company has made applications with "Intellectual Property India" for registration of Trademarks and licenses of various projects. Initial expenses incurred towards the same has been disclosed as Capital work-in-progress (CWIP) and once the Trademarks are registered expenses are capitalised as Intangible Assets - Trademarks.
- 32 The Company is currently undertaking project "7 waterfront" at Versova, Mumbai which is at initial stage. All the costs incurred related to the project are considered as part of total project cost and included as work-in-progress. This will be charged off to the Statement of Profit and Loss along with other costs of the project based on percentage of completion method.
- 33 In the opinion of the Board of Directors, current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amounts at which they are stated and provision for all known liabilities have been made in the accounts.
- 34 The financial statements have been prepared in the format prescribed by the Schedule III of Companies Act 2013. Previous year's figure have been regrouped or reclassified to confirm current year's presentation, wherever considered necessary.

For K. Kankani & Co.
Chartered Accountants
F.R.No. : 139958W

Kankani
Kishnamurari Kankani
Proprietor
M.No. : 159946



Place: Mumbai

Date: 30 AUG 2019

For and on behalf of the Board of Directors

Sanjay Chhabria
Sanjay Chhabria
Director
DIN: 00390438

Anil Chhabria
Anil Chhabria
Director
DIN: 07596939

Place : Mumbai

Date : 30 AUG 2019

