Pacifica India Projects Private Limited

Standalone Financial Statements
together with the
Independent Auditors' Report
for the Year ended 31 March 2018

Pacifica India Projects Private Limited

Standalone Financial Statements together with the Independent Auditors' Report

for the year ended 31 March 2018

Contents

B S R & Associates LLP

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Independent Auditors' report

To The Members of

Pacifica India Projects Private Limited

Report on the Audit of the Standalone Financial Statements (prepared as per Accounting Standards)

We have audited the accompanying standalone financial statements (prepared as per Accounting Standards) of Pacifica India Projects Private Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2018, the Standalone Statement of Profit and Loss and the Standalone Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as 'standalone financial statements').

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibility

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

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

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

Independent Auditors' report *(continued)*

Pacifica India Projects Private Limited

Auditors' Responsibility *(Continued)*

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We are also responsible to 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditors' report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31 March 2018, its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

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

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

c) The Standalone Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act.

B S R & Associates LLP AHMEDABAD Chartered Accountants

Independent Auditors' report *(continued)*

Pacifica India Projects Private Limited

e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

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

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No. 116231W/W-100024

Jeyur Shah
Partner
Membership No. 045754

Ahmedabad
29 September 2018

Pacifica India Projects Private Limited

Annexure "A" to the Independent Auditors' Report – 31 March 2018

With reference to the Annexure referred to in our report of even date, we report that:

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) As there are no immovable properties with the company, paragraph 3(i) (c) of the Order is not applicable to the Company.

ii. The inventory of the Company represents construction in progress of real estate property which includes land and development related cost, consumption of material and labour cost, legal and professional fees and other incidental direct cost, which has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No discrepancies were noticed on verification between the physical stocks and the book records.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act"). Accordingly, paragraphs 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not given any loan, made any investment, given any guarantee, or provided any security under Section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 (1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made detailed examination of the records.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income tax, Goods and Service tax, Service tax, Value Added Tax, Professional Tax, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Provident fund, Employees state insurance, Sales tax, Duty of Excise and Duty of Customs and Goods and Service tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Service tax, Value Added Tax, Professional Tax, Goods and Service tax, Cess and other material statutory dues were in arrears as at 31 March 2018 for more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income tax, Service tax, Value Added Tax, Goods and service tax and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

B S R & Associates LLP + AHMEDABAD + Chartered Accountants

Pacifica India Projects Private Limited

Annexure "A" to the Independent Auditors' Report – 31 March 2018 *(Continued)*

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to its bankers, financial institutions and debenture holders. The Company does not have any loans or borrowings from government.

ix. The Company did not raise any money by way of an initial public offer or further public offer (including debt instrument). In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied for the purpose for which they were obtained.

x. According to the information and explanations given to us, no fraud on or by the Company by its officers or employees have been noticed or reported during the course of our audit.

xi. The Company is not a public limited company and hence the provisions of Section 197 of the Act are not applicable to the company. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act where applicable and the details of such related party transactions have been disclosed in the standalone financial statements as required by applicable accounting standards. Section 177 of the Act is not applicable to the Company.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. 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. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Ahmedabad
29 September 2018

Pacifica India Projects Private Limited

Annexure "B" to the Independent Auditors' Report of even date on the Standalone Financial statements of Pacifica India Projects Private Limited – 31 March 2018

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

We have audited the internal financial controls with reference to standalone financial statements of Pacifica India Projects Private Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone 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 with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and 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 with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

B S R & Associates LLP
AHMEDABAD
Chartered Accountants

Pacifica India Projects Private Limited

Annexure "B" to the Independent Auditors' Report of even date on the Standalone Financial statements of Pacifica India Projects Private Limited – 31 March 2018 *(Continued)*

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to standalone financial statements 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 ICAI.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Ahmedabad
29 September 2018

Pacifica India Projects Private Limited

Standalone Balance sheet
as at 31 March 2018

(Currency: Indian Rupees)

	Note	**31 March 2018**	31 March 2017
Equity and liabilities			
Shareholder's funds			
Share capital	*3*	**4,00,79,055**	4,00,79,055
Reserves and surplus	*4*	**48,11,29,870**	49,34,59,104
		52,12,08,925	53,35,38,159
Non-current liabilities			
Long-term borrowings	*5*	**3,16,91,71,929**	3,16,42,02,739
Other long-term liabilities	*6*	**1,25,83,648**	1,33,97,882
Long-term provisions	*7*	**10,76,693**	7,45,889
		3,18,28,32,270	3,17,83,46,510
Current liabilities			
Trade payables	*8*		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditor other than micro and small		**6,98,37,591**	8,04,48,450
Other current liabilities	*9*	**2,29,14,45,621**	1,93,50,63,884
Short-term provisions	*10*	**23,34,985**	2,44,803
		2,36,36,18,197	2,01,57,57,137
		6,06,76,59,392	5,72,76,41,806
Assets			
Non-current assets			
Property, plant and equipment	*11 (a)*	**12,76,299**	22,50,940
Capital work-in-progress	*11 (b)*	**27,18,90,062**	27,15,22,062
Non-current investments	*12*	**3,30,000**	1,95,000
Deferred tax assets	*13*	**4,84,75,236**	8,31,99,406
Long-term loans and advances	*14*	**83,15,34,188**	1,30,69,53,504
Other non-current assets	*15*	**1,61,39,304**	63,43,597
		1,16,96,45,089	1,67,04,64,509
Current assets			
Inventories	*16*	**1,65,40,98,271**	1,40,91,75,040
Cash and bank balances	*17*	**4,65,59,288**	11,70,85,349
Short-term loans and advances	*18*	**3,19,73,56,744**	2,53,09,16,908
		4,89,80,14,303	4,05,71,77,297
		6,06,76,59,392	5,72,76,41,806

Significant accounting policies 2

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached.

For **B S R & Associates LLP**
Chartered Accountants
Firm Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 29 September 2018

For and on behalf of the Board of Directors of
Pacifica India Projects Private Limited
CIN No: U45200GJ2005FTC047249

Rakesh Israni
Director
DIN No: 00012485

Place: Ahmedabad
Date: 29 September 2018

Gunjan Israni
Director
DIN No: 00012493

Place: Ahmedabad
Date: 29 September 2018

PACIFICA (INDIA) PROJECTS PVT. LTD.

Pacifica India Projects Private Limited

Standalone Statement of profit and loss

for the year ended 31 March 2018

(Currency: Indian Rupees)

	Note	31 March 2018	31 March 2017
Income			
Revenue from operations (net)	19	**93,15,70,043**	46,85,22,891
Other income	20	**1,90,16,033**	1,05,96,326
		95,05,86,076	47,91,19,217
Expenses			
Cost of sales and services	21	**78,65,86,610**	26,08,18,348
Employee benefits expense	22	**1,47,65,835**	1,34,62,611
Depreciation	11 (a)	**9,14,757**	5,46,012
Other expenses	23	**12,59,23,938**	17,92,62,173
		92,81,91,140	45,40,89,144
Profit before tax		**2,23,94,936**	2,50,30,073
Tax expense:			
Current tax		**46,14,030**	51,03,869
MAT credit entitlement		**(46,14,030)**	(51,28,118)
Short income tax for earlier years		-	24,249
Reversal of deferred tax asset		**3,47,24,170**	82,69,273
(Loss) / profit for the year		**(1,23,29,234)**	1,67,60,800
Earning per share	30		
Basic and diluted earnings per share:			
face value of Rs. 10 (previous year: Rs. 10) per share		**(3.08)**	4.18
face value of Re. 1 (previous year: Re. 1) per share		**(0.31)**	0.42
Significant accounting policies	2		

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached.

For **B S R & Associates LLP**
Chartered Accountants
Firm Registration No: 116231W/W-100024

For and on behalf of the Board of Directors of
Pacifica India Projects Private Limited
CIN No: U45200GJ2005FTC047249

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 29 September 2018

Rakesh Israni
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Gunjan Israni
Director
DIN No: 00012493

Place: Ahmedabad
Date: 29 September 2018

PACIFICA (INDIA) PROJECTS PVT. LTD.

Pacifica India Projects Private Limited

Standalone Cash flow statement

for the year ended 31 March 2018

(Currency: Indian Rupees)

		31 March 2018	31 March 2017
A	**Cash flow from operating activities**		
	Profit before tax	**22,394,936**	25,030,073
	Adjustments:		
	Depreciation	**914,757**	546,012
	Interest income	**(180,262)**	(673,948)
	Operating cash flow before working capital changes	**23,129,431**	24,902,137
	Increase in other liabilities	**305,251,134**	932,891,440
	(Decrease) / increase in trade payables	**(10,610,859)**	39,281,675
	Increase in provisions	**385,845**	464,289
	(Increase) in inventories	**(196,725,481)**	(253,817,361)
	Decrease / (increase) in loans and advances	**364,653,697**	(171,226,790)
	Cash generated from operations	**486,083,767**	572,495,390
	Less : Income tax paid (net)	**2,578,889**	5,513,025
	Net cash generated from operating activities (A)	**483,504,878**	566,982,365
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	**(535,284)**	(2,058,249)
	Expenditure on capital work-in-progress	**(368,000)**	(2,108,473)
	(Investment in) / maturity of bank deposits (net)	**(9,280,778)**	2,380,512
	Investment in shares of subsidiary companies	**(135,000)**	(65,000)
	Inter-corporate loan (given) (net)	**(768,473,898)**	(755,706,447)
	Loan to others (given)	**(5,000,000)**	-
	Repayment of loan given to subsidiary companies	**222,413,711**	8,192,343
	Interest received	**449,067**	1,633,802
	Net cash (used in) investing activities (B)	**(560,930,182)**	(747,731,512)
C	**Cash flow from financing activities**		
	Proceeds from borrowings from banks (net)	**55,279,918**	142,008,084
	Proceeds from issue of debentures	**-**	100,045,000
	Interest paid	**(48,447,163)**	(31,424,913)
	Net cash generated from financing activities (C)	**6,832,755**	210,628,171
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(70,592,549)**	29,879,024
	Cash and cash equivalents at the beginning of the year	**117,085,349**	87,206,325
	Cash and cash equivalents at the end of the year (refer note 1 below)	**46,492,800**	117,085,349

B S R & Associates LLP
AHMEDABAD
Chartered Accountants

Pacifica India Projects Private Limited

Standalone Cash flow statement *(Continued)*

for the year ended 31 March 2017

(Currency: Indian Rupees)

		31 March 2018	31 March 2017
Notes :			
1	Cash and cash equivalents comprise of (refer note 17)		
	Cash on hand	**7,21,825**	7,21,662
	Bank balances		
	- in current accounts	**4,57,70,975**	11,05,29,633
	- in deposit accounts (with original maturity of 3 months or less)	**-**	58,34,054
		4,64,92,800	11,70,85,349

2 The cash flow statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statement'.

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For B S R & Associates LLP
Chartered Accountants
Firm Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 29 September 2018

For and on behalf of the Board of Directors of
Pacifica India Projects Private Limited
CIN No: U45200GJ2005FTC047249

Rakesh Israni
Director
DIN No: 00012485

Place: Ahmedabad
Date: 29 September 2018

Gunjan Israni
Director
DIN No: 00012493

Place: Ahmedabad
Date: 29 September 2018

PACIFICA (INDIA) PROJECTS PVT. LTD.

(Currency: Indian Rupees)

1. Background

Pacifica India Projects Private Limited ('the Company') was incorporated on 9 December 2005. The Company is engaged in the business of real estate development as a builder developer and is primarily engaged in construction and sale of residential and commercial premises including bungalows, houses, flats, apartments, row houses, development of industrial park and leasing out the same, either directly or through its subsidiary.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 ('the Act') and the accounting principles generally accepted in India and comply with the accounting standards notified under Section 133 of the Companies Act 2013.

All assets and liabilities have been classified as current or non-current as per Companies normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Project related assets and liabilities are classified into current and non-current on the basis of time between the acquisition of assets for processing and their realisation in cash or cash and cash equivalents relating to that project. For other assets and liabilities operating cycle is considered as 12 months for the purpose of classification in to current and non-current.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements which in management's opinion are prudent and reasonable. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

As per the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India Effective April 1, 2012, revenue is recognized up on transfer of significant risk and rewards of such properties to buyers/customers. Such transfer occurs when the Company enters into Agreement for Sale and it is not unreasonable to expect ultimate collection of revenue from buyers/customers. Revenue is recognized by applying percentage of completion method only if following thresholds have been met:

B S R & Associates LLP AHMEDABAD Chartered Accountants

PACIFICA (INDIA) PROJECTS PVT. LTD.

(Currency: Indian Rupees)

2. Significant accounting policies *(Continued)*

2.3 Revenue recognition (Continued)

a) All critical approvals necessary for the commencement of the project have been obtained;

b) The expenditure incurred on construction and development costs (excluding land cost) is not less than 25% of the total estimated construction and development costs;

c) At least 25% of the saleable project area is secured by contracts/agreements with buyers; and

d) At least 10% of the contracts/agreements values are realized at the reporting date in respect of such contracts/agreements.

Interest income is recognized using the time proportion method, based on the underlying interest rates.

2.4 Inventories and project work in progress

Direct expenses like cost of land, purchase of joint development rights, site labour cost, material used for project construction, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, and construction overheads are taken as the cost of the inventories.

Inventories are valued at lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.5 Property, plant and equipment and depreciation

Property, plant and equipment

Property, plant and equipment ('PPE') are carried at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes inward freight, duties, taxes (to the extent not recoverable from tax authorities) and expenses incidental to acquisition and installation of the PPE up to the time the assets are ready for intended use.

Depreciation

Depreciation is provided on written down value method based on the useful lives as prescribed under Schedule II of the Act.

Depreciation on additions is provided on pro-rata basis from the date of capitalization. Depreciation on deletion during the year is provided up to the date on which the asset is sold / discarded.

Assets costing up to rupees five thousand are fully depreciated in the year of purchase.

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2. Significant accounting policies *(Continued)*

2.6 Impairment of assets

In accordance with AS 28 on 'Impairment of assets', the Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and value in use. Value in use is the present value of the estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. In assessing the value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.7 Borrowing costs

Borrowing costs that are attributable to acquisition, construction or production of qualifying assets are capitalised as part of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Capitalisation of borrowing costs is suspended during the extended period in which active development is interrupted. Capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

2.8 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the dates of the transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the statement of profit and loss of that year.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the closing exchange rates. The resultant exchange differences are recognized in the statement of profit and loss.

2.9 Brokerage and commission expense

Brokerage and commission expense is accounted as per the contractual terms agreed with brokers / agents.

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2. Significant accounting policies *(Continued)*

2.10 Cash and cash equivalents

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

2.11 Employee Benefits

***(a)* Short term employee benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the year.

***(b)* Long term employee benefits:**

***a)* Defined benefit plan**

Post-employment benefits:

The Company's gratuity benefit scheme is an unfunded defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. Such benefit is discounted to determine its present value and the fair value of any plan assets is deducted to arrive at the net obligation.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the balance sheet date. When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in the statement of profit and loss.

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2. Significant accounting policies *(Continued)*

2.11 Employee Benefits (Continued)

(b) Long term employee benefits: *(Continued)*

a) Defined benefit plan *(Continued)*

Other long-term employment benefits:

The Employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve month after the end of the period in which the employee render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

2.12 Taxes on income

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expenses is recognised in the statement of profit and loss except that tax expense related to items recognised directly in reserves which is recognised in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternative Tax ('MAT')

Minimum Alternative Tax ('MAT') under the provisions of the income –tax Act, 1961 is recognized as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognized as an asset only when and to the extend there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists

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2. Significant accounting policies *(Continued)*

2.13 Earnings per share ('EPS')

Basic EPS is computed by dividing the net profit attributable to shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year-end, except where the results would be anti dilutive

2.14 Provisions and contingencies

Provisions

A provision is recognised if, as a result of past event, the Company has present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

2.15 Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognised in the period in which the change occurs.

2.16 Investments

Long term investments are stated at cost. Provision for diminution in value is made only when in the opinion of the management there is a decline other than temporary in the carrying value of such investments. Current investments are valued at lower of cost or market value whichever is lower.

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(Currency : Indian rupees)

		31 March 2018	31 March 2017
3	**Share capital**		
	Authorised :		
	21,425,000 (previous year: 21,425,000) class A equity shares of Rs. 10 each	21,42,50,000	21,42,50,000
	750,000 (previous year: 750,000) class B equity shares of Re. 1 each	7,50,000	7,50,000
		21,50,00,000	21,50,00,000
	Issued, subscribed and paid-up		
	3,966,593 (previous year: 3,966,593) class A equity shares of Rs. 10 each, fully paid up	3,96,65,930	3,96,65,930
	413,125 (previous year: 413,125) class B equity Shares of Re. 1 each, fully paid up	4,13,125	4,13,125
		4,00,79,055	4,00,79,055

a. Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

	31 March 2018		31 March 2017	
	Number of shares	Amount	Number of shares	Amount
Class A equity shares				
Balance outstanding at the beginning and at the end of the year	39,66,593	3,96,65,930	39,66,593	3,96,65,930
Class B equity shares				
Balance outstanding at the beginning and at the end of the year	4,13,125	4,13,125	4,13,125	4,13,125

b. Rights, preferences and restrictions attached to equity shares

The company has two classes of equity shares (i) class A equity shares having a par value of Rs. 10 per share and (ii) class B equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The Company has not declared any dividend during the year.

c. Shares held by holding company

	31 March 2018		31 March 2017	
	Number of shares	Amount	Number of shares	Amount
PAC OMR Ventures Limited	38,01,859	3,80,18,590	38,01,859	3,80,18,590

d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	31 March 2018		31 March 2017	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Class A equity shares				
PAC OMR Ventures Limited	38,01,859	96%	38,01,859	96%
Class B equity shares				
Mrs. Gunjan Israni	4,13,125	100%	4,13,125	100%

e. Terms of securities convertible into equity shares - refer note 5 for details of shares to be issued on conversion of compulsorily convertible debentures.

(Currency : Indian rupees)

	31 March 2018	31 March 2017
4 Reserves and surplus		
Capital reserve		
Balance at the beginning and at the end of the year	**49,061,015**	49,061,015
	49,061,015	49,061,015
Surplus in the statement of profit and loss		
At the beginning of the year	**444,398,089**	427,637,289
Add: (Loss) / profit for the year	**(12,329,234)**	16,760,800
Balance at the end of the year	**432,068,855**	444,398,089
	481,129,870	493,459,104

5 Long-term borrowings

	Non-current portion		Current portion*	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Unsecured				
Debentures				
52,000 (previous year : 52,000) Series A, Compulsorily convertible debentures of Rs. 5,000 each [refer note (a) (i) below]	**260,000,000**	260,000,000	-	-
12,000 (previous year : 12,000) Series B, Compulsorily convertible debentures of Rs. 5,000 each [refer note (a) (i) below]	**60,000,000**	60,000,000	-	-
158,956 (previous year : 158,956), 12% Compulsorily convertible debentures of Rs. 5,000 each [refer note (a) (ii) below]	**794,780,000**	794,780,000	-	-
163,447 (previous year : 163,447), 12% Compulsorily convertible debentures of Rs. 5,000 each. [refer note (a) (iii) below]	**817,235,000**	817,235,000	-	-
53,243 (previous year : 53,243), 12% Compulsorily convertible debentures of Rs. 5,000 each [refer note (a) (iv) below]	**266,215,000**	266,215,000	-	-
61,113 (previous year : 61,113), 12% Compulsorily convertible debentures of Rs. 5,000 each [refer note (a) (v) below]	**305,565,000**	305,565,000	-	-
26,488 (previous year : 26,488), 12% Compulsorily convertible debentures of Rs. 5,000 each [refer note (a) (vi) below]	**132,440,000**	132,440,000	-	-
7,447 (previous year : 7,447), 12% Compulsorily convertible debentures of Rs. 5,000 each [refer note (a) (vii) below]	**37,235,000**	37,235,000	-	-
20,009 (previous year : 20,009), 12% Compulsorily convertible debentures of Rs. 5,000 each [refer note (a) (viii) below]	**100,045,000**	100,045,000	-	-
	2,773,515,000	2,773,515,000	-	-
Secured				
Term loans from ICICI Bank Limited [refer note (b) below]	**69,143,938**	98,734,874	**3,450,000**	-
Overdraft facilities from ICICI Bank Limited [refer note (c) below]	**93,525,035**	81,952,865	-	-
Overdraft facility from State Bank of India [refer note (d) below]	**132,890,536**	210,000,000	**59,900,000**	13,039,272
Term loans from Fedbank Financial Services Limited [refer note (e) below]	**100,097,420**	-	-	-
	395,656,929	390,687,739	**63,350,000**	13,039,272
	3,169,171,929	3,164,202,739	**63,350,000**	13,039,272

* Amount disclosed under "other current liabilities"

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5 Long-term borrowings *(Continued)*

(a) *Debentures*

(i) In pursuance of the supplement agreement dated 3 November 2010 to the main agreement dated 21 June 2007 with debenture holders of 4% fully and mandatorily convertible debentures, having face value of Rs. 5,000 each; and

In pursuance of second amendment agreement dated 17 August 2012 to the debenture subscription agreement dated 21 June 2007, the terms of 52,000 series A debentures and 12,000 Series B Debentures having face value of Rs. 5,000 each, have been modified as under;

i) The rate of interest on the amount of debentures outstanding from 23 July 2007 to 15 September 2009 shall be 4% p.a.
ii) The rate of interest on the amount of debentures outstanding from 16 September 2009 to 31 March 2010 shall be 0% p.a.
iii) The rate of interest on the amount of debentures outstanding from 1 April 2010 to 3 November 2010 shall be 8% p.a.

The debentures were divided in to 52,000 series A debenture and 12,000 series B debenture, and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion.
The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

a) Series A

1. The Debentures shall be maturing on 22 July 2027.
2. The rate of interest on the amount of Debentures outstanding from 14 February 2013 to 31 March 2021 shall be 0% p.a.
3. The rate of interest on the amount of Debentures outstanding from 1 April 2021 to 31 March 2022 shall be 18% p.a. to be paid annually on 31st March every year.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2022 to 31 March 2023 shall be 24% p.a. to be paid annually on 31st March every year.
5. The rate of interest on the amount of Debentures outstanding from 1 April 2023 to 31 March 2025 shall be 28% p.a. to be paid annually on 31st March every year.
6. The rate of interest on the amount of Debentures outstanding from 1 April 2025 to 31 March 2027 shall be 32% p.a. to be paid annually on 31st March every year.
7. The rate of interest on the amount of Debentures outstanding from 1 April 2027 to 22 July 2027 shall be 36.50% p.a. to be paid annually on 31st March every year.

b) Series B

1. The Debentures shall be maturing on 22 July 2027.
2. The rate of interest on the amount of Debentures outstanding from 4 December 2010 to 31 March 2021 shall be 0% p.a.
3. The rate of interest on the amount of Debentures outstanding from 1 April 2021 to 31 March 2022 shall be 30% p.a. to be paid annually on 31st March every year.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2022 to 22 July 2027 shall be 32% p.a. to be paid annually on 31st March every year.

(ii) a) The 68,245 12% Fully and Mandatorily Convertible Debentures of Rs. 341,225,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The debentures have been issued on 7 November 2007 and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 6 November 2027.
2. The rate of interest on the amount of Debentures outstanding from 7 November 2007 to 31 March 2008 shall be 12% p.a. to be paid annually on 31 March every year.
3. The rate of interest on the amount of Debentures outstanding from 1 April 2008 to 31 March 2021 shall be 0% p.a.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2021 to 31 March 2022 shall be 35.00% p.a. to be paid annually on 31 March every year.
5. The rate of interest on the amount of Debentures outstanding from 1 April 2022 to 31 March 2026 shall be 35.50% p.a. to be paid annually on 31 March every year.
6. The rate of interest on the amount of Debentures outstanding from 1 April 2026 to 31 March 2027 shall be 36.00 % p.a. to be paid annually on 31 March every year.
7. The rate of interest on the amount of Debentures outstanding from 1 April 2027 to 06 November 2027 shall be 37.00 % p.a. to be paid annually on 31 March every year.

b) The 40,450 12% Fully and Mandatorily Convertible Debentures of Rs. 202,250,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The debentures have been issued on 12 June 2008 and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion. These debentures shall sub-ordinate to the 4% Fully and Mandatorily Convertible Debentures of Rs. 5,000 each.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 11 June 2027.
2. The rate of interest on the amount of Debentures outstanding from 12 June 2008 to 31 March 2021 shall be 0% p.a.
3. The rate of interest on the amount of Debentures outstanding from 1 April 2021 to 31 March 2022 shall be 36% p.a. to be paid annually on 31 March every year.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2022 to 31 March 2024 shall be 36.50 % p.a. to be paid annually on 31 March every year.
5. The rate of interest on the amount of Debentures outstanding from 1 April 2024 to 31 March 2026 shall be 37% p.a. to be paid annually on 31 March every year.
6. The rate of interest on the amount of Debentures outstanding from 1 April 2026 to 31 March 2027 shall be 37.50% p.a. to be paid annually on 31 March every year.
7. The rate of interest on the amount of Debentures outstanding from 1 April 2027 to 11 June 2027 shall be 38% p.a. to be paid annually on 31 March every year.

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5 Long-term borrowings *(Continued)*

(a) *Debentures (Continued)*

c) The 34,768 12% Fully and Mandatorily Convertible Debentures of Rs. 173,840,000 shall rank pari passu inter-se without any preference

d) The 6,456 12% Fully and Mandatorily Convertible Debentures of Rs. 32,280,000 shall rank pari passu inter-se without any preference or

e) The 3,390 12% Fully and Mandatorily Convertible Debentures of Rs. 16,950,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The debentures have been issued on 20 November 2009 effective from 3 November 2009 and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion. These debentures shall sub-ordinate to the 4% Fully and Mandatorily Convertible Debentures of Rs. 5,000 each. The rate of interest on the amount of debentures outstanding for the first year of issue shall be Nil.

The terms of the above mentioned debentures have been further altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 2 November 2027.
2. The rate of interest on the amount of Debentures outstanding from 3 November 2009 to 31 March 2021 shall be 0% p.a.
3. The rate of interest on the amount of Debentures outstanding from 1 April 2021 to 31 March 2022 shall be 30% p.a. to be paid annually on 31 March every year.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2022 to 31 March 2026 shall be 32% p.a. to be paid annually on 31 March every year.
5. The rate of interest on the amount of Debentures outstanding from 1 April 2026 to 2 November 2027 shall be 36.50% p.a. to be paid annually on 31 March every year.

f) The 4,350 12% Fully and Mandatorily Convertible Debentures of Rs. 21,750,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The debentures have been issued on 6 October 2009 effective from 4 June 2009 and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion. These debentures shall sub-ordinate to the 4% Fully and Mandatorily Convertible Debentures of Rs. 5,000 each. The rate of interest on the amount of debentures outstanding for the first year of issue shall be Nil.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 3 June 2027.
2. The rate of interest on the amount of Debentures outstanding from 4 June 2009 to 31 March 2021 shall be 0% p.a.
3. The rate of interest on the amount of Debentures outstanding from 1 April 2021 to 31 March 2022 shall be 33% p.a. to be paid annually on 31 March every year.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2023 to 31 March 2024 shall be 33.50% p.a. to be paid annually on 31 March every year.
5. The rate of interest on the amount of Debentures outstanding from 1 April 2024 to 31 March 2027 shall be 36.50% p.a. to be paid annually on 31 March every year.
6. The rate of interest on the amount of Debentures outstanding from 1 April 2027 to 3 June 2027 shall be 37.50% p.a. to be paid annually on 31 March every year.

g) The 1,297 12% Fully and Mandatorily Convertible Debentures of Rs. 6,485,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The debentures have been issued on 3 May 2010 and shall be effective from 28 January 2010 and converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion. These debentures shall sub-ordinate to the 4% Fully and Mandatorily Convertible Debentures of Rs. 5,000 each. The rate of interest on the amount of debentures outstanding for the first year of issue shall be Nil.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 27 January 2028.
2. The rate of interest on the amount of Debentures outstanding from 28 January 2010 to 31 March 2021 shall be 0% p.a.
3. The rate of interest on the amount of Debentures outstanding from 1 April 2021 to 31 March 2024 shall be 28% p.a. to be paid annually on 31 March every year.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2024 to 31 March 2025 shall be 32% p.a. to be paid annually on 31 March every year.
5. The rate of interest on the amount of Debentures outstanding from 1 April 2025 to 31 March 2027 shall be 36% p.a. to be paid annually on 31 March every year.
6. The rate of interest on the amount of Debentures outstanding from 1 April 2027 to 27 January 2028 shall be 36.50% p.a. to be paid annually on 31 March every year.

(iii) The 163,447 12% Fully and Mandatorily Convertible Debentures of Rs. 817,235,000 have been issued on 22 January 2009 effective, 24 October 2008. The rate of the interest for the first year from the effective date has been agreed to be Nil. As per the terms of the debentures, they shall rank pari passu inter-se without any preference or priority of one over others/others of them. The debentures shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 27 October 2027.
2. The rate of interest on the amount of Debentures outstanding from 24 October 2008 to 31 March 2017 shall be 0% p.a.
3. The rate of interest on the amount of Debentures outstanding from 1 April 2017 to 31 March 2018 shall be 0% p.a. to be paid annually on 31 March every year.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2018 to 31 March 2020 shall be 28% p.a. to be paid annually on 31 March every year.
5. The rate of interest on the amount of Debentures outstanding from 1 April 2020 to 31 March 2022 shall be 30% p.a. to be paid annually on 31 March every year.
6. The rate of interest on the amount of Debentures outstanding from 1 April 2022 to 31 March 2027 shall be 33% p.a. to be paid annually on 31 March every year.
7. The rate of interest on the amount of Debentures outstanding from 1 April 2027 to 27 October 2027 shall be 33.50% p.a. to be paid annually on 31 March every year.

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(Currency : Indian rupees)

5 Long-term borrowings *(Continued)*

(a) *Debentures (Continued)*

(iv) a) The 2,017 12% Fully and Mandatorily Convertible Debentures of Rs. 10,085,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The Debentures have been issued on 28 November 2007 and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 27 November 2027.
2. The rate of interest on the amount of Debentures outstanding from 28 November 2007 to 31 March 2021 shall be NIL.
3. The rate of interest on the amount of Debentures outstanding from 1 April 2021 to 31 March 2027 shall be 36% p.a. to be paid annually on 31st March every year.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2027 to 27 November 2027 shall be 37.5% p.a. to be paid annually on 31st March every year.

b) The 51,226 12% Fully and Mandatorily Convertible Debentures of Rs. 256,130,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The Debentures have been issued on 17 October 2008 and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 16 October 2027.
2. The rate of interest on the amount of Debentures outstanding from 17 October 2008 to 31 March 2021 shall be NIL.
3. The rate of interest on the amount of Debentures outstanding from 1 April 2021 to 31 March 2022 shall be 34% p.a. to be paid annually on 31st March every year.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2022 to 16 October 2027 shall be 35% p.a. to be paid annually on 31st March every year

(v) a) The 40,926, 12% Fully and Mandatorily Convertible Debentures of Rs. 204,630,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The debentures have been issued on 7 November 2007 and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 6 November 2027.
2. The rate of interest on the amount of Debentures outstanding from 7 November 2007 to 30 September 2013 shall be 12% p.a. to be paid annually on 31 March every year.
3. The rate of interest on the amount of Debentures outstanding from 1 October 2013 to 31 March 2020 shall be Nil.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2020 to 31 March 2021 shall be 12% p.a. to be paid annually on 31 March every year.
5. The rate of interest on the amount of Debentures outstanding from 1 April 2021 to 31 March 2022 shall be 18% p.a. to be paid annually on 31 March every year.
6. The rate of interest on the amount of Debentures outstanding from 1 April 2022 to 31 March 2027 shall be 24% p.a. to be paid annually on 31 March every year.
7. The rate of interest on the amount of Debentures outstanding from 1 April 2027 to 06 November 2027 shall be 33% p.a. to be paid annually on 31 March every year

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5 **Long-term borrowings *(Continued)***

(a) ***Debentures (Continued)***

b) The 4,313, 12% Fully and Compulsorily Convertible Debentures Rs. 21,565,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The debentures have been issued on 23 January 2008 and shall be converted into equity shares on maturity at a rate as may be agreed to between the parties at the time of conversion.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under.

1. The Debentures shall be maturing on 22 January 2028.
2. The rate of interest on the amount of Debentures outstanding from 23 January 2008 to 30 September 2013 shall be 12% p.a. to be paid annually on 31 March every year.
3. The rate of interest on the amount of Debentures outstanding from 1 October 2013 to 31 March 2020 shall be Nil.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2020 to 31 March 2021 shall be 12% p.a. to be paid annually on 31 March every year.
5. The rate of interest on the amount of Debentures outstanding from 1 April 2021 to 31 March 2027 shall be 24% p.a. to be paid annually on 31 March every year.6
6. The rate of interest on the amount of Debentures outstanding from 1 April 2027 to 22 January 2028 shall be 28% p.a. to be paid annually on 31 March every year.

c) The 15,874, 12% Fully and Compulsorily Convertible Debentures Rs. 79,370,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The debentures have been issued on 5 June 2013, effective 26 February 2013 and shall be converted into equity shares on maturity at a rate as may be agreed to between the parties at the time of conversion.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 25 February 2028.
2. The rate of interest on the amount of Debentures outstanding from 26 February 2013 to 30 September 2013 shall be 12% p.a. to be paid annually on 31 March every year.
3. The rate of interest on the amount of Debentures outstanding from 1 October 2013 to 31 March 2020 shall be Nil.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2020 to 31 March 2021 shall be 12% p.a. to be paid annually on 31 March every year.
5. The rate of interest on the amount of Debentures outstanding from 1 April 2021 to 31 March 2024 shall be 18% p.a. to be paid annually on 31 March every year.
6. The rate of interest on the amount of Debentures outstanding from 1 April 2024 to 31 March 2026 shall be 24% p.a. to be paid annually on 31 March every year.
7. The rate of interest on the amount of Debentures outstanding from 1 April 2026 to 31 March 2027 shall be 30% p.a. to be paid annually on 31 March every year.
8. The rate of interest on the amount of Debentures outstanding from 1 April 2027 to 25 February 2028 shall be 32% p.a. to be paid annually on 31 March every year.

(a) ***Debentures (Continued)***

(vi) **a) The 17,511 12% Fully and Mandatorily Convertible Debentures of Rs. 87,555,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The Debentures have been issued on 28th November 2007 and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion.**

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 27 November 2027.
2. The rate of interest on the amount of Debentures outstanding from for 28 November 2007 to 31 March 2021 shall be NIL.
3. The rate of interest on the amount of Debentures outstanding from for 1 April 2021 to 31 March 2027 shall be 36% p.a. to be paid annually on 31st March every year.
4. The rate of interest on the amount of Debentures outstanding from for 1 April 2027 to 27 November 2027 shall be 37.50% p.a. to be paid annually on 31st March every year.

b) The 3,016 12% Fully and Mandatorily Convertible Debentures of Rs. 15,080,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The Debentures have been issued on 31 March 2009 and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 30 March 2027.
2. The rate of interest on the amount of Debentures outstanding from for 31 March 2009 to 31 March 2021 shall be NIL.
3. The rate of interest on the amount of Debentures outstanding from for 1 April 2021 to 31 March 2026 shall be 36% p.a. to be paid annually on 31st March every year.
4. The rate of interest on the amount of Debentures outstanding from for 1 April 2026 to 30 March 2027 shall be 36.5% p.a. to be paid annually on 31st March every year.

c) The 3,009 12% Fully and Mandatorily Convertible Debentures of Rs. 15,045,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The Debentures have been issued on 17 November 2009 and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 16 November 2027.
2. The rate of interest on the amount of Debentures outstanding from for 17 November 2009 to 31 March 2021 shall be NIL.
3. The rate of interest on the amount of Debentures outstanding from for 1 April 2021 to 31 March 2025 shall be 32% p.a. to be paid annually on 31st March every year.
4. The rate of interest on the amount of Debentures outstanding from for 1 April 2025 to 31 March 2026 shall be 33.50% p.a. to be paid annually on 31st March every year.
5. The rate of interest on the amount of Debentures outstanding from for 1 April 2026 to 16 November 2027 shall be 34% p.a. to be paid annually on 31st March every year.

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Notes to the standalone financial statements *(Continued)*
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5 Long-term borrowings *(Continued)*

(a) Debentures (Continued)

d) The 2,952 12% Fully and Mandatorily Convertible Debentures of Rs. 14,760,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The Debentures have been issued on 17 February 2010 and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 16 February 2027.
2. The rate of interest on the amount of Debentures outstanding from 1 April 2016 to 31 March 2021 shall be NIL.
3. The rate of interest on the amount of Debentures outstanding from 1 April 2021 to 31 March 2023 shall be 34% p.a. to be paid annually on 31st March every year.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2023 to 31 March 2026 shall be 35% p.a. to be paid annually on 31st March every year.
5. The rate of interest on the amount of Debentures outstanding from 1 April 2026 to 16 February 2027 shall be 35.5% p.a. to be paid annually on 31st March every year.

(vii) The 7,447 12% Fully and Mandatorily Convertible Debentures of Rs. 37,235,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The Debentures have been issued on 21st January 2016 and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 20 January 2028.
2. The rate of interest on the amount of Debentures outstanding from 1 April 2016 to 31 March 2020 shall be NIL.
3. The rate of interest on the amount of Debentures outstanding from 1 April 2020 to 31 March 2022 shall be 12% p.a. to be paid annually on 31st March every year.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2022 to 31 March 2025 shall be 18% p.a. to be paid annually on 31st March every year.
5. The rate of interest on the amount of Debentures outstanding from 1 April 2025 to 20 January 2028 shall be 24% p.a. to be paid annually on 31st March every year.

(viii) The 20,009 12% Fully and Mandatorily Convertible Debentures of Rs. 100,045,000 shall rank pari passu inter-se without any preference or priority of one over others/others of them. The Debentures have been issued on 27 September 2016 and shall be converted into equity shares on its maturity at a rate as may be agreed to between the parties at the time of conversion.

The terms of the above mentioned debentures have been altered vide resolution dated 10 December 2017 and the same has been accepted and confirmed by the Debenture-holders. The altered terms of the debentures are as under:

1. The Debentures shall be maturing on 26 September 2027.
2. The rate of interest on the amount of Debentures outstanding from 1 April 2016 to 31 March 2020 shall be NIL.
3. The rate of interest on the amount of Debentures outstanding from 1 April 2020 to 31 March 2022 shall be 18% p.a. to be paid annually on 31st March every year.
4. The rate of interest on the amount of Debentures outstanding from 1 April 2022 to 31 March 2026 shall be 18% p.a. to be paid annually on 31st March every year.
5. The rate of interest on the amount of Debentures outstanding from 1 April 2026 to 26 September 2027 shall be 25% p.a. to be paid annually on 31st March every year.

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5 Long-term borrowings *(Continued)*

(c) Overdraft facilities from ICICI Bank Limited

Nature of security
Overdraft facilities from ICICI Bank, comprising 3 facilities, is secured against the following:

a) Mortgage of all piece and parcel of land forming part of survey no. 310,311,318,319 admeasuring approximately 39.06 acres, situated at Poppalguda Village, Hyderabad, Including all the structures thereon both present & future excluding area mortgaged to HMDA and area mortgaged to Gram panchayat.
b) Exclusive charge by way of registered mortgage on all the piece & parcel of survey no. 449/1, 449/2, 449/4/2, 454/1, 454/2/1 and 454/2/2 admeasuring approx. 39659 sq. mts. of mouje Moraiya, sub district Sanand and district Ahmedabad including all the structures thereon both present & future.

b) Extension of charge on scheduled receivables from the projects by way of hypothecation.
c) Residual and subservient charge on 428,246 Sq. ft. mortgaged to HMDA and Gram panchayat to the extent of developer's share of area.

d) Exclusive charge on security of all rights, title, interest, claims, benefits, demands under the Projects' documents, both present and future.
e) Extension of charge on Escrow account of the projects and DSR accounts.
f) Unconditional and irrevocable personal guarantee of Mr. Rakesh Israni.

Terms of repayment

Facility 1: Repayable in 5 monthly installments commencing from March 2021, Monthly interest is at ICICI Bank's MCLR-6M rate plus 3.95% p.a.
Facility 2 & 3 : Repayable in 5 monthly installments commencing from August 2019, monthly interest is at ICICI Bank's MCLR-6M rate plus 3.70% p.a.

(d) Overdraft facility from State Bank of India

Nature of security
Overdraft facility from State Bank of India is secured against the following:

a) Mortgage of 62 unsold bungalows of the company's project "The Meadows" Phase II (as on date of sanction) and other collateral security.
b) Exclusive floating charge on the entire cash flows, including sales, advance amount received from the customer, receivable realisation, of the project of the company "North Enclave" and "The Meadows".
c) Mortgage of open demarcated commercial plot with land area of 9140 sq. mts. situated at survey no. 202/P, FP No. 72/1 of TPS no. 28 at Ghatlodia Sola, Opposite Sola Civil Hospital, Ahmedabad, Mouje - Sola, Ta.: Dascroi, District: Ahmedabad, standing in the name of Pacifica (Sola Project) Developers Private Limited as collateral security.

Terms of repayment

Repayable in 15 quarterly installments commencing from September 2017. Monthly interest is at State Bank of India's base rate plus 2.5%

(e) Term Loan facility from Fedbank Financial Services Limited

Nature of security
Term loan is secured against the following:

a) First exclusive charge by way of registered mortgage on non agricultural land admeasuring 13051 sq. mtrs. having revenue survey no 40, FP no 40/1 and 40/2 of TP no 404/A situated, lying and being at Mouje-Sanathal Taluka Sanand along with construction thereon and hypothecation of entire receivables
b) Extension of charge on Escrow account of the projects and DSR accounts.
c) First Pari Passu charge on Hypothecation of receivables from sold and unsold units and cross link of Escrow accounts of the Reflections Project of Pacifica Developers Private Limited.

Terms of repayment

Repayment from receivables deposited in Escrow account as per sanctioned terms.
Repayable in 30 monthly installments of Rs. 50 lakh per month each from June 2019.
Interest is payable at the rate Fedfina FRR as publicly notified from time to time minus margin of 5.25%.

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(Currency : Indian rupees)

		31 March 2018	31 March 2017
6	**Other long-term liabilities**		
	Retention money payable	**12,583,648**	13,397,882
		12,583,648	13,397,882
7	**Long-term provisions**		
	Provision for gratuity (refer note 28)	**1,076,693**	745,889
		1,076,693	745,889

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Pacifica India Projects Private Limited

Notes to the standalone financial statements *(Continued)*
for the year ended 31 March 2018

(Currency : Indian rupees)

		31 March 2018	31 March 2017
8	**Trade payables**		
	Total outstanding dues of micro and small enterprises*	-	-
	Total outstanding dues of creditor other than micro and small enterprises	6,98,37,591	8,04,48,450
		6,98,37,591	8,04,48,450
	* For dues to micro and small suppliers, refer note 26		
9	**Other current liabilities**		
	Current maturities of secured long-term borrowings (refer note 5)	6,33,50,000	1,30,39,272
	Interest accrued but not due on borrowings	4,07,251	5,36,526
	Interest accrued and due on borrowings	29,81,155	28,46,239
	Members' contributions (advances received from the customers)	2,18,57,73,255	1,87,65,46,567
	Maintenance advances from members (payable to society)	13,46,995	1,49,67,243
	Retention money payable	78,78,995	13,01,017
	Employee benefits payable	34,83,410	30,61,708
	Deposit payable for land development rights	80,00,000	80,00,000
	Other payables	1,35,62,241	1,00,000
	Expense payable	19,28,924	1,02,09,226
	Statutory dues payable:		
	Professional tax	2,15,990	85,120
	Service tax	-	1,79,309
	Tax deducted at source	22,87,248	39,73,518
	GST	2,30,157	-
	VAT	-	2,18,139
		2,29,14,45,621	1,93,50,63,884
10	**Short-term provisions**		
	Provision for gratuity (refer note 28)	2,99,844	2,44,803
	Provision for income tax [net of TDS receivable Rs. 2,578,889 (Previous year: Nil)]	20,35,141	-
		23,34,985	2,44,803

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PACIFICA (INDIA) PROJECTS PVT. LTD.

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Notes to the standalone financial statements *(Continued)*

for the year ended 31 March 2018

(Currency : Indian rupees)

11 (a) Property, plant and equipment

	Office equipments	Furniture and fixture	Computers	Grand Total
Gross block (at cost)				
As at 1 April 2016	7,97,025	2,10,190	13,85,048	23,92,263
Additions during the year	13,94,083		6,64,166	20,58,249
Deletions during the year	-	-	-	-
As at 31 March 2017	21,91,108	2,10,190	20,49,214	44,50,512
Additions during the year	**3,91,937**	-	**1,43,347**	**5,35,284**
Deletions during the year	**5,95,168**	-	-	**5,95,168**
As at 31 March 2018	**19,87,877**	**2,10,190**	**21,92,561**	**43,90,628**
Accumulated depreciation				
As at 1 April 2016	5,10,059	1,88,217	9,54,684	16,53,560
Charge for the year	1,19,769	4,602	4,21,641	5,46,012
Deletions during the year	-	-	-	-
As at 31 March 2017	6,29,828	1,93,419	13,76,325	21,99,572
Charge for the year	**5,87,724**	**16,771**	**3,10,261**	**9,14,757**
Deletions during the year	-	-	-	-
As at 31 March 2018	**12,17,552**	**2,10,190**	**16,86,586**	**31,13,329**
Net block				
As at 31 March 2017	15,61,280	16,771	6,72,889	22,50,940
As at 31 March 2018	**7,70,325**	-	**5,05,975**	**12,76,[illegible]**

11 (b) Capital work-in-progress

As at 1 April 2016	26,94,13,589
Additions during the year	21,08,473
Assets capitalised during the year	-
As at 31 March 2017	27,15,22,062
Additions during the year	**3,68,000**
Assets capitalised during the year	-
As at 31 March 2018	**27,18,90,062**

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Pacifica India Projects Private Limited

Notes to the standalone financial statements *(Continued)*
for the year ended 31 March 2018

(Currency : Indian rupees)

		31 March 2018	31 March 2017
12	**Non-current investments**		
	Non-trade, unquoted investments (valued at cost)		
	Government and trust securities		
	National Saving Certificate	30,000	30,000
	Trade investments (valued at cost)		
	Investment in subsidiary companies (unquoted equity instruments)		
	10,000 (previous year: 10,000) equity shares of E-Light Techno Park Private Limited of Rs. 10 each fully paid-up.	1,00,000	1,00,000
	10,000 (previous year: Nil) equity shares of Pacifica Construction Private Limited of Rs. 10 each fully paid-up.	1,00,000	-
	10,000 (previous year: 6,500) equity shares of Real Vastu Homes Private Limited of Rs. 10 each fully paid-up.	1,00,000	65,000
		3,30,000	1,95,000
	Aggregate book value of un-quoted non-current investments	3,30,000	1,95,000
13	**Deferred tax assets**		
	Deferred tax assets		
	Unabsorbed business losses	4,83,02,706	8,31,17,259
	Unabsorbed depreciation	48,364	57,479
	Excess of depreciation on fixed assets in accounts over depreciation under income-tax law	1,24,166	24,668
		4,84,75,236	8,31,99,406
14	**Long-term loans and advances** (Unsecured, considered good)		
	Advance tax and tax deducted at source [net of provision for Income tax Rs. 18,506,277 (previous year Rs. 18,506,802)]	63,33,675	63,33,150
	Deposit for land in terms of Joint development agreement (refer note 33)	67,21,20,000	1,07,21,20,000
	Advance to land owners	4,25,78,079	12,26,35,625
	MAT credit entitlement	11,00,85,967	10,54,72,462
	Security deposits	4,16,467	3,92,267
		83,15,34,188	1,30,69,53,504
15	**Other non-current assets**		
	Bank deposits (due to mature after 12 months from the reporting date)*	1,55,43,090	63,28,800
	Interest accrued but not due on fixed deposits	5,96,214	14,797
		1,61,39,304	63,43,597

* Bank deposits are under lien with banks

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PACIFICA (INDIA) PROJECTS PVT. LTD.

Notes to the standalone financial statements *(Continued)*
for the year ended 31 March 2018

(Currency : Indian rupees)

	31 March 2018	31 March 2017
16 Inventories		
Opening construction work-in-progress	1,40,91,75,040	1,12,33,94,593
Directly attributable cost:		
Land and land related expenses	29,54,86,742	2,77,98,136
Construction cost (includes consumption of building material and labour cost)	63,64,16,733	38,61,86,892
Consultancy charges	1,48,43,850	2,02,84,281
Statutory approval fees	12,56,89,493	3,30,39,890
Employee benefits expenses (refer note 28)	3,30,80,690	2,03,67,104
Borrowing cost on qualifying assets		
- Interest expenses	4,84,52,804	3,23,32,160
- Finance charges	50,65,550	69,91,372
Project administration charges	2,39,50,967	1,99,68,034
Interest income received	(8,50,222)	(3,69,074)
	2,59,04,11,647	1,66,99,93,388
Less: Amount transferred to cost of sales and services (refer note 21)	(78,65,86,610)	(26,08,18,348)
Less: Inventory transfer through slump sale (refer note 29)	(14,97,26,766)	-
Closing construction work-in-progress	1,65,40,98,271	1,40,91,75,040
17 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	7,21,825	7,21,662
Balance with banks:		
- in current accounts	4,57,70,975	11,05,29,633
- in deposit accounts (with original maturity of 3 months or less)	-	58,34,054
Balance with banks in deposit accounts (with maturity exceeding of 3 months but less than 12 months)	66,488	-
	4,65,59,288	11,70,85,349
18 Short-term loans and advances		
(Unsecured, considered good)		
To related party		
Loan to subsidiary companies *	69,31,47,964	91,55,61,675
Receivable from subsidiary on account of slumpsale (refer note 29)	13,55,00,130	-
To others		
Inter-corporate loans	2,33,05,96,813	1,56,21,22,915
Loan to others	50,00,000	-
Balances with government authorities	1,88,78,464	1,81,26,924
Advance to vendors	1,35,02,994	3,49,64,326
Advance to employees	93,270	1,41,068
Other receivables	6,32,109	-
	3,19,73,56,744	2,53,09,16,908

* Loan to subsidiary companies are interest free loan and repayable on demand.

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Notes to the standalone financial statements *(Continued)*

for the year ended 31 March 2018

(Currency : Indian rupees)

		31 March 2018	31 March 2017
19	**Revenue from operations**		
	Sale of properties (net)	**93,15,70,043**	46,85,22,891
		93,15,70,043	46,85,22,891
20	**Other income**		
	Interest on fixed deposit with banks	**1,80,262**	6,73,948
	Interest on late payment from customers	**4,62,251**	9,94,302
	Cancellation charges	**1,79,75,920**	27,60,582
	Scrap sales	**3,97,600**	-
	Sundy balances written back	**-**	61,67,494
		1,90,16,033	1,05,96,326
21	**Cost of sales and services**		
	Opening construction work-in-progress	**1,40,91,75,040**	1,12,33,94,593
	Directly attributable cost:		
	Land and land related expenses	**29,54,86,742**	2,77,98,136
	Construction cost (includes consumption of building material and labour cost)	**63,64,16,733**	38,61,86,892
	Consultancy charges	**1,48,43,850**	2,02,84,281
	Statutory approval fees	**12,56,89,493**	3,30,39,890
	Employee benefits expenses (refer note 28)	**3,30,80,690**	2,03,67,104
	Borrowing cost on qualifying assets		
	- Interest expenses	**4,84,52,804**	3,23,32,160
	- Finance charges	**50,65,550**	69,91,372
	Project administration charges	**2,30,50,967**	1,99,68,034
	Interest received	**(8,50,222)**	(3,69,074)
		2,59,04,11,647	1,66,99,93,388
	Less: Closing construction work-in-progress (refer note 16)	**(1,65,40,98,271)**	(1,40,91,75,040)
	Less: Inventory transfer through slump sale (refer note 29)	**(14,97,26,766)**	-
		78,65,86,610	26,08,18,348
22	**Employee benefits expense**		
	Salaries, wages and bonus	**1,26,03,139**	1,28,79,951
	Staff welfare expenses	**21,62,696**	5,82,660
		1,47,65,835	1,34,62,611
23	**Other expenses**		
	Auditors' remuneration (refer note 25)	**4,14,172**	3,75,370
	Rent expense	**44,66,000**	-
	Rates and taxes	**21,20,071**	38,06,343
	Legal and professional expenses	**39,46,338**	32,20,128
	Sales promotion (including brokerage and commission)	**11,01,77,193**	17,01,24,028
	Miscellaneous expenses	**48,00,164**	17,36,304
		12,59,23,938	17,92,62,173

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24. Contingent liabilities

	31 March 2018	31 March 2017
Guarantees outstanding:		
Corporate guarantees given for loan obtained by E-Light Techno Park Private Limited, wholly owned subsidiary company (to the extent of outstanding principal and interest).	438,126,942	307,603,641
Corporate guarantees given for loan obtained by Pacifica Construction Pvt Ltd. (to the extent of outstanding loan).	99,306,992	-

25. Auditors' remuneration (excluding applicable tax)

Particulars	31 March 2018	31 March 2017
Audit fees	404,624	367,840
Out of pocket expenses	9,548	7,530
	414,172	375,370

26. Dues to Micro and Small Enterprises

Under Micro, Small, and Medium Enterprises Development Act, 2006 (MSMED) which came in to force from 2 October, 2006, certain disclosures are required to be made relating to micro and small enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro and small enterprises. This has been relied upon by the auditors.

	31 March 2018	31 March 2017
Principal amount remaining unpaid to any supplier as at the year end	-	-
Interest due remaining unpaid to any supplier as at the year end	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible	-	-

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27. Related party disclosure

List of related parties

Parties (where control exists)

- PAC (OMR) Ventures Limited (Holding company)
- E-Light Techno Park Private Limited (Wholly owned subsidiary)
- Real Vastu Homes Private Limited (formerly known as Constantine Logistics Park Private Limited) (Subsidiary with 65% holding)
- Pacifica Construction Private Limited (Wholly owned subsidiary)

Particulars			**31 March 2018**		
	Pac OMR Ventures Ltd.	**Elight Techno Park Pvt. Ltd.**	**Real Vastu Homes Pvt. Ltd.**	**Pacifica Construction Pvt. Ltd.**	**Total**
Transactions during the year :					
Loans given / (received back) (net)	-	**(252,773,653)**	**231,800**	**30,128,141**	**(222,413,712)**
Transfer by way of slump sale (net)	-	-	-	**150,500,130**	**150,500,130**
Amount received against slump sale	-	-	-	**(15,000,000)**	**(15,000,000)**
Investment in equity shares	-	-	**35,000**	-	**35,000**
Outstanding at the yearend:					
Debenture outstanding	**1,114,780,000**	-	-	-	**1,114,780,000**
Loans recoverable	-	**661,988,022**	**1,031,800**	**30,128,141**	**693,147,963**
Receivable for slump sale	-	-	-	**135,500,130**	**135,500,130**
Corporate guarantee given outstanding	-	**438,126,942**	-	**99,306,992**	**537,433,934**

Particulars			**31 March 2017**		
	Pac OMR Ventures Ltd.	**Elight Techno Park Pvt. Ltd.**	**Real Vastu Homes Pvt. Ltd.**	**Pacifica Construction Pvt. Ltd.**	**Total**
Transactions during the year:					
Loans given / received back (net)	-	(8,992,343)	800,000	-	(8,192,343)
Investment in equity instruments	-	-	65,000	-	65,000
Outstanding at the yearend:					
Debenture outstanding	1,114,780,000	-	-	-	1,114,780,000
Loans recoverable	-	914,761,675	800,000	-	915,561,675
Corporate Guarantee given outstanding	-	307,603,641	-	-	307,603,641

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28. Employee benefits

Gratuity

A. Changes in the present value of obligation

Particulars	31 March 2018	31 March 2017
Present value of unfunded obligation at the beginning of the year	9,90,692	526,403
Transfer in Obligation	-	-
Interest Cost	60,346	36,101
Current Service Cost	3,13,974	187,641
Benefits paid	-	-
Past service cost	-	-
Actuarial gains / (losses) on obligations	11,525	240,547
Present value of obligation as at year end	13,76,537	990,692

B. Amount recognized in the balance sheet

Particulars	31 Mach 2018	31 March 2017
Present value of obligation at the end of the year	13,76,537	990,692
Fair value of plan assets as at the end of the year	-	-
Net liability recognised in balance sheet	13,76,537	990,692

C. Amount recognized in the statement of profit and loss

Particulars	31 March 2018	31 March 2017
Current service cost	313,974	187,641
Interest cost	60,336	36,101
Expected return on plan assets	-	-
Past service cost	-	-
Net actuarial loss / (gain) recognized in the year	11,525	240,547
Total expense recognized	3,85,845	464,289

D. Experience adjustment

Particulars	2018	2017	2016	2015	2014
Defined benefit obligation	13,76,537	990,692	526,403	408,884	-
Plan assets	-	-	-	-	-
Surplus / (deficit)	(13,76,537)	(990,692)	(526,403)	408,884	-
Past service cost	-	-	-	-	-
Experience adjustment on plan liabilities loss / (gain)	37,697	199,747	(76,803)	-	-
Experience adjustment on plan assets (gain)/loss	-	-	-	-	-
Actuarial loss due to change in assumptions	(26,712)	40,800	1303	-	-

Experience adjustment is on account of attrition in the number of employees as compared to the previous year and change in actuarial assumptions.

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28. Employee benefits *(Continued)*

E. Principal actuarial assumptions at the Balance Sheet date are as follows:

Financial assumptions	31 March 2018	31 March 2017
Discount rate	**7.30%**	6.95%
Expected rate of return on plan assets	**Not Applicable**	Not Applicable
Salary growth rate	**6.00%**	6.00%
Demographic assumptions		
Retirement age	**60 years**	60 years
Leaving service	**25% at younger ages reducing to 5% at older ages**	25% at younger ages reducing to 5% at older ages
Mortality	**Indian Assured Lives (2006-08)**	Indian Assured Lives (2006-08)

Gratuity plan

Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the prevailing market yield of government bonds as at the Balance Sheet date for the estimated term of the obligation and the estimates of future salary increases considered, taking into account the inflation, seniority, promotion and other relevant factors.

General description of defined benefit plan/other long term benefit plan:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days salary (includes dearness allowance) last drawn for each completed year of service. The same is payable on resignation, or termination of service, or retirement, or death whichever is earlier. The limit of gratuity is restricted to Rs 2,000,000 per employee. The benefit vests after five years of continuous service. Gratuity benefits valued were in accordance with the payment of Gratuity Act, 1972.

Projected unit credit method was used for valuation.

29. During the current financial year, the Company has entered into a slump sale agreement dated 4 October 2017 with Pacifica Construction Private Limited, a wholly owned subsidiary, to transferred all the assets and liabilities pertaining to 'Hyderabad Aavas project' or 'the project' on a going concern basis at its book value. The book value of assets and liabilities related to the project as on the date of transfer is hereunder:

Particulars	Amount as at 4 October 2017
Inventory (Construction work-in-progress)	149,726,766
Deposit for land in terms of Joint development agreement	404,000,000
Trade payables	(19,972,671)
Members' contributions (advances received from the customers)	(383,253,966)
Net book value for slump sale	**150,500,129**

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(Currency: Indian Rupees)

30. Earnings per share ('EPS')

Particulars	31 March 2018	31 March 2017
Net Profit after tax:	(12,329,234)	16,760,800
Weighted average number of equity shares outstanding during the year (Nos.) of Rs 10 each (refer note 3)	3,966,593	3,966,593
Weighted average number of equity shares outstanding during the year (Nos.) of Re 1 each (refer note 3)	413,125	413,125
Earnings per shares- Basic and diluted:		
Basic and diluted earnings per share (face value of Rs.10 per share)	(3.08)	4.18
Basic and diluted earnings per share (face value of Re. 1 per share)	(0.31)	0.42

Since the potential equity shares arising out of the convertible debentures are to be determined on its maturity at a rate as may be agreed to between the parties at the time of conversion, they have been ignored in computation of diluted earnings per share.

31. Disclosure in respect of projects under the revised guidance note issued by Institute of Chartered Accountants of India on "Accounting for Real Estate Transactions (revised 2012)

Particulars	31 March 2018	31 March 2017
Revenue recognised during the reporting period	931,570,043	468,522,891
Cost incurred and profit recognised upto the reporting period	2,738,491,459	1,806,921,416
Amount of advances received	2,185,773,255	187,65,46,567
Amount of inventory work in progress	1,654,098,271	1,409,175,040

32. Segment reporting

In accordance with the requirements of Accounting Standard 17- "Segment Reporting", the Company has determined its business segment as Real Estate Development. Since 100% of the Company's business is from Real Estate Development, there are no other primary reportable segments. Thus the segment revenue, segment result, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, the total amount of charge for depreciation and amortisation during the year are all as reflected in the financial statements for the year ended 31 March 2017 and as on that date. There is no geographical segment to be reported since all the operations are undertaken in India.

33. The Company has entered into Joint Development Agreements ('JDA') for the project with various land owners and has paid deposits. The Company will accrue cost and share revenue / area as per the terms of JDA.

34. Other matters

Information with regard to other matters specified in revised Schedule III to the Act is either nil or not applicable to the Company for the period under consideration.

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(Currency: Indian Rupees)

35. Prior year comparatives

Previous figures have been regrouped / reclassified wherever necessary.

As per our report of even date attached.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration. No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 29 September 2018

For and on behalf of the Board of Directors of
Pacifica India Projects Private Limited
CIN No: U45200GJ2005FTC047249

Rakesh Israni
Director
DIN No: 00012485

Place: Ahmedabad
Date: 29 September 2018

Gunjan Israni
Director
DIN No: 00012493

Place: Ahmedabad
Date: 29 September 2018

PACIFICA (INDIA) PROJECTS PVT. LTD.