

Independent Auditor's Report

To
The Members of
Amber Real Estate Limited

1. Report on the Ind AS financial statements

We have audited the accompanying Ind AS financial statements of **Amber Real Estate Limited** ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

2. Management's Responsibility for the Ind AS financial statements

The Company's Board of Directors is responsible for the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. While conducting the 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 Ind AS 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 Ind AS financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS

financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 Ind AS financial statements.

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the 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 and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of section 143(11) of the Act ("the Order"), and on the basis of such checks of books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
- II. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income/(loss)), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
 - 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- 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 having 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 during the year ended 31 March 2018.

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215

Mumbai, 09 May 2018

Annexure - A to the Independent Auditor's Report

Annexure referred to in paragraph 5(I) under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of the Company on the Ind AS financial statements for the year ended 31 March 2018

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. As informed to us, no discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable property under fixed assets.
- ii. The physical verification of inventory has been conducted by the Management at reasonable intervals during the year. As informed to us, no discrepancies noticed on such verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder.
- vi. The Central Government of India has not prescribed the maintenance of cost records under Section 148(1) of the Act.
- vii. According to the records of the Company, examined by us and information and explanations given to us:
 - a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and others as applicable have been regularly deposited with the appropriate authorities. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2018 for a period of more than six months from the date they became payable.
 - b) There are no dues of income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.

- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken any loan from bank, financial institution, government or issued any debentures during the year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.
- xi. According to the records of the Company examined by us, and information and explanations given to us, the Company has not paid/provided any managerial remuneration during the year and hence requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act are not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable Ind AS.
- xiv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215

Mumbai, 09 May 2018

Annexure - B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 5(II)(f) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of the Company on the Ind AS financial statements for the year ended 31 March 2018

We have audited the internal financial controls over financial reporting of **Amber Real Estate Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215

Mumbai, 09 May 2018

Amber Real Estate Limited
Balance Sheet as at 31 March 2018

(₹ in lakhs)

	Notes	As at 31 March 2018	As at 31 March 2017
ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	4	22.92	32.88
(b) Financial assets			
(i) Loans	5	2,843.88	-
(ii) Other financial assets	6	67.68	72.52
(c) Income tax assets (net)	7	402.08	253.26
(d) Other non-current assets	8	30.68	201.44
Total non-current assets		3,367.24	560.10
2. Current assets			
(a) Inventories	9	9,963.92	9,963.92
(b) Financial assets			
(i) Loans	10	-	2,220.50
(ii) Trade receivables	11	180.52	146.53
(iii) Cash and cash equivalents	12	54.96	66.33
(iv) Bank balances other than (iii) above	13	5.41	-
(v) Other financial assets	14	10.85	8.45
(c) Other current assets	15	171.88	176.48
Total current assets		10,387.54	12,582.21
Total assets		13,754.78	13,142.31
EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	16 (a)	99.00	99.00
(b) Other equity	16 (b)	(3,049.20)	(3,002.03)
Total equity		(2,950.20)	(2,903.03)
2. Liabilities			
A. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	14,127.23	14,908.63
(ii) Other financial liabilities	18	762.79	696.25
(b) Other non-current liabilities	19	81.83	136.75
Total non-current liabilities		14,971.85	15,741.63
B. Current liabilities			
(a) Financial liabilities			
(i) Trade payables	20	32.83	34.33
(ii) Other financial liabilities	21	95.98	69.31
(b) Other current liabilities	22	1,604.32	200.07
Total current liabilities		1,733.13	303.71
Total equity and liabilities		13,754.78	13,142.31

Notes forming part of the financial statements

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As per our report of even date

For **MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/ W-100035

For and on behalf of the Board

Sanjay Kothari

Partner

Membership Number 048215

Mumbai, 09 May 2018

Narendra Kumar Lodha

Director

DIN:00318630

Manish Mohnot

Director

DIN:01229696

Amber Real Estate Limited

Statement of profit and loss for the year ended 31 March 2018

(₹ in lakhs)

	Notes	2017-18	2016-17
I. Income			
Revenue from operations	23	1,607.67	3,660.18
Other income	24	257.93	156.51
Total income (I)		1,865.60	3,816.69
II. Expenses			
Cost of operations	25	-	1,567.51
Finance costs	26	1,150.11	1,187.56
Depreciation	27	10.15	16.46
Other expenses	28	731.02	889.96
Total expenses (II)		1,891.28	3,661.49
III. Profit /(loss) before tax for the year (I -II)		(25.68)	155.20
IV. Tax expense			
Current tax -current year		12.95	40.02
- earlier year		8.54	-
Deferred tax		-	-
V. Profit /(loss) for the year after tax		(47.17)	115.18
VI. Other comprehensive income / (loss)		-	-
VII. Total comprehensive income / (loss) for the year		(47.17)	115.18
Earnings per equity share of ₹ 10 each fully paid up			
Basic and diluted earnings per share (₹)	32	(4.76)	11.63
Notes forming part of the financial statements	1-40		
As per our report of even date For MGB & Co LLP Chartered Accountants Firm Registration Number 101169W/ W-100035		For and on behalf of the Board	
Sanjay Kothari Partner Membership Number 048215		Narendra Kumar Lodha Director DIN:00318630	Manish Mohnot Director DIN:01229696
Mumbai, 09 May 2018			

Amber Real Estate Limited

Statement of changes in equity for the year ended 31 March 2018

A. Equity share capital		
	Note	(₹ in lakhs)
Balance as at 01 April 2016	16	99.00
Changes in equity share capital		-
Balance as at 31 March 2017	16	99.00
Changes in equity share capital		-
Balance as at 31 March 2018	16	99.00
B. Other equity		
	Retained earnings	Total
	(₹ in lakhs)	
Balance as at 01 April 2016 (A)	(3,117.21)	(3,117.21)
Profit /(loss)for the year	115.18	115.18
Other comprehensive income for the year	-	-
Total comprehensive income for the year (B)	115.18	115.18
Balance as at 31 March 2017 (C)=(A+B)	(3,002.03)	(3,002.03)
Profit /(loss)for the year	(47.17)	(47.17)
Other comprehensive income for the year	-	-
Total comprehensive income for the year (D)	(47.17)	(47.17)
Balance as at 31 March 2018 (C+D)	(3,049.20)	(3,049.20)
<p>As per our report of even date</p> <p>For MGB & Co LLP For and on behalf of the Board</p> <p>Chartered Accountants</p> <p>Firm Registration Number 101169W/ W-100035</p>		
<p>Sanjay Kothari</p> <p>Partner</p> <p>Membership Number 048215</p>	<p>Narendra Kumar Lodha</p> <p>Director</p> <p>DIN:00318630</p>	<p>Manish Mohnot</p> <p>Director</p> <p>DIN:01229696</p>
<p>Mumbai, 09 May 2018</p>		

Amber Real Estate Limited
Notes forming part of the financial statements

1 Company information

Amber Real Estate Limited (the Company) is a public Company domiciled in India and is incorporated under Companies Act, 1956. The Company's registered office is at 101, Kalpataru Synergy, Opp. Grand Hy Santacruz (East), Mumbai 400 055. The Company is primarily involved in Real Estate Development, Leas

The financial statements of the Company for the year ended 31 March 2018 were authorised for issue by Board of Directors at their meeting held on 09 May 2018

2 Significant accounting policies

(a) Basis of preparation

The financial statements of the Company are prepared on going concern basis in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015

The financial statements have been prepared under the historical cost convention and on accrual basis except for certain financial assets and liabilities measured at fair value in accordance with Ind AS 109, explained in accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The financial statements are presented in ₹ in lakhs with two decimals, except when otherwise indicated.

(b) Current and non-current classification

Assets and liabilities are classified as current if it is expected to realise or settle within twelve months after the balance sheet date. Inventories are classified as current assets. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(c) Property, plant and equipment

- i) All property, plant and equipment are stated at original cost of acquisition/installation (net of credit availed) less accumulated depreciation and impairment loss, if any. Cost includes cost of acquisition, construction and installation, taxes, duties, freight and other incidental expenses that are directly attributable to bringing the asset to its working condition for the intended use and estimated cost for decommissioning of an asset.
- ii) Depreciation on property, plant and equipment is provided on written down value method based on useful life specified in Schedule II of the Companies Act, 2013.

(d) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing inventory to its present condition are accounted for as follows:

Cost of work-in-progress and finished stock includes cost of land / development rights, construction cost allocated borrowing costs and expenses incidental to the projects undertaken by the Company.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated cost necessary to make the sale.

(e) Financial instruments

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

Financial assets

i) Recognition and measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Amber Real Estate Limited

Notes forming part of the financial statements

The Company subsequently recognises its debt investments initial either at Fair Value through Profit or Loss (FVTPL), Fair Value through Other Comprehensive Income (FVOCI) or at Amortised Cost, based on the Company's business model for managing the financial assets and their contractual cash flows.

Debt instruments

- Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent sole payments of principal and interest are measured at amortised cost. A gain or loss on such instrument is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVOCI) are measured at fair value through profit or loss. Gain and losses on fair value instruments are recognised in profit or loss. Interest income from these financial assets is included in other income.

Equity investments

The Company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to statement of profit and loss in the event of de-recognition. Dividends from such investments are recognised in the statement of profit and loss as other income when the company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

ii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

iii) De-recognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

f) Borrowings and other financial liabilities

i) Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred) that are directly attributable to the acquisition of the financial liability.

ii) Subsequently recognition is done at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. The EIR amortisation is included in finance costs in the statement of profit and loss.

Amber Real Estate Limited

Notes forming part of the financial statements

- iii) Borrowings and other financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss.

(g) Revenue recognition

- i) Revenue from real estate activity is recognised in accordance with the "Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable, issued in May 2016)" issued by the ICAI. Construction revenue on such projects is recognized on percentage of completion method provided the threshold levels as prescribed in the said Guidance Note have been met. The method of determination of stage of completion of construction work is certified by the registered Architect subject to such percentage being 25 percent or more, and revenue computed under this method in any case does not exceed the revenue computed with reference to the 'project cost method'.

Revenue is recognised net of indirect taxes and comprises the aggregate amounts of sale price as per the documents entered into. The total saleable area and estimate of costs are reviewed periodically by the management and any effect of changes therein is recognized in the period in which such changes are determined. However, if and when the total project cost is estimated to exceed the total revenue from the project, the loss is recognized in the same financial year.

- ii) Revenue in respect of completed units, is recognised when the significant risks and rewards of ownership of the units in real estate have been passed on to the buyer.

- iii) **Lease income**

Lease income arising from operating leases is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit and loss due to its operating nature.

- iv) **Interest income**

Interest income for all debt instruments, measured at amortised cost or fair value through other comprehensive income, is recognised using the effective interest rate method and shown as interest income in the statement of profit and loss.

(h) Foreign currency transactions

Foreign currency transactions are recorded at the exchange rate prevailing on the date of such transactions. Monetary assets and liabilities in foreign currency as at the Balance Sheet date are translated at the exchange rates prevailing at the date of Balance Sheet. Gains and losses arising on account of difference in foreign exchange rates on settlement / translation of monetary assets and liabilities are recognised in the statement of Profit and Loss.

(i) Income taxes

Income tax expense comprises current tax expense and net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current income taxes:

Tax on income for the current period is determined on the basis of estimated taxable income and tax credit computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred income taxes:

Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Deferred tax is recognised on temporary timing difference between the carrying amount of assets or liability and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Amber Real Estate Limited

Notes forming part of the financial statements

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(j) Impairment of non-financial assets

The carrying amounts of other non financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when its carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in previous accounting periods is reversed if there has been a change in the estimate of recoverable amount.

(k) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except when the results would be anti-dilutive.

(l) Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(m) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are recognised over the lease term on the same basis as rental income. Contingent rental income is recognised as revenue in the period in which it is earned.

(n) Provisions, contingent liabilities and contingent assets

i) Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

ii) A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but

iii) Contingent assets are not recognized, but are disclosed in the financial statements when an economic inflow is probable.

3 A) Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

a) Operating lease commitments – Company as lessor

The Company has entered into commercial property leases. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

b) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. An assessment is carried to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

c) Taxes

The Company periodically assesses its liabilities and contingencies related to income taxes for all years open to scrutiny based on latest information available. For matters where it is probable that an adjustment will be made, the Company records its best estimates of the tax liability in the current tax provision. The Management believes that they have adequately provided for the probable outcome of these matters.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. For details of the key assumptions used and the impact of changes to the assumptions refer note 37.

e) Revenue recognition

Determination of revenue under the percentage of completion method necessarily involves making estimates by the Company, some of which are technical in nature, concerning, where relevant, the percentage of completion, costs to completion, total saleable area, the expected revenues from the project and the foreseeable losses to completion. Provision for foreseeable losses, determination of profit from real estate projects and valuation of construction work in progress is based on such estimates.

B) Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA), on 28th March 2018, has notified the Ind AS 115, "Revenue from Contracts with Customers" and issued Companies (Indian Accounting Standards) Amendment Rules, 2018 notifying amendments in "Appendix B to Ind AS 21". The new standard and amendments are effective for accounting periods beginning on or after 1 April, 2018. The Company is evaluating the disclosure requirements of these amendments and its effect on the financial statements.

Amber Real Estate Limited
Notes forming part of the financial statements

4 Property, plant and equipment

(₹ In lakhs)

	Plant and machinery	Office and other equipments	Furniture and fixtures	Computers	Total
Cost					
As at 1 April 2016	15.92	29.20	11.93	1.53	58.58
Additions during the year	-	0.35	-	-	0.35
Disposals during the year	5.60	-	-	-	5.60
As at 31 March 2017	10.32	29.55	11.93	1.53	53.33
Additions during the year	-	-	-	0.17	0.17
Disposals during the year	-	-	-	-	-
As at 31 March 2018	10.32	29.55	11.93	1.70	53.50

(₹ In lakhs)

	Plant and machinery	Office and other equipments	Furniture and fixtures	Computers	Total
Accumulated depreciation					
Upto 1 April 2016	2.54	5.65	0.08	0.02	8.29
Additions during the year	2.55	9.26	3.82	0.83	16.46
Deletions during the year	4.32	-	-	-	4.32
Upto 31 March 2017	0.77	14.91	3.90	0.85	20.43
Additions during the year	1.93	5.38	2.52	0.32	10.15
Deletions during the year	-	-	-	-	-
Upto 31 March 2018	2.70	20.29	6.42	1.17	30.58

(₹ In lakhs)

Net carrying amount as at 31 March 2018	7.62	9.26	5.51	0.53	22.92
Net carrying amount as at 31 March 2017	9.54	14.63	8.03	0.68	32.88

Amber Real Estate Limited
Notes forming part of the financial statements

5 Non-current financial assets - Loan (₹ in lakhs)

	2017-18	2016-17
(Unsecured, considered good unless otherwise stated) Loan to related party (Refer note 33)	2,843.88	-
Total	2,843.88	-

Loan to related party is a non-derivative financial asset which generates a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparty.

6 Non-current financial assets - Others (₹ in lakhs)

	2017-18	2016-17
Deposits	67.68	67.44
Margin money deposits	-	5.08
Total	67.68	72.52

Deposits includes interest free non-derivative financial assets carried at amortised cost.

7 Income tax assets (₹ in lakhs)

	2017-18	2016-17
Balances with government authorities - Direct tax (Net of provision)	402.08	253.26
Total	402.08	253.26

8 Other non-current assets (₹ in lakhs)

	2017-18	2016-17
Prepaid expenses	30.68	103.74
Lease rent equalisation	-	97.70
Total	30.68	201.44

9 Inventories (₹ in lakhs)

	2017-18	2016-17
Finished stock *	9,963.92	9,963.92
Total	9,963.92	9,963.92

* Represents leased commercial premises constructed for sale in the ordinary course of business.

10 Current financial assets - Loans (₹ in lakhs)

	2017-18	2016-17
(Unsecured, considered good unless otherwise stated) Loan to related party (Refer note 33)	-	2,220.50
Total	-	2,220.50

11 Trade receivables (₹ in lakhs)

	2017-18	2016-17
(unsecured and considered good) Others	180.52	146.53
Total	180.52	146.53

Trade receivables are non-interest bearing and are generally on terms of 30 days.

12 Cash and cash equivalents (₹ in lakhs)

	2017-18	2016-17
Balances with banks in current accounts	54.23	65.93
Cash on hand	0.73	0.40
Total	54.96	66.33

13 Other bank balances (Other than cash and cash equivalents) (₹ in lakhs)

	2017-18	2016-17
Margin money deposits	5.41	-
Total	5.41	-

Amber Real Estate Limited
Notes forming part of the financial statements

14 Current financial assets - Others

(₹ in lakhs)

	2017-18	2016-17
Deposits	10.85	8.45
Total	10.85	8.45

15 Other current assets

(₹ in lakhs)

	2017-18	2016-17
Advances to vendors	3.40	3.14
Prepaid expenses	70.66	75.46
Balances with government authorities		
- Indirect tax	0.12	8.47
Lease rent equalisation	97.70	89.41
Total	171.88	176.48

16 Equity share capital and other equity

a) Equity share capital

Authorised share capital

(₹ in lakhs)

	As at 2017-18	As at 2016-17
1,000,000 (1,000,000,) equity shares of ₹ 10 each	100.00	100.00
	100.00	100.00

Issued, subscribed and paid up shares

(₹ in lakhs)

	As at 2017-18	As at 2016-17
990,000 (990,000) equity shares of ₹ 10 each	99.00	99.00
	99.00	99.00

Movements in equity share capital

	No of shares	(₹ in lakhs)
At 1 April 2016	990,000	99.00
Changes during the year	-	-
At 31 March 2017	990,000	99.00
Changes during the year	-	-
At 31 March 2018	990,000	99.00

i) All the above shares are held by Kalpataru Power Transmission Limited (the holding Company) and its nominees

ii) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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.

iii) There are no bonus shares issued or shares issued for consideration other than cash or shares bought back during five years preceeding 31 March 2018.

(b) Other Equity

(₹ in lakhs)

	2017-18	2016-17
Retained earnings		
As per statement of Profit and Loss	(3,002.03)	(3,117.21)
Add :		
Profit/ (loss) for the year	(47.17)	115.18
Item of other comprehensive income recognised directly in retained earnings	-	-
Total	(3,049.20)	(3,002.03)

Nature and purpose of reserves

Retained earnings

Retained earnings represent the accumulated earnings net of losses if any made by the Company over the years.

Amber Real Estate Limited
Notes forming part of the financial statements

17 Non-current financial liabilities - Borrowings (₹ in lakhs)

	2017-18	2016-17
Unsecured		
Loan from holding company (Refer note 33)	14,127.23	14,908.63
Total	14,127.23	14,908.63

Note: Loan from holding company carries interest @ 7.41% p.a as at 31 March 2018 and is repayable on or after 16 August 2019.

18 Non-current financial liabilities - Others (₹ in lakhs)

	2017-18	2016-17
Deposits	762.79	696.25
Total	762.79	696.25

19 Other non-current liabilities (₹ in lakhs)

	2017-18	2016-17
Deferred revenue	81.83	136.75
Total	81.83	136.75

20 Trade payables (₹ in lakhs)

	2017-18	2016-17
Trade payables	32.83	34.33
Total	32.83	34.33

The Company has not received any intimation from “suppliers” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the period together with interest paid/ payable as required under the said Act have not been furnished.

21 Current financial liabilities - Others (₹ in lakhs)

	2017-18	2016-17
Creditors for expenses	95.98	69.31
Total	95.98	69.31

22 Other current liabilities (₹ in lakhs)

	2017-18	2016-17
Deferred revenue	56.12	55.41
Advance against property	1,414.06	-
Revenue received in advance	3.38	10.05
Statutory dues	130.77	134.61
Total	1,604.32	200.07

Amber Real Estate Limited
Notes forming part of the financial statements

23 Revenue from operations (₹ In lakhs)

	2017-18	2016-17
Sale of commercial units	-	2,049.03
Sale of services		
- License fee and other charges	1,158.17	1,127.80
- Service charges	449.50	481.40
Other operating revenues	-	1.95
Total	1,607.67	3,660.18

24 Other income (₹ In lakhs)

	2017-18	2016-17
Interest on financial assets measured at amortised cost		
- Loan	248.20	151.95
- Deposits	9.73	4.56
Total	257.93	156.51

25 Cost of operations (₹ In lakhs)

	2017-18	2016-17
Opening stock	9,963.92	11,531.43
Add : Expenses incurred during the year	-	-
	9,963.92	11,531.43
Less: Closing stock (Refer note 9)	9,963.92	9,963.92
Total	-	1,567.51

26 Finance costs (₹ In lakhs)

	2017-18	2016-17
Interest expenses on financial liabilities at amortised cost		
- Borrowings	1,092.89	1,138.15
- Others	3.68	0.49
Other borrowing costs	0.46	0.42
	1,097.03	1,139.06
Unwinding of Interest free deposits received	53.08	48.50
Total	1,150.11	1,187.56

27 Depreciation (₹ In lakhs)

	2017-18	2016-17
Depreciation on property, plant and equipment	10.15	16.46
Total	10.15	16.46

28 Other expenses (₹ In lakhs)

	2017-18	2016-17
Rates and taxes	56.58	50.37
Legal and professional charges	2.97	6.34
Power and fuel	373.93	472.04
Water charges	8.20	7.77
Facility management services	86.43	94.32
Repair and maintenance	93.41	102.52
Security charges	26.76	31.72
Insurance charges	4.06	3.28
Director sitting fees	1.20	0.60
Auditors' remuneration		
- Audit fees	1.00	1.01
- Tax audit	0.50	0.50
Brokerage expenses	57.51	115.97
Loss on sale of property, plant and equipment	-	0.81
Miscellaneous expenses	18.47	2.71
Total	731.02	889.96

29 Contingent liabilities (to the extent not provided for)

Bank guarantee issued in favour of Maharashtra Pollution Control Board ₹ 5.00 lakhs (₹ 5.00 lakhs)

30 Income tax

(a) Income tax related to items recognised directly in the statement of profit and loss during the year.

(₹ In lakhs)

	For the year ended	
	31 March 2018	31 March 2017
Current income tax:		
Current income tax charge	12.95	40.02
Current income tax related to previous year	8.54	-
Deferred tax:		
Relating to origination and reversal of temporary differences (Refer note below)	-	-
Income tax expense reported in the statement of profit and loss	21.49	40.02

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2017:

(₹ In lakhs)

	For the year ended	
	31 March 2018	31 March 2017
Accounting profit before tax	(25.68)	155.20
At statutory income tax rate of 19.055%(under MAT) (Previous year 20.388%)	(4.89)	31.64
Tax on transitional amount on convergence to Ind AS	17.85	19.08
Other allowances for tax purpose	-	(10.70)
Current income tax related to previous year	8.54	-
Income tax expense as per the statement of profit and loss	21.49	40.02

(c) The Company has unused tax losses of ₹ 5,545.98 lakhs (₹ 5,084.82 lakhs) that are available for setoff for eight years against future taxable profits of the Company. Deferred tax assets have not been recognised in respect of these unused tax losses in view of uncertainty as to the absorption of losses in the foreseeable future based on the current level of operations of the Company. Majority of unused tax losses will expire in between March-22 to March-24. If the Company was able to recognise all unrecognised deferred tax assets, retained earning would increase by ₹ 1392.47 lakhs (₹ 1659.97 lakhs).

(d) Unrecognised deductible temporary differences of ₹ 19.30 lakhs (₹ 16.02 lakhs) on which deferred tax assets amounting to ₹ 4.97 lakhs (₹ 5.30 lakhs) has not been recognised.

e) The Company has computed tax u/s115JB of the Income Tax Act, 1961. However in view of uncertainty regarding sufficient future taxable income as per the normal provisions, MAT credit entitlement of ₹ 12.95 lakhs (₹ 40.02 lakhs) has not been considered.

31 Segment information

The company is engaged in the business of Real Estate activities in India only. Hence, there are no separate reportable segments as per the reporting and disclosure requirement prescribed by Indian Accounting Standard 108 - 'Operating Segments'

32 Earnings per share (EPS)

	2017-18	2016-17
Face value of equity shares (₹)	10	10
Weighted average no. of equity shares outstanding (No.)	990,000	990,000
Profit for the year (₹ in lakhs)	(47.17)	115.18
Weighted average earnings per share (basic and diluted) (₹)	(4.76)	11.63

Amber Real Estate Limited
Notes forming part of the financial statements
33 Related party disclosures

Holding Company

Kalpataru Power Transmission Limited

Fellow Subsidiaries

JMC Projects (India) Limited, JMC Mining and Quarries Limited, Brij Bhoomi Expressway Private Limited, Saicharan Properties Limited, Energylink India Limited, Shree Shubham Logistics Limited, Kalpataru SA (Proprietary) Limited*, Kalpataru Power Transmission (Nigeria) Limited**, Kalpataru Power Transmission (Mauritius) Limited, Adeshwar Infrabuild Limited, Kalpataru Power Transmission USA INC, Wainganga Expressway Private Limited, Vindhyachal Expressway Private Limited, Kalpataru Power DMCC,UAE (Formerly Known as Kalpataru Power JLT UAE), LLC Kalpataru Power Transmission Ukraine, Kalpataru Satpura Transco Private Limited, Punarvasu Financial Services Private Limited (Formerly Known as Punarvasu Holding and Trading Private Limited), Kalpataru Metfab Private Limited (Formerly known as Gestamp Kalpataru Solar Steel Structures Private Limited), Alipurduar Transmission Limited, Kalpataru IBN Omairah Company Limited, Kohima-Mariani Transmission Limited##

* Ceased w.e.f 15 June 2016

Became subsidiary w.e.f 31 March 2017

** Ceased w.e.f 12 January 2018

Key Management Personnel / Directors

Kamal K.Jain, Manish D.Mohnot, Narendra S. Lodha

Transactions with related parties

(₹ In lakhs)

	2017-18	2016-17
Holding company		
Kalpataru Power Transmission Limited		
Interest expense	1,092.89	1,138.15
Loan taken	400.00	2,185.00
Loan taken repaid	2,165.00	3,065.00
Fellow subsidiaries		
Shree Shubham Logistics Limited		
Interest received	248.20	151.95
Loan given	400.00	2,150.00
Loan given repaid		500.00

Closing balances as at

(₹ In lakhs)

	As at 31 March 2018	As at 31 March 2017
Holding company		
Loan taken		
Kalpataru Power Transmission Limited	14,127.23	14,908.63
Fellow Subsidiaries		
Loan given		
Shree Shubham Logistics Limited	2,843.88	2,220.50

All transactions with related parties are made on arm's length basis in the ordinary course of business. The outstanding balances at the year end are unsecured due to be settled for consideration in cash.

34 Net worth erosion

The Company has a negative net worth due to past losses, however the holding company has provided the required financial support to maintain the Company as going concern.

Amber Real Estate Limited
Notes forming part of the financial statements

35 Operating leases

The Company has given its commercial premises (Finished Stock) on operating lease. Income from non-cancellable operating lease is recognised on a straight line basis over the period of lease. Particulars of the premises given under operating lease are as under:

Future minimum rentals receivable under non-cancellable operating leases are, as follows:

	(₹ In lakhs)	
	2017-2018	2016-17
Within one year	1,259.52	1,180.26
Later than one year but not more than five years	1,938.58	3,198.10
More than five years	-	-
Total	3,198.10	4,378.36

36 Details of loans given, investments made, guarantees given and securities provided covered u/s 186 of the

a) The Company is engaged in the business of providing Infrastructural facilities as specified under Schedule VI of the Companies Act 2013 (the 'Act') and hence the provisions of Section 186 of the Act related to loans/guarantees given or securities provided are not applicable to the Company.

b) There are no investments made by the Company.

37 Financial Instruments - Accounting classifications and fair value

The fair value to the financial assets and liabilities are included at the amount at which the instrument can be exchanged in the current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- a) Fair value of the cash and margin money deposits, trade receivables, trade payables, other current liabilities, long term borrowings and other current financial instruments approximate their carrying amounts largely due to short term maturities of these instruments.
- b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which uses inputs that have a significant effect on the recorded fair value that are not based on observable market data.

	(₹ In lakhs)	
	Carrying amount	
	As at 31 March 2018	As at 31 March 2017
Financial assets at amortised cost:		
Loans	2,843.88	2,220.50
Trade receivables	180.52	146.53
Cash and cash equivalents and other bank balances	60.37	66.33
Other financial assets (non-current)	67.68	72.52
Other financial assets (current)	10.85	8.45
Total	3,163.30	2,514.33
Financial liabilities at amortised cost:		
Long-term borrowing from holding company	14,127.23	14,908.63
Trade payables	32.83	34.33
Other financial liabilities (non-current)	762.79	696.25
Other financial liabilities (current)	95.98	69.31
Total	15,018.82	15,708.52

Description of significant unobservable inputs to valuation:

The management assessed that cash and cash equivalents and other bank balances, trade receivables and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- ▶ Long-term fixed-rate borrowings are evaluated by the Company based on parameters such as interest rates, individual creditworthiness and the risk characteristics of the financed project. The fair value is determined using DCF method.
- ▶ The loans given to related parties are disclosed at carrying value at the reporting date.

38 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed through its operations to the following financial risks:

- Credit risk
- Fair value or cash flow interest rate risk
- Other market price risk, and
- Liquidity risk.

The Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

A) Market risk

Market risk arises from the Company's use of interest bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The management is responsible for the monitoring of the Company's interest rate position. Different variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the effect of change in the interest rate on floating rate borrowings, is as follows:

	(₹ In lakhs)	
	2017-18	2016-17
Impact of increase of 50 basis points	(70.64)	(74.54)
Impact of decrease of 50 basis points	70.64	74.54

b Currency risk

There is no currency risk, as the Company's primary business activities are within India and does not have exposure in foreign currency.

B) Credit risk

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

(i) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has entered into contracts for the sale / leasing of commercial units. The payment terms are specified in the contracts. The Company is exposed to credit risk in respect of the amount due. However, in case of sale, the legal ownership of commercial units are transferred to the buyer only after the entire amount is recovered. In case of leasing, the Company takes security deposit to secure the rent. In addition, the amount due is monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions industries and operate in largely independent markets.

The Company establishes an allowance for impairment at each reporting date that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures and a collective loss component established for Company of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistic for similar financial assets.

Amber Real Estate Limited**Notes forming part of the financial statements****(ii) Financial instruments and cash deposits**

With respect to credit risk arising from the other financial assets of the Company, which comprise bank balances, cash, loans to related party, other receivables and deposits, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets.

Credit risk from balances with banks is managed by Company's treasury in accordance with the Company's policy. The Company limits its exposure to credit risk by only placing balances with local banks. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. other financial assets) and projected cash flows from operations.

The cash flows, funding requirements and liquidity of Company is monitored under the control of Treasury team. The objective is to optimize the efficiency and effectiveness of the management of the Company's capital resources. The Company's objective is to maintain a balance between continuity of funding and borrowings. The Company manages liquidity risk by maintaining adequate reserves and borrowing facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company currently has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations.

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

	(₹ In lakhs)		
	Less than 1 year	Between 1 year to 5 years	Total
As at 31 March 2018			
Borrowings	-	14,127.23	14,127.23
Trade and other payables	32.83	-	32.83
Other financial liabilities	95.98	762.79	858.77
As at 31 March 2017			
Borrowings	-	14,908.63	14,908.63
Trade and other payables	34.33	-	34.33
Other financial liabilities	69.31	696.25	765.56

39 Capital Management

For the purpose of Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

	(₹ In lakhs)	
	As at 31 March 2018	As at 31 March 2017
Gross debt (inclusive of long term and short term borrowing)	14,127.23	14,908.63
Less: Cash and bank balances	60.37	66.33
Net debt	14,066.86	14,842.30
Total equity	(2,950.18)	(2,903.02)
Total capital plus debt	11,116.68	11,939.28
Gearing ratio (Net debt / total capital plus debt)	127%	124%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

40 Previous year figures have been regrouped / reclassified, wherever necessary, to correspond with current year's classification. Figures in bracket pertains to previous year.

As per our report of even date

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/ W-100035

For and on behalf of the Board

Sanjay Kothari
Partner
Membership Number 048215

Narendra Kumar Lodha
Director
DIN:00318630

Manish Mohnot
Director
DIN:01229696

Mumbai, 09 May 2018

Amber Real Estate Limited

Statement of cash flows for the year ended 31 March 2018

(₹ In lakhs)

	2017-18	2016-17
A Cash flow from operating activities		
Profit /(loss) before tax	(25.68)	155.20
Adjustments for:		
Depreciation	10.15	16.46
(Profit) / loss on sale of property, plant and equipment	-	0.81
Interest income	(257.93)	(156.51)
Interest expenses	1,150.11	1,187.56
Operating profit before working capital changes	876.65	1,203.52
Adjustments for:		
(Increase)/ decrease in inventories	-	1,567.51
(Increase)/ decrease in trade and other receivables	143.79	225.93
Increase/ (decrease) in trade and other payables	1,435.95	(143.54)
Cash from operating activities	2,456.40	2,853.42
Direct taxes (paid) / refund (net)	(170.32)	(167.33)
Net cash from operating activities	2,286.08	2,686.09
B Cash flow from investing activities		
Purchase of property, plant and equipment	(0.17)	(0.34)
Sale of property, plant and equipment	-	0.48
(Increase) / decrease in other bank balances	-	1.88
Loans given	(623.38)	(2,286.76)
Loans given repaid	-	500.00
Interest received	257.60	156.58
Net cash used in investing activities	(365.94)	(1,628.16)
C Cash flow from financing activities		
Loan taken from holding company	1,383.60	3,209.33
Loan taken from holding company repaid	(2,165.00)	(3,065.00)
Loan taken from Others	-	25.00
Loan taken from Others repaid	-	(25.00)
Interest paid	(1,150.11)	(1,139.06)
Net cash used in financing activities	(1,931.51)	(994.73)
Net increase/ (decrease) in cash or cash equivalents	(11.37)	63.20
Opening balance of cash and cash equivalents	66.33	3.13
Closing balance of cash and cash equivalents	54.96	66.33
Add: Other bank balances	5.41	-
Cash and cash equivalents at the end of the year	60.37	66.33

Notes:

The above statement has been prepared under the indirect method as set out in Ind AS - 7 "Statement of Cash Flows"

Previous year's figures have been regrouped/ reclassified wherever necessary to confirm to current year's classification.

As per our report of even date

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/ W-100035

For and on behalf of the Board

Sanjay Kothari

Partner

Membership Number 048215

Narendra Kumar Lodha

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Mumbai, 09 May 2018