AEGEAN PROPERTIES LIMITED

CIN:U45200MH1995PLC084766

BALANCE SHEET AS AT MARCH 31, 2018

	Notes	March 31, 2018 ₹.	March 31, 2017 ₹.	April 01, 2016 ₹.
ASSETS				
NON-CURRENT ASSETS				
a) Investment in Property	3	53,34,111.00	54,42,529.00	55,50,947.00
b) Non-current tax assets (net)	4	-	2,99,947.00	3,905.00
		53,34,111.00	57,42,476.00	55,54,852.00
CURRENT ASSETS				
a) Financial Assets				
i) Cash and Cash Equivalents	5	16,77,548.05	1,47,106.30	9,37,022.30
ii) Other financial assets	6	42,14,341.00	41,28,484.00	28,89,781.00
b) Other current assets	7	1,78,830.00	1,90,418.00	2,32,618.00
		60,70,719.05	44,66,008.30	40,59,421.30
TOTAL		1,14,04,830.05	1,02,08,484.30	96,14,273.30
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share Capital	8	30,00,000.00	30,00,000.00	30,00,000.00
b) Other equity	9	84,23,871.05	70,49,280.30	66,03,523.30
Equity attributable to owners of the Company		1,14,23,871.05	1,00,49,280.30	96,03,523.30
LIABILITIES				
NON-CURRENT LIABILITIES				
a) Deferred tax liability (net)	10	(1,20,447.00)	34,578.00	-
		(1,20,447.00)	34,578.00	-
CURRENT LIABILITIES				
a) Financial Liabilities				
ii) Trade payables	11			
A) Total outstanding dues of micro and small enterprises		-	-	-
B) Total outstanding dues of creditors other than micro and small enterprises		57,950.00	1,20,558.00	10,750.00
b) Other current liabilities	12	-	4,068.00	-
Current liabilities (NET)	12A	43,456.00	-	-
		1,01,406.00	1,24,626.00	10,750.00
TOTAL		1,14,04,830.05	1,02,08,484.30	96,14,273.30
Summary of significant accounting policies	2.1			

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached
For Anil A. Dikshit & Co.
Firm Registration No. 100410W
Chartered Accountants

ANIL A. DIKSHIT & CO. Chartered Accountants

Anil A. Dikshit
Proprietor
Membership No.: 036706

Thane
Date: May 15, 2018

For and on behalf of the Board of Directors of Aegean Properties Limited

Krishna Datla
Director

Satish Varma
Director

Thane
Date: May 15, 2018

AEGEAN PROPERTIES LIMITED

CIN:U45200MH1995PLC084766

PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

	Notes	March 31, 2018 ₹.	March 31, 2017 ₹.
Income:			
Revenue from operations	13	**18,00,000.00**	18,00,000.00
Other income	14	**10,140.00**	5,854.00
Total revenue (I)		**18,10,140.00**	18,05,854.00
Expenses:			
Depreciation and amortization expense	15	**1,08,418.00**	1,08,418.00
Other expenses	16	**90,377.25**	10,60,179.00
Total (II)		**1,98,795.25**	11,68,597.00
Profit/(Loss) before tax		**16,11,344.75**	6,37,257.00
Tax expense:			
Current tax		**3,91,781.00**	1,56,922.00
Deferred tax		**(1,55,027.00)**	34,578.00
Total tax expense		**2,36,754.00**	1,91,500.00
Profit/(Loss) for the year		**13,74,590.75**	4,45,757.00
Profit for the year attributable to:			
- Owners of the Company		**13,74,590.75**	4,45,757.00
- Non-controlling interests		-	-
		13,74,590.75	4,45,757.00
Earning per share (equity shares, par value ₹. 100 each)	17		
Computed on the basis of total profit for the year			
Basic / Diluted (₹.)		**45.82**	19.03
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For Anil A. Dikshit & Co.
Firm Registration No. 100410W
Chartered Accountants

Anil A. Dikshit
Proprietor
Membership No.: 036706

ANIL A. DIKSHIT & CO. Chartered Accountants

Thane
Date: May 15, 2018

For and on behalf of the Board of Directors of Aegean Properties Limited

Krishna Datla
Director

Satish Varma
Director

Thane
Date: May 15, 2018

AEGEAN PROPERTIES LIMITED

CIN:U45200MH1995PLC084766

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

PARTICULARS		March 31, 2018 ₹.	March 31, 2017 ₹.
A. Cash flow from operating activities			
Profit before tax		16,11,346.75	6,37,257.00
Adjustment to reconcile profit before tax to net cash flows:			
Depreciation and amortization expense		1,08,418.00	1,08,418.00
Operating profit before working capital changes		17,19,764.75	7,45,675.00
Movements in working capital :			
Decrease/(increase) in other financial assets		(85,857.00)	(12,38,703.00)
Decrease/(increase) in other assets		11,588.00	(82,865.00)
Increase/(decrease) in trade payables		(23,220.00)	1,13,876.00
Increase/(decrease) in provisions		-	-
Cash generation used in operations		16,22,275.75	(4,62,017.00)
Direct taxes paid (net of refunds)		(91,834.00)	(3,27,899.00)
Net cash flow used in operating activities	(A)	15,30,441.75	(7,89,916.00)
B. Cash flow from investing activities			
Net cash flow from/(used in) investing activities	(B)	-	-
C. Cash flow from financing activities			
Net cash flow from/ (used in) in financing activities	(C)	-	-
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	15,30,441.75	(7,89,916.00)
Cash and cash equivalents at the beginning of the year		1,47,106.30	9,37,022.30
Cash and cash equivalents at the end of the year		16,77,548.05	1,47,106.30
Components of cash and cash equivalents			
Cash on hand		45.00	45.00
With scheduled banks on:			
Current account		16,77,503.05	1,47,061.30
Total cash and cash equivalents (Refer Note 5)		16,77,548.05	1,47,106.30

* These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities

Note

1) Cash flow statement has been prepared under indirect method as set out in the Accounting Standard (AS-3) "Cash Flow Statements" as specified Companies (Accounts) Rules, 2014.
2) Previous year's figures have been regrouped/rearranged wherever necessary.

Summary of significant accounting policies (Refer Note 2.1)

As per our report of even date attached

For Anil A. Dikshit & Co.
Firm Registration No. 100410W
Chartered Accountants

ANIL A. DIKSHIT & CO. Chartered Accountants

Anil A. Dikshit
Proprietor
Membership No.: 036706

Thane

Date: May 15, 2018

For and on behalf of the Board of Directors of Aegean Properties Limited

Krishna Datla
Director

Satish Varma
Director

Thane

Date: May 15, 2018

AEGEAN PROPERTIES LIMITED
CIN:U45200MH1995PLC084766
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

(a) Equity share capital:

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balance at the beginning and end of the year	30,00,000.00	30,00,000.00	30,00,000.00

(b) Other equity

	Reserves and surplus
	Retained earnings
Balance as at April 01, 2016	66,03,523.30
Profit for the year	4,45,757.00
Balance as at March 31, 2017	70,49,280.30
Loss for the year	13,74,590.75
Balance as at March 31, 2018	84,23,871.05

(c) Total equity

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Total equity [(a)+(b)]	1,14,23,871.05	1,00,49,280.30	96,03,523.30

See accompanying notes to the standalone financial statements

As per our report of even date attached
For Anil A. Dikshit & Co.
Firm Registration No. 100410W
Chartered Accountants

Anil A. Dikshit
Proprietor
Membership No.: 036706

ANIL A. DIKSHIT & CO. * Chartered Accountants *

Thane
Date: May 15, 2018

For and on behalf of the Board of Directors of Aegean Properties Limited

Krishna Datla
Director

Satish Varma
Director

Thane
Date: May 15, 2018

AEGEAN PROPERTIES LIMITED

CIN:U45200MH1995PLC084766

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

1. Corporate information

Aegean Properties Limited ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of renting property.

2. Significant accounting policies

2.1 Statement of compliance

These financial statements are separate financial statements of the Company. The Company has prepared financial statements for the year ended March 31, 2018 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) together with the comparative period data as at and for the year ended March 31, 2017. Further, the Company has prepared the opening balance sheet as at April 01, 2016 (the transition date) in accordance with Ind AS.

For all periods up to and including the year ended March 31, 2017, the Company had prepared its financial statements in accordance with the requirements of previous GAAP, which includes Accounting Standards notified under the Companies (Accounting standards) Rules, 2006 (as amended) .

These are the Company's first Ind AS financial statements. First-time adoption exemptions are not availed by the Company since no such exemptions are applicable.

2.2 Basis of preparation and presentation

These financial statements for the year ended March 31, 2018 are the first financial statements the Company has prepared in accordance with Ind AS.

The financial statements have been prepared on the historical cost basis, except for: (i) certain financial instruments that are measured at fair values at the end of each reporting period; and (ii) defined benefit plans – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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

(a) Fair Value Measurement

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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The Company has consistently applied accounting policies to all periods presented in these financial statements.

(b) Operating cycle

Based on the nature of activities of the Company, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

ANIL A. DIKSHIT & CO. * Chartered Accountants *

(c) Income Taxes

Income Tax expense represents the sum of the tax currently payable and deferred tax.

i) Current tax:

Current tax is the amount of income tax payable in respect of taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

ii) Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under the Income Tax Act, 1961.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognized for all the deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax ('MAT') 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 period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

iii) Presentation of current and deferred tax:

Current and deferred tax are recognized in the statement of profit and 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.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

(d) Revenue recognition

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable. Revenue includes only the gross inflows of economic benefits, received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as sales tax, and goods and services tax are excluded from revenue.

Rental income from investment property

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are recognised over the lease term on the same basis as rental income.

Interest and dividend:

Interest on income tax refund is recognized on receipt of the refund order.

Dividend income is recognized when the Company's right to receive payment is established which is generally when shareholders approve the dividend.

(e) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured-initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the requirements of Ind AS 16 as per the cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of its 'investment property recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

The estimated useful lives for Investment property are as follows:

Asset Category	Estimated useful life (in years)
Building	60

(f) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial asset on initial recognition. Transaction costs directly attributable to the acquisition of financial assets as at fair value through profit or loss are recognised immediately in profit or loss. All regular way purchases or sales of financial assets are recognised or derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument including

Derecognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement; in that case the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Lease receivables under Ind AS 17

b) Trade receivables or any contractual right to receive cash or another financial asset

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed

Financial liabilities and equity instruments

Financial liabilities:

Initial recognition and measurement:

All financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities fair valued through profit or loss) are deducted from the fair value of the financial liabilities on initial recognition. Transaction costs directly attributable to the issue of financial liabilities fair valued through profit or loss are recognised immediately in profit or loss.

Financial liabilities at amortised cost:

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(g) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor :

Amounts due from lessees under finance leases are recognised as receivables at the amount of the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the company's net investment outstanding in respect of the leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

(h) Provisions, contingent liabilities and contingent assets

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

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the
Contingent assets are not recognized in the financial statements of the Company. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare case where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(i) Earnings per share

The Company presents basic and diluted earnings per shares data for its equity shares

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. The Company does not have any potential equity shares, and accordingly, the basic earnings per share and diluted earnings per share are the same.

ANIL A. DIKSHIT & CO. Chartered Accountants

(j) Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash with banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(k) Operating segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM") of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

(l) Use of estimates and Judgements

The preparation of the Company's financial statements requires the 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. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Useful lives of investment property :

The charge in respect of periodic depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time when the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"

ANIL A. DIKSHIT & CO. * Chartered Accountants *

AEGEAN PROPERTIES LIMITED

CIN:U45200MH1995PLC084766

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 3. - Investment in Property

	Buildings
Deemed cost as at April 01, 2016	55,50,947.00
Additions	-
Balance as at March 31, 2017	55,50,947.00
Additions	-
Balance as at March 31, 2018	55,50,947.00
Accumulated depreciation	
As at April 01, 2016	-
Depreciation expense	1,08,418.00
Balance as at March 31, 2017	1,08,418.00
Depreciation expense	1,08,418.00
Balance as at March 31, 2018	2,16,836.00
Carrying amount	
At April 01, 2016	55,50,947.00
At March 31, 2017	54,42,529.00
Balance as at March 31, 2018	53,34,111.00

	March 31, 2018	March 31, 2017	April 01, 2016
	₹	₹	₹
Note 4- Non-current tax assets (net)			
MAT credit entitlement			
Advance income-tax (net of provision for taxation)	-	2,99,947.00	3,905.00
	-	2,99,947.00	3,905.00

	March 31, 2018	March 31, 2017	April 01, 2016
	₹	₹	₹
Note 5 Cash and Cash Equivalents			
Balances with banks:			
With scheduled banks on:			
Current account	**16,77,503.05**	1,47,061.30	9,36,977.30
Cash on hand	**45.00**	45.00	45.00
	16,77,548.05	1,47,106.30	9,37,022.30

	March 31, 2018	March 31, 2017	April 01, 2016
	₹	₹	₹
Note 6 - Other financial assets			
Unsecured, considered good unless stated otherwise			
Unsecured considered good	**42,14,341.00**	41,28,484.00	28,89,781.00
	42,14,341.00	41,28,484.00	28,89,781.00

	March 31, 2018	March 31, 2017	April 01, 2016
	₹	₹	₹
Note 7 - Loans and advances			
Prepaid expenses	**3,165.00**	2,432.00	2,387.00
Balances with statutory / government authorities	**1,75,665.00**	1,87,986.00	2,30,231.00
	1,78,830.00	1,90,418.00	2,32,618.00

ANIL A. DIKSHIT & CO. * Chartered Accountants *

	March 31, 2018	March 31, 2017	April 01, 2016
	₹	₹	₹
Note 8 - Equity share capital:			
Authorised Shares:			
30,000 [(March 31, 2017 - 30,000)(April 01, 2016 - 30,000)] Equity shares of ₹. 100/- each	30,00,000.00	30,00,000.00	30,00,000.00
	30,00,000.00	30,00,000.00	30,00,000.00
Issued, Subscribed and fully paid up shares:			
30,000 [(March 31, 2017 - 30,000)(April 01, 2016 - 30,000)] Equity shares of ₹. 100/- each	30,00,000.00	30,00,000.00	30,00,000.00
	30,00,000.00	30,00,000.00	30,00,000.00

a) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	March 31, 2018		March 31, 2017		April 01, 2016	
Equity shares of ₹. 100/- each fully paid,	No of Shares	% holding in the class	No of Shares	% holding in the class	No of Shares	% holding in the class
DIL Limited	30,000	100.00%	30,000	100.00%	30,000	100.00%

b) Shares held by holding company

Out of equity shares issued by the Company, shares held by its holding Company are as below.

	March 31, 2018	March 31, 2017	April 01, 2016
	₹	₹	₹
DIL Limited			
30,000 [(March 31, 2017 - 30,000)(April 01, 2016 - 30,000)] Equity shares of ₹. 100/- each	30,00,000.00	30,00,000.00	30,00,000.00

c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹. 100/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

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 shareholder.

d) Reconciliation of shares outstanding at the beginning and at the end of the year

There is no movement in the number of issued, subscribed and paid up equity shares at the beginning and at the end of the financial year.

	Reserves and surplus
	Retained Earnings
Balance at the beginning of the reporting period - 01 April 2016	66,03,523.30
Profit for the year	4,45,757.00
Balance at the end of the reporting period 31 March 2017	70,49,280.30
Balance at the beginning of the reporting period - 01 April 2017	70,49,280.30
Profit for the year ended 31 March 2018	13,74,590.75
Balance at the end of the reporting period 31 March 2018	84,23,871.05

	March 31, 2018	March 31, 2017	April 01, 2016
	₹	₹	₹
Note 10 - Deferred tax liability (net): *			
Deferred tax liability			
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	(1,20,447.00)	34,578.00	-
Gross deferred tax liability	(1,20,447.00)	34,578.00	-
Deferred tax asset			
Gross deferred tax asset	-	-	-
Net deferred tax liability	(1,20,447.00)	34,578.00	-

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	March 31, 2018	March 31, 2017	April 01, 2016
	₹	₹	₹
Note 11 - Trade payables:			
Total outstanding dues of micro and small enterprises	-	-	-
Total outstanding dues of creditors other than micro and small enterprise	57,950.00	1,20,558.00	10,750.00
	57,950.00	1,20,558.00	10,750.00

	March 31, 2018	March 31, 2017	April 01, 2016
	₹	₹	₹
Note 12 - Other current liabilities			
Statutory dues	-	4,068.00	-
	-	4,068.00	-
Note 12A - Current liabilities (Net)			
Provision for Income Tax	43,456.00	-	-
	43,456.00	-	-

	March 31, 2018	March 31, 2017
	₹	₹
Note 13 - Revenue from operations		
Rent Income	18,00,000.00	18,00,000.00
	18,00,000.00	18,00,000.00

	March 31, 2018	March 31, 2017
	₹	₹
Note 14 - Other income:		
Miscellaneous Income	10,140.00	5,854.00
	10,140.00	5,854.00

	March 31, 2018	March 31, 2017
	₹	₹
Note 15 - Depreciation and amortization expense		
Depreciation of Property, Plant and Equipment	1,08,418.00	1,08,418.00
Amortization of intangible assets		
	1,08,418.00	1,08,418.00

	March 31, 2018	March 31, 2017
	₹	₹
Note 16 - Other expenses:		
Electricity charges/Fuel	-	24,260.00
Rates and taxes	11,559.00	91,406.00
Rent	30,000.00	1,23,285.00
Insurance	18,265.00	14,550.00
Repairs and maintenance:		
Others	-	7,38,717.00
Legal and professional charges	17,500.00	53,035.00
Payment to auditors (Audit fees)	10,000.00	10,000.00
Interest on Income-tax	2,303.00	-
Miscellaneous expenses	750.25	4,926.00
	90,377.25	10,60,179.00

	March 31, 2018	March 31, 2017
	₹	₹
Note 17 - Earnings per share (EPS):		
The following table sets forth the computation of basic and diluted earnings per share :		
Basic/Diluted		
Net profit for the year attributable to equity shareholders	13,74,590.75	5,70,822.00
Weighted average number of equity shares of ₹.100 each used for calculation of basic earnings per share.	30,000	30,000
Earnings per share, basic	45.82	19.03

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 18 - Leases:

		March 31, 2018 ₹	March 31, 2017 ₹
	Assets taken on operating lease During the year the Company has entered into arrangements for taking on leave and license basis certain residential and office premises. The agreement has cancellable and 7.50% - 10% escalation clause and is not renewable.		
1	Lease payments recognised in the statement of profit and loss for the year.	30,000.00	1,23,285.00
2	Future minimum lease payment under non cancellable leases in the aggregate and for each of the following periods:		
	i) Not later than one year	17,500.00	20,000.00
	ii) Later than one year and not later than five years.	-	-
	Assets given on operating lease The Company has entered into operating lease agreement for sublease of property in Worli, Mumbai with original lease periods expiring on September 30, 2018. However the agreement got terminated w.e.f 31.07.2016, have rent escalation provisions of 15% after 3 years. The Company has also entered into operating lease agreements for its properties in Thane with original lease periods expiring between 2016 and 2021. These agreements are cancellable/non-cancellable and have rent escalation provisions of 5% every year & 15% after 3 year.		
1	Rent income recognised in the statement of profit and loss for the year.	18,00,000.00	18,00,000.00
2	Future minimum lease payment under the non-cancellable leases in the aggregate and for each of the following periods:		
	i) Not later than one year	-	-
	ii) Later than one year and not later than five years	-	-
	ii) More than five years	-	-

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 19 - Related party disclosures:

a. **Parties where control exists**
Holding company
DIL Limited

b. **Other related party relationships where transactions have taken place during the year**
NIL

c. **An individual directly controlling the holding company, namely DIL limited and can exercise significant influence**
Krishna Datla - Director

d. **Related party relationship is identified by the Company on the basis of available information.**

e. **Transactions with related parties.**
Following table provides the total amount of transaction that have been entered into with related parties for the relevant financial year.

₹

	Particulars	Holding Company
1	Rent income	
	- DIL Limited	**18,00,000.00**
		(18,00,000.00)
2	Rent paid	
	- DIL Limited	**30,000.00**
		(1,23,285.00)
3	Other reimbursements received	
	- DIL Limited	**19,32,843.00**
		(10,35,000.00)
4	Balances outstanding as at the year end	
	Trade payables	
	- DIL Limited	**42,950.00**
		(14,540.00)
	Trade Receivables	
	- DIL Limited	**42,14,341.00**
		(41,28,484.00)

(Figures in brackets are the corresponding figures in respect of the previous year.)

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 20 - Financial assets and financial liabilities

₹.

	Carrying value		
	March 31, 2018	March 31, 2017	April 01, 2016
Financial assets measured at amortised cost			
Cash and Cash Equivalents	16,77,548.05	1,47,106.30	9,37,022.30
Other financial assets	42,14,341.00	41,28,484.00	28,89,781.00
Total assets	**58,91,889.05**	**42,75,590.30**	**38,26,803.30**
Financial liabilities measured at amortised cost			
Trade payables	57,950.00	1,20,558.00	10,750.00
Other current liabilities	43,456.00	4,068.00	-
Total liabilities	**1,01,406.00**	**1,24,626.00**	**10,750.00**

The financial assets above do not include investments in subsidiaries which are measured at cost in accordance with Ind AS 101, Ind AS 27 and Ind AS 28

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, Interest accrued on bank deposits with banks, other current financial assets, other bank balances and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of security deposits and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 21 - Fair Value

The carrying value and fair value of financial instruments by categories are as below:

₹.

	Carrying value			Fair value		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
Financial assets						
Cash and Cash Equivalents	16,77,548.05	1,47,106.30	9,37,022.30	16,77,548.05	1,47,106.30	9,37,022.30
Other financial assets	42,14,341.00	41,28,484.00	28,89,781.00	42,14,341.00	41,28,484.00	28,89,781.00
Total assets	**58,91,889.05**	**42,75,590.30**	**38,26,803.30**	**58,91,889.05**	**42,75,590.30**	**38,26,803.30**
Financial liabilities						
Trade payables	57,950.00	1,20,558.00	10,750.00	57,950.00	1,20,558.00	10,750.00
Other current liabilities	43,456.00	4,068.00	-	43,456.00	4,068.00	-
Total liabilities	**1,01,406.00**	**1,24,626.00**	**10,750.00**	**1,01,406.00**	**1,24,626.00**	**10,750.00**

The financial assets above do not include investments in subsidiaries which are measured at cost in accordance with Ind AS 101, Ind AS 27 and Ind AS 28

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, Interest accrued on bank deposits with banks, other current financial assets, other bank balances and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of security deposits and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

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Note 22 - Equity price risk

The Company's unlisted equity securities are susceptible to market price risk arising form uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. The Company's Board of Directors review and approve all equity investments. At the reporting date, the exposure to unlisted equity securities at fair value and sensitivity analysis of these investments have been provided in Note-37

Credit risk

Credit risk is the risk that a 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 and financial institutions, and other financial instruments.

Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any major customers are generally covered by other forms of credit insurance.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations as they fall due. The company's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and investment in liquid mutual funds to meet the Company's operating requirements with an appropriate level of headroom. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

₹.

As at March 31, 2018	Amount	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	57,950.00	-	57,950.00	-	-	57,950.00
Other current liabilities	43,456.00	-	43,456.00	-		43,456.00
Total	1,01,406.00	-	1,01,406.00	-	-	1,01,406.00

As at April 01, 2017	Amount	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	1,20,558.00	-	1,20,558.00	-	-	1,20,558.00
Other current liabilities	4,068.00	-	4,068.00	-	-	4,068.00
Total	1,24,626.00	-	1,24,626.00	-	-	1,24,626.00

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Note 23 - Capital management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to ensure the going concern operation and to maintain an efficient capital structure to support the corporate strategy and maximise shareholder value.

The capital structure is governed by policies approved by the Board of Directors and is monitored by various metrics. The Company maintains focus on capital efficiency without incurring material indebtedness and have positive working capital and free cash flows. 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 gearing ratio at the end of the year was as follows:

	Carrying value		
	March 31, 2018	March 31, 2017	April 01, 2016
Debts (Long term and short term borrowings including current maturities of long term borrowings)	-	-	-
Less: Cash and cash equivalents (Note 5)	16,77,548	1,47,106	9,37,022
Net debt (A)	**(16,77,548)**	**(1,47,106)**	**(9,37,022)**
Total equity (B)	1,14,23,871	1,00,49,280	96,03,523
Gearing ratio (A/B)	-14.68%	-1.46%	-9.76%

1) No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018, March 31, 2017 and April 01, 2016.

2) The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to provide return by the Company to shareholders by continuing to distribute dividends in future periods.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 24 - Income tax

A Income tax expense in the statement of profit and loss consists of:

₹.

	For the period ended 31 March 2018	For the year ended 31 March 2017
Current income tax:		
Income Tax (Current year)	3,91,781.00	1,56,922.00
Income tax expense reported in the statement of profit or loss	**3,91,781.00**	**1,56,922.00**
Income tax recognised in other comprehensive income		
- Deferred tax arising on income and expense recognised in other comprehensive income	(1,55,027.00)	34,578.00
Total	**2,36,754.00**	**1,91,500.00**

B The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

₹.

	For the period ended 31 March 2018	For the year ended 31 March 2017
Profit before tax	16,11,345	6,37,257
Enacted income tax rate in India	25.75%	29.870%
Computed expected tax expense	4,14,924	1,90,349
Effect of tax on:		
Other temporary differences	(1,78,170)	1,151
Total income tax expense	**2,36,754**	**1,91,499.66**

C **The major components of deferred tax (liabilities)/assets arising on account of temporary differences are as follows:**

₹.

Particulars	As at April 01, 2017	For the year ended March 31, 2018		As at March 31, 2018
		Statement of profit and loss	Other comprehensive income	
Deferred tax liabilities				
Property, Plant and Equipment: Impact of difference between written down value as per books of account and income tax	(34,578)	1,55,027	-	1,20,449
Deferred tax expense		**1,55,027**	-	
Deferred tax assets (Net)	**(34,578)**			**1,20,449**

Particulars	As at April 01, 2016	For the year ended March 31, 2017		As at March 31, 2017
		Statement of profit and loss	Other comprehensive income	
Deferred tax liabilities				
Property, Plant and Equipment: Impact of difference between written down value as per books of account and income tax	-	(34,578)	-	(34,578)
Deferred tax credit		**(34,578)**	-	
Deferred tax assets (Net)	**-**			**(34,578)**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 25 - First-time adoption of Ind AS

The Company has prepared the opening financial statements as per Ind AS as of April 01, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as detailed below:

A. Optional exemptions availed

1. Deemed cost for investment property
On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment property recognised as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the investment property.

B. Mandatory exceptions

1. Estimates
An entity's estimates in accordance with Ind AS, at the date of transition to Ind AS, shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies). Ind AS estimates made to prepare opening balance sheet as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company has made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

2. Determining whether an arrangement contains a lease
The Company has applied Appendix C "Determining whether an Arrangement contains a Lease" of Ind AS 17- Leases to determine whether an arrangement existing as on the transition date contains a lease on the basis of facts and circumstances existing as on that date.

3. De-recognition of financial assets and financial liabilities
The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016.

4. Impairment of financial assets
The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

C. Transition to Ind AS - Reconciliations
There are no significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101, hence no reconciliations have been provided.

Note 26 - The financial statements were approved for issue by the Board of Directors on May 15, 2018.

Note 27 - Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with the financial statements prepared under Ind AS.

As per our report of even date attached
For Anil A. Dikshit & Co.
Firm Registration No. 100410W
Chartered Accountants

Anil A. Dikshit
Proprietor
Membership No.: 036706

Thane
Date: May 15, 2018

For and on behalf of the Board of Directors of Aegean Properties Limited

Krishna Datla
Director

Satish Varma
Director

Thane
Date: May 15, 2018

ANIL A. DIKSHIT & CO.
Chartered Accountants
15-A/11, Brindaban, Thane - 400 601
Tel. : +91-98201 31902
anil_dikshit@hotmail.com

Independent Auditor's Report
To the Members of Aegean Properties Limited

REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying Ind AS financial statements of Aegean Properties Limited (the company), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

   Management's Responsibility for the Financial Statements

2. The Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounting) Rules, 2014 and the Companies (Indian Accounting Standards) Rule, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal 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.

AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

4. 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.

5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India under, as 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 financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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. An audit also includes evaluating the appropriateness of the accounting policies used and the

ANIL A. DIKSHIT & CO.

Annexure – A referred to in paragraph 9 our report of even date to the members of Aegean Properties Limited on the accounts of the company for the year ended March 31, 2018.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

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

(b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;

(c) As explained to us, and as per information provided to us, the title deeds of immovable property are held in the name of the company;

ii. The nature of business of the Company does not require it to have any inventory. Hence, the provisions of Clause 3(ii) of the Order are not applicable to the Company;

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 Act. Accordingly, the provisions of Clause 3(iii) of the Order are not applicable to the company ;

iv. In our opinion, and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provisions of sections 185 and 186 of the Act are applicable and hence not commented upon;

v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Act and rules framed there under to the extent notified;

vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act;

vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India;

(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes;

viii. According to the records of the company examined by us and as per the information and explanations given to us, the company has not availed of any loans from any financial institution or banks and has not issued debentures. Accordingly, the provisions of Clause 3(viii) of the Order are not applicable to the company;

ix. The company has not raised any moneys by way of public offer and term loans during the year under review. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the company;

x. During the course of our examination of the books and records of the company, carried out in accordance with the auditing standards generally accepted in India, and according to the information and explanations given to us, we have neither come across any instance of any fraud on the Company by its officers or employees, noticed or reported during the course of our audit, nor have we been informed of any such instance by the Management;

ANIL A. DIKSHIT & CO. * Chartered Accountants

xi. The company has not paid any managerial remuneration during the year. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the company;

xii. As the company is not a Nidhi company and the Nidhi Rules 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the company;

xiii. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards;

xiv. The company has not made any preferential allotment or private placement of shares or partly or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the company;

xv. The company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the company;

xvi. The company, as explained to us, is not required to be registered under Section45-I of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the company

For Anil A. Dikshit & Co.
Firm registration number: 100410W
Chartered Accountants

Anil A. Dikshit
Proprietor
Membership no.: 036706

ANIL A. DIKSHIT & CO. * Chartered Accountants *

Place: Thane
Date: May 15, 2018

reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Ind AS financial statements.

7. 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.

OPINION

8. In our opinion and to the best of our information and according to the explanations given to us, the 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:

(a) In the case of the Balance Sheet, of the state of affairs of the company as at 31 March 2018;

(b) In the case of the Statement of Profit and Loss, of the profit including other comprehensive income for the year ended on that date, and

(c) in the case of the Cash Flow Statement, of the cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the Order), and on the basis of such checks of the 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 paragraphs 3 and 4 of the Order.

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

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

(b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 knowledge and belief and according to the information and explanations given to us:

ANIL A. DIKSHIT & CO. * Chartered Accountants *

(i) The company has disclosed the impact of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements;

(ii) The company has made provision as at March 31, 2018, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

(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 March 31, 2018.

OTHER MATTER

The comparative financial information of the company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 prepared in accordance with Ind AS are included in these Ind AS financial statements.

For Anil A. Dikshit & Co.
Firm registration number: 100410W
Chartered Accountants

Anil A. Dikshit
Proprietor
Membership No.: 036706

Place: Thane
Date: May 15, 2018

Annexure - B to the Auditors' Report

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

1. We have audited the internal financial controls over financial reporting of Aegean Properties Limited ("the Company") as of March 31, 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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

5. 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

6. 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

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(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

7. 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

8 In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Anil A. Dikshit & Co.
Firm registration number: 100410W
Chartered Accountants

Anil A. Dikshit
Proprietor
Membership no.: 036706

Place: Thane
Date: May 15, 2018