

B S R & Associates LLP

Chartered Accountants

Maruthi Info-Tech Centre
11-12/1, B Block, 2nd Floor
Inner Ring Road, Koramangala
Bangalore 560 071 India

Telephone +91 80 7134 7000
Fax +91 80 7134 7999

Independent Auditors' Report on audited annual financial results of Assetz Premium Holdings Private Limited pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated 10 August 2016, to the extent applicable

To the Board of Directors of Assetz Premium Holdings Private Limited

We have audited the accompanying annual financial results of Assetz Premium Holdings Private Limited ("the Company") for the year ended 31 March 2018 ("the financial results"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated 10 August 2016, to the extent applicable ('the Listing Regulations'). Attention is drawn to the fact that the figures for the half year ended 31 March 2018 and the corresponding half year ended 31 March 2017 as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the first half year of the relevant financial year. Also the figures upto the end of the half year ended 30 September 2017 had only been reviewed and not subjected to audit.

These financial results have been prepared on the basis of the annual financial statements and reviewed half yearly financial results upto 30 September 2017 which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Independent Auditors' Report on audited annual financial results of Assetz Premium Holdings Private Limited pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated 10 August 2016, to the extent applicable (continued)

In our opinion and to the best of the information and according to the explanations given to us, these financial results:

- (i) are presented in accordance with the requirements of the Listing Regulations; and
- (ii) give a true and fair view of the net loss and other comprehensive income and other financial information for the year ended 31 March 2018.

The comparative financial results of the Company for the half year ended 30 September 2016, considered in these financial results for the purpose of arriving at the financial results of corresponding half year ended 31 March 2017, were reviewed by the then statutory auditors of the Company who expressed an unmodified conclusion dated 7 November 2016 on those results.

for B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231 W/W-100024



Vipin Lodha

Partner

Membership No: 076806

Place: Bangalore

Date: 31 May 2018

Assetz Premium Holdings Private Limited

Regd. Office : 2/1, Embassy Icon Annexe, Second Floor, Infantry Road, Bangalore - 560001

CIN - U45205KA2015PTC079422

Balance sheet as at 31 March 2018

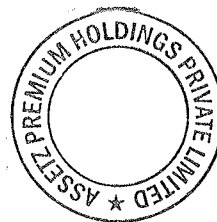
(Amount in INR lakhs)

Particulars		As at	As at
		31 March 2018	31 March 2017
		Audited	Audited
A	ASSETS		
1	Non-current assets		
	Property, plant and equipment	2.53	-
	Capital work-in-progress	186.18	-
	Other non-current assets	5.81	5.81
	Total non-current assets	194.52	5.81
2	Current assets		
	Inventories	18,515.18	15,690.46
	Financial assets		
	(a) Cash and cash equivalents	440.28	263.85
	(b) Other bank balances	1,779.00	1,603.00
	(c) Other financial assets	28.43	112.94
	Other current assets	248.93	75.42
	Total current assets	21,011.82	17,745.67
	Total Assets (1+2)	21,206.34	17,751.48
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity share capital	884.62	884.62
	Other equity	(341.13)	(266.12)
	Total equity	543.49	618.50
2	Non-current liabilities		
	Financial liabilities		
	(a) Borrowings	17,052.25	14,727.80
	(b) Other non-current financial liabilities	3,315.20	1,107.56
	Total non-current liabilities	20,367.45	15,835.36
3	Current liabilities		
	Financial liabilities		
	(a) Trade payables	74.83	10.94
	(b) Other financial liabilities	25.05	1,185.29
	Other current liabilities	195.52	101.40
	Total current liabilities	295.40	1,297.62
	Total Equity and Liabilities (1+2+3)	21,206.34	17,751.48



[Handwritten signature]

[Handwritten signature]



Assetz Premium Holdings Private Limited
 Regd. Office : 2/1, Embassy Icon Annexe, Second Floor, Infantry Road, Bangalore - 560001
 CIN - U45205KA2015PTC079422

Statement of audited financial results for the year ended 31 March 2018

(Amount in INR lakhs)

Sl. No.	Particulars	Six months ended		Year Ended	
		31 March 2018	31 March 2017	31 March 2018	31 March 2017
		Unaudited	Unaudited	Audited	Audited
1	Revenue				
	(a) Revenue from operations	-	-	-	-
	(b) Other income	-	(33.64)	-	-
	Total revenue	-	(33.64)	-	-
2	Expenses				
	(a) Increase/decrease in stock in trade and work in progress and finished goods	-	-	-	-
	(b) Consumption of raw materials	-	-	-	-
	(c) Purchase of traded goods	-	-	-	-
	(d) Employees cost	-	-	-	-
	(e) Depreciation	0.11	-	0.11	-
	(f) Finance costs	-	(3.33)	-	-
	(g) Other expenses	33.71	208.67	59.90	217.10
	Total expenses	33.82	205.34	60.01	217.10
3	Loss before exceptional items and tax (1-2)	(33.82)	(238.98)	(60.01)	(217.10)
4	Exceptional items	-	-	-	-
5	Loss before tax (3+4)	(33.82)	(238.98)	(60.01)	(217.10)
6	Tax expense, net	15.00	-	15.00	-
7	Net loss after tax (5 - 6)	(48.82)	(238.98)	(75.01)	(217.10)
8	Other comprehensive income (net of tax)	-	-	-	-
9	Total comprehensive income for the period [Comprising (loss) for the period (after tax) and other comprehensive income (after tax)]	(48.82)	(238.98)	(75.01)	(217.10)
10	Paid-up equity share capital				
	- Class A equity shares of Rs. 10 each	3.85	3.85	3.85	3.85
	- Class B equity shares of Rs. 100 each	229.00	229.00	229.00	229.00
	- Class C equity shares of Rs. 100 each	651.77	651.77	651.77	651.77
		884.62	884.62	884.62	884.62
11	Paid-up debt capital (refer note 2)	17,052.25	14,727.80	17,052.25	14,727.80
12	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	(341.13)	(266.12)	(341.13)	(266.12)
13	Debenture redemption reserve (refer note 3)	-	-	-	-
14	Earnings/ (loss) per share (EPS) *				
	(a) Basic (Rs)				
	- Class A equity shares of Rs. 10 each	(0.55)	(5.72)	(0.85)	(4.22)
	- Class B equity shares of Rs. 100 each	(5.52)	(57.22)	(8.48)	(42.22)
	- Class C equity shares of Rs. 100 each	(5.52)	(57.22)	(8.48)	(42.22)
	(b) Diluted (Rs)				
	- Class A equity shares of Rs. 10 each	(0.55)	(5.72)	(0.85)	(4.22)
	- Class B equity shares of Rs. 100 each	(5.52)	(57.22)	(8.48)	(42.22)
	- Class C equity shares of Rs. 100 each	(5.52)	(57.22)	(8.48)	(42.22)
15	Debt equity ratio	31.38	23.81	31.38	23.81
16	Debt service coverage ratio**	(0.03)	(0.20)	(0.03)	(0.18)
17	Interest service coverage ratio**	(0.03)	(0.20)	(0.03)	(0.18)

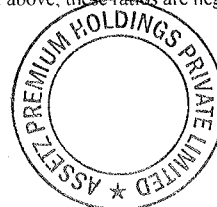
* EPS for the six months ended 31 March 2018 and 31 March 2017 are not annualised.

** Since the Company has loss before interest and tax in the years and periods presented above, these ratios are negative.



[Handwritten signature]

[Handwritten signature]



Assetz Premium Holdings Private Limited

Regd. Office : 2/1, Embassy Icon Annexe, Second Floor, Infantry Road, Bangalore - 560001

CIN - U45205KA2015PTC079422

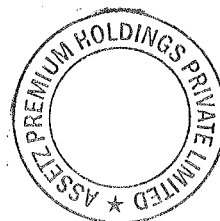
Statement of audited financial results for the year ended 31 March 2018

Notes to audited financial results for the year ended 31 March 2018:

- 1 The above financial results of Assetz Premium Holdings Private Limited ("the Company") have been reviewed and approved by the Board of Directors at their meeting held on 31 May 2018. The statutory auditors have conducted audit of the financial results for the year ended 31 March 2018, as required under Regulation 52 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/IMD/DF1/69/2016 dated 10 August 2016, to the extent applicable and have issued an unqualified audit report.
- 2 Paid-up debt capital includes non-convertible redeemable debentures amounting to INR 12,436.86 lakhs (31 March 2017: INR 10,112.41 lakhs), compulsorily convertible debentures amounting to INR 3,415.39 lakhs (31 March 2017: INR 3,415.39 lakhs) and loan from related party amounting to INR 1,200 lakhs (31 March 2017: INR 1,200 lakhs).
- 3 In accordance with Section 71(4) of Companies Act, 2013 read with Clause 18(7)(a) of the Companies (Share Capital and Debentures) Rules, 2014, the Company is required to create a debenture redemption reserve to which adequate amounts shall be credited out of profits every year until such debentures are redeemed. However, as the Company has incurred a loss for the year ended 31 March 2018, no amount has been transferred to debenture redemption reserve.
- 4 Formula used for computation of ratios are as under:
 - a) Debt equity Ratio (DER) = Total debt (includes non-convertible redeemable debentures, compulsorily convertible debentures and loan from related party) / shareholders equity.
 - b) Debt Service Coverage Ratio (DSCR) = (Loss) / profit before interest and tax / interest + principal repayment.
 - c) Interest Service Coverage Ratio (ISCR) = (Loss) / profit before interest and tax / interest.*Interest includes interest from non-convertible redeemable debentures, compulsorily convertible debentures and loan from related party before inventorisation.
- 5 In relation to the Company's three land assets acquired, certain amounts totaling to INR 1,723.50 lakhs (classified as other commitments) have been withheld by the Company in view of certain conditions to be complied by the seller in case of one land and pending litigation relating to the title of the underlying land assets in another two cases. The withheld amounts are contractually due to be released to the Sellers of the land upon complying with the contractual conditions and satisfactory resolution of the ongoing litigation between the Sellers and certain parties respectively. The total amount already paid by the Company for these land assets as at 31 March 2018 is INR 8,905.50 lakhs. The Company's management believes that the final outcome of these matters/ litigations will be favorable and will not impact the Company's ownership of these land parcels.

The plot wise details of these land assets are as follows:

- i) For land survey number 17, amount paid is INR 3,294 lakhs and amount withheld is INR 823.50 lakhs. The Court of the Senior Civil Judge & JMFC, Devanahalli, Karnataka in a litigation between the seller and certain parties, had disposed off the matter in favour of the seller. The matter is currently pending at the High Court of Karnataka.
- ii) For land survey number 7, amount paid is INR 4,455 lakhs and amount withheld is Nil since all the obligations of the seller were complied. A new litigation was filed by certain third parties ("the claimants") against the seller, the Company and other parties at The Court of the Senior Civil Judge & JMFC, Devanahalli, Karnataka after the registration of sale deed, wherein the claimants (who are relatives of owners prior to the Seller) had filed an application for partition and to restrict the Company from interfering with the said property. The Company's lawyer believes that the suit filed by the claimants is frivolous as the claimant's father had already been compensated on behalf of the claimants in an out of court settlement.
- iii) For land survey number 16/2, amount paid is INR 2,880 lakhs and amount withheld is INR 900 lakhs. The withheld amount is to be released upon meeting of the contractual conditions by the Seller which includes carrying out the fencing around the property and demolition of temporary structure located at the property.



Statement of audited financial results for the year ended 31 March 2018

Notes to audited financial results for the year ended 31 March 2018 (continued)

6 These financial result have been prepared in accordance with Indian Accounting Standard ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016. Upto the year ended 31 March 2017, the Company has prepared its financial results in accordance with the requirements of the Indian GAAP. The date of transition is 1 April 2016. The Company has prepared a reconciliation of the net loss of the corresponding period under the previously applicable Indian Generally Accepted Accounting Principles ('previous GAAP') with the total comprehensive income as reported in these financial results under Ind AS after taking necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.

Reconciliation between previous GAAP and Ind AS

The net loss reconciliation for the year ended and six months ended 31 March 2017 is presented below:

INR in lakhs

Net loss reconciliation	Year ended 31 March Half year ended 31 March	
	2017	2017
Loss after tax as per previous GAAP	(296.82)	(318.70)
Add : Reversal of transaction cost for issue of new class of equity shares	39.54	39.54
Add : Reversal of transaction cost for issue of Non convertible debentures	40.18	40.18
Less: Transaction cost on issue of non-convertible debentures amortised	(2.59)	(2.22)
Add : Transfer of the transaction cost to project under development.	2.59	2.22
Loss as per Ind AS [A]	(217.10)	(238.98)
Other comprehensive income (OCI) [B]	-	-
Total comprehensive income [A+B]	(217.10)	(238.98)

The Company has also prepared equity reconciliation between the equity as at 31 March 2017 under previous GAAP and the equity as reported in the balance sheet under Ind AS.

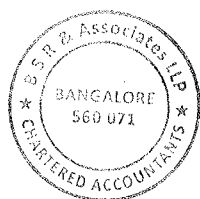
The equity reconciliation as at 31 March 2017 for financial results is as below:

Particulars	As at 31 March 2017
Equity under previous GAAP	578.32
Add: Reversal of transaction cost on issue of non convertible debentures from Statement of Profit and Loss	40.18
Equity as per Ind AS	618.50

7 In accordance with the terms of the Debenture Trust Deed executed on April 22, 2016 between the Company and Vistra ITCL (India) Limited (formerly known as IL&FS Trust Company Limited) (Debenture Trustee), in the event of partial redemption of the Series 'A' Debentures prior to the Series 'A' Outer Date, such partial redemption can only be made upon payment of pro rata return (including redemption premium) computed in such a manner that an IRR of 21% (twenty one percent) is received to the extent of such partial face value of the Series A Debentures being redeemed. Further, in the event of partial redemption of the Series 'B' Debentures prior to the Series 'B' Outer Date, such partial redemption can only be made upon payment of pro rata return (including redemption premium) computed in such a manner that an IRR of 21% (twenty one percent) is received to the extent of such partial face value of the Series 'B' Debentures being redeemed. However, the Company confirms that there is no intent for early redemption of Series 'A' and 'B' debentures since the project ("the project") has not been launched yet and accordingly, there is no requirement to pay the redemption premium at 21% IRR.

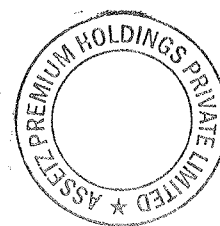
Furthermore, based on an opinion received from the expert legal counsel, the debenture redemption premium is not payable upon Year 3 early redemption offer for Series 'A' debentures and it is only payable at the maturity of the non-convertible debentures (Series 'A' and Series 'B' debentures), subject to availability of free cash flows. Presently, the Company has indications that, the debentures would be redeemed at the end of the tenure. The quantum of redemption premium to be paid is not specified in the Debenture Trust Deed or other agreements. On basis of legal opinion received from the expert legal counsel the Company's management believes that the redemption premium at the end of the tenure is payable subject to availability of free cash flows.

The Company has accordingly not recognized the debenture premium reserve in the Ind AS financial statements for the year ended 31 March 2018, as the project has not been launched till date. Based upon financial performance of the project, the Company will evaluate the availability of free cash flows to recognize the debenture redemption premium over the course of the project.



[Handwritten signature]

[Handwritten signature]



Statement of audited financial results for the year ended 31 March 2018

Notes to audited financial results for the year ended 31 March 2018 (continued)

- 8 An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments' operating results are reviewed by the Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance. The Company's business activities fall within one component (namely, "Development of real estate projects"). Accordingly, separate disclosures as per the requirements of Ind AS 108, Operating Segments, are not considered necessary.
- 9 The figures for the half year ended 31 March 2018 and 31 March 2017 are the derived balancing figures as the difference between audited figures in respect of full financial years ended 31 March 2018 and 31 March 2017 respectively and the unaudited figures for the half years ended 30 September 2017 and 30 September 2016 respectively.
- 10 Pursuant to issue of share capital during the year and as per Section 203 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint a Company Secretary. However, the Company has not appointed a Company Secretary till date. The Company is making efforts to ensure compliance with this requirements in the foreseeable future.
- 11 The Company has not constituted an Audit Committee or Nomination and Remuneration Committee as required by the provisions of Section 177 and Section 178 respectively of the Companies Act, 2013. Pursuant to the amendment made by the Companies Act, 2017, the Company is not required to form an Audit Committee or a Nomination and Remuneration Committee w.e.f. 7 May 2018.
- 12 Previous period figures have been regrouped, wherever necessary to confirm to current period presentation.

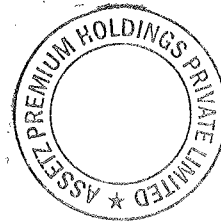
for and on behalf of the Board of Directors of
Assetz Premium Holdings Private Limited



Somasundaram Thirupathi
Director
DIN: 07016259



Anandeesingh Chadha
Director
DIN: 07426020



Place: Bangalore
Date: 31 May 2018

