

# B S R & Associates LLP

Chartered Accountants

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**Limited Review Report on Statement of Half-yearly Financial Results of Assetz Premium Holdings Private Limited Pursuant to the Regulation 52 of the 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.**

**To the Board of Directors of Assetz Premium Holdings Private Limited**

We have reviewed the accompanying statement of unaudited financial results ("the Statement") of Assetz Premium Holdings Private Limited ("the Company") for the six months ended 30 September 2017 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the 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 (Listing Regulations). This Statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 28 March 2018. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement for the six months ended 30 September 2017, prepared in accordance with applicable accounting standards i.e., Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**B S R & Associates LLP**

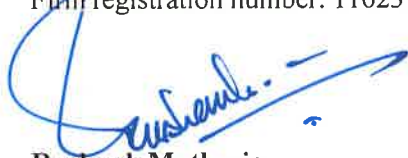
**Limited Review Report on Statement of Half-yearly Financial Results of Assetz Premium Holdings Private Limited Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated 10 August 2016, to the extent applicable (continued)**

The comparative financial results of the Company for the six months ended September 2016, included in these Ind AS financial results, are based on the previously issued financial results prepared in accordance with the Companies (Accounts) Rules, 2014, reviewed by the predecessor auditor whose review report for the corresponding six months ended 30 September 2016 dated 7 November 2016 expressed an unmodified opinion on those financial results, as adjusted by Management for the differences in the accounting principles adopted by the Company on transition to the Ind AS. Our conclusion is not modified in respect of this matter.

*for* **B S R & Associates LLP**

*Chartered Accountants*

Firm registration number: 116231 W/W-100024



**Rushank Muthreja**

*Partner*

Membership No: 211386

Place: Bangalore

Date: 28 March 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 30 September 2017**

*Rupees in lakhs*

Particulars		As at
		30 September 2017
		Unaudited
<b>A</b>	<b>ASSETS</b>	
1	<b>Non-current assets</b>	
	Capital work-in-progress	77.63
	Other non-current assets	39.67
		<b>117.30</b>
2	<b>Current assets</b>	
	Inventories	17,050.50
	Financial assets	
	(a) Cash and cash equivalents	940.37
	(b) Bank balances	1,603.00
	(c) Other financial assets	29.80
	Other current assets	230.13
		<b>19,853.80</b>
	<b>Total Assets (1+2)</b>	<b>19,971.10</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>	
1	<b>Equity</b>	
	Equity share capital	884.62
	Other equity	(292.31)
		<b>592.31</b>
2	<b>Non-current liabilities</b>	
	Financial liabilities	
	(a) Borrowings	17,050.03
		<b>17,050.03</b>
3	<b>Current liabilities</b>	
	Financial liabilities	
	(a) Trade payables	2.60
	(b) Other financial liabilities	2,231.17
	Other current liabilities	94.99
		<b>2,328.76</b>
	<b>Total Equity and Liabilities (1+2+3)</b>	<b>19,971.10</b>



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**Statement of unaudited financial results for the six months ended 30 September 2017**

*Rupees in lakhs*

Sl. No.	Particulars	Six months ended	
		30 September 2017	30 September 2016
		Unaudited	Unaudited
1	<b>Income from operations</b>		
	(a) Revenue from operations	-	-
	(b) Other income	-	33.63
	<b>Total Income from operations</b>	-	<b>33.63</b>
2	<b>Expenses</b>		
	(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	-	-
	(f) Finance costs	-	3.33
	(g) Other expenses	26.19	8.42
	<b>Total Expenses</b>	<b>26.19</b>	<b>11.75</b>
3	<b>(Loss) / profit before exceptional items and tax (1-2)</b>	<b>(26.19)</b>	<b>21.88</b>
4	Exceptional items	-	-
5	<b>(Loss) / profit before tax (3+4)</b>	<b>(26.19)</b>	<b>21.88</b>
6	Tax expense, net	-	-
7	<b>Net (loss) / profit after tax (5 - 6)</b>	<b>(26.19)</b>	<b>21.88</b>
8	<b>Other comprehensive income (net of tax)</b>	-	-
9	<b>Total comprehensive income for the period</b> [Comprising (loss) / profit for the period (after tax) and other comprehensive income (after tax)]	<b>(26.19)</b>	<b>21.88</b>
10	Paid-up equity share capital		
	- Class A equity shares of Rs. 10 each	3.85	3.85
	- Class B equity shares of Rs. 100 each	229.00	229.00
	- Class C equity shares of Rs. 100 each	651.77	651.77
		884.62	884.62
11	Paid-up debt capital (refer note 2)	17,050.03	13,565.39
12	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	(266.12)	(3.73)
13	Debenture redemption reserve (refer note 3)	-	-
14	Earning per share (EPS)		
	(a) Basic (Rs)		
	- Class A equity shares of Rs. 10 each	(0.30)	1.50
	- Class B equity shares of Rs. 100 each	(2.96)	15.00
	- Class C equity shares of Rs. 100 each	(2.96)	15.00
	(b) Diluted (Rs)		
	- Class A equity shares of Rs. 10 each	(0.30)	0.31
	- Class B equity shares of Rs. 100 each	(2.96)	3.10
	- Class C equity shares of Rs. 100 each	(2.96)	3.10
15	Debt equity ratio	28.79	15.24
16	Debt service coverage ratio*	(0.02)	7.57
17	Interest service coverage ratio*	(0.02)	7.57

\* Since the Company has loss before interest and tax in the current six months ended 30 September 2017, these ratios are negative



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**Statement of unaudited financial results for the six months ended 30 September 2017**

**Notes to unaudited financial results for the six months ended 30 September 2017:**

1 The above financial results have been reviewed and approved by the Board of Directors at their meeting held on 28 March 2018. The statutory auditors have conducted a limited review of the financial results for the six months ended 30 September 2017, 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 review report.

2 Paid-up debt capital includes non-convertible redeemable debentures amounting to Rs.12,434.64 lakhs, compulsorily convertible debentures amounting to Rs. 3,415.39 lakhs and loan from related party amounting to Rs 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 six months ended 30 September 2017, no amount has been transferred to debenture redemption reserve.

4 Formula used for computation of ratios are as under:

a) Debt equity Ratio (DSCR) = 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 Rs. 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 seller of the land upon complying with the contractual conditions and satisfactory resolution of the ongoing litigation between the seller and certain parties respectively. The total amount already paid by the Company for these land assets as at 30 September 2017 is Rs. 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 Rs. 3,294.00 lakhs and amount withheld is Rs. 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 Rs. 4,455.00 lakhs and amount withheld is Nil. There is a litigation going on between the seller and certain parties at The Court of the Senior Civil Judge & JMFC, Devanahalli, Karnataka, and some of those parties have filed an application to implead the Company in the ongoing litigation. The Company's management believes that the final outcome of the litigation will be favorable and will not impact the Company's ownership of this land parcel.

iii) For land survey number 16/2, amount paid is Rs. 2,880.00 lakhs and amount withheld is Rs. 900.00 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.

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 10 August 2016. The Company has opted to avail the relaxation provided by SEBI in respect of disclosure requirements for corresponding figures of earlier periods. Accordingly, the figures for the year ended 31 March 2017 have not been presented. For the purpose of presenting figures for the comparative half year ended 30 September 2016, the Company has prepared a reconciliation of the net loss of the corresponding period under the previously applicable 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. The net profit reconciliation for the six months ended 30 September 2016 is presented below:

<i>Rupees in lakhs</i>	
Net profit reconciliation	Six months ended 30 September 2016
Profit after tax as per previous GAAP	21.88
Less: Transaction cost on issue of non-convertible debentures amortised	(0.37)
Add: Transfer of the transaction cost to project under development.	0.37
<b>Profit as per Ind AS [A]</b>	<b>21.88</b>
Other comprehensive income (OCI) [B]	-
<b>Total comprehensive income [A+B]</b>	<b>21.88</b>



**Statement of unaudited financial results for the six months ended 30 September 2017**

**Notes to unaudited financial results for the six months ended 30 September 2017 (continued):**

7 In accordance with the terms of the Debenture Trust Deed executed on April 22, 2016 between the Company and 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. However, the Company confirms that the Series 'A' Outer Date for partial redemption would be lapsing since 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 financial results for the six months ended 30 September 2017, as the project ("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.

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 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 Thiruppathi**  
Director  
DIN: 07016259



**Anandeepsingh Chadha**  
Director  
DIN: 07426020



Place: Bangalore  
Date: 28 March 2018