C.I. Francis
B.Com., F.C.A.
Chartered Accountant
Office: XIII/35 Casino Complex
T.B. Road, Kokkalai, Thrissur. Kerala-680 021

Independent Auditors' Report

To the Members of Cochin Smart City Properties Private Limited

Report on the Financial Statements

I have audited the accompanying financial statements of Cochin Smart City Properties Private Limited (the "Company"), which comprise the balance sheet as at 31 March 2019 and the statement of profit and loss and cash flow statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I 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.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

C.I. FRANCIS FCA
THRISSUR-21
CHARTERED ACCOUNTANT

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I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the financial statements.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid 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 31st March,2019;
b) In the case of Profit and loss account, of the Loss for the year ended on that date and;
c) In the case of the Cash Flow Statement, of the 'cash' flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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

(a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit;

(b) in my opinion proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books;

(c) the balance sheet, the statement of profit and loss and cash flow statement dealt with by this Report are in agreement with the books of account;

(d) in my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act; and

(f) 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 my opinion and to the best of my information and according to the explanations given to me:

i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements.

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

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

Francis C.I. 1/6/19

C.I. FRANCIS, B.Com., F.C.A.
XIII/35, CASINO COMPLEX
T.B. ROAD, KOKKALAI
THRISSUR - 680 021
M. No: 204086

C.I. FRANCIS FCA * THRISSUR-21 * CHARTERED ACCOUNTANT

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Cochin Smart City Properties Private Limited.

Annexure to the Independent Auditors' Report

Annexure referred to in my report to the members of Cochin Smart City Properties Private Limited (the "Company") on the financial statements for the year ended 31 March 2019. We report that:

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

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In accordance with this policy, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In my opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(ii) (a) The inventory has been physically verified by the management during the year. In my opinion, the frequency of such verification is reasonable.

(b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) On the basis of my examination of the record of inventory, I am of the opinion that the Company is maintaining proper records of inventory.

(iii) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act"). Thus paragraph 3 (iii) of the Order is not applicable.

(iv) In my opinion and according to the information and explanations given to me, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets and with regard to the sale of goods and services. I have not observed any major weakness in the internal control system during the course of my audit.

(v) The Company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under.

(vi) In my opinion and according to the information and explanation given to me, the Central government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the companies Act,2013.

C.I. FRANCIS FCA
CHARTERED ACCOUNTANT
THRISSUR-21

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(vii) (a) According to the information and explanations given to me and on the basis of my examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, value added tax, sales tax, service tax, customs duty, wealth tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to me, the Company did not have any dues on account of excise duty.

According to the information and explanations given to me, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, wealth tax, value added tax, sales tax, service tax, customs duty and cess were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to me, the Company did not have any dues on account of Investor Education and Protection Fund.

(viii) In my opinion and according to the information and explanations given to me, the Company has not defaulted in repayment of dues to its bankers and financial institutions. The Company did not have any outstanding dues to debenture holders during the year.

(ix) According to the information and explanations given to me, the Company has given guarantee for loan taken by M/s. Joyalukkas India Private Limited for a sanctioned limit of Rs. 50 crores by providing its land as collateral security to the ICICI Bank.

(x) In my opinion and according to the information and explanations given to me, the term loans taken by the Company have been applied for the purpose for which they were raised.

(xi) According to the information and explanations given to me, no material fraud on or by the Company has been noticed or reported during the course of my audit.

Place: Thrissur

Date: 01/06/2019

C.I. FRANCIS FCA THRISSUR-21 CHARTERED ACCOUNTANT

Francis. C.I.

C. I. FRANCIS, B.Com., F.C.A.
XIII/35, CASINO COMPLEX
T. B. ROAD, KOKKALAI
THRISSUR - 680 021
M. No: 204086

COCHIN SMART CITY PROPERTIES PRIVATE LIMITED

CIN: U70102KL2006PTC019054

Door No 309-5, Bishop Alappatt Road,Fathima Nagar, Thrissur

Balance Sheet as at 31st March 2019

	Notes	As at 31 March 2019	As at 31 March 2018
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	1	73,50,000	73,50,000
Reserves and Surplus	2	1,39,91,631	1,51,74,293
		2,13,41,631	**2,25,24,293**
Non Current Liabilities			
Long- term Borrowings	3	1,98,00,000	4,13,00,000
Other Non Current Liabilities	4	2,52,94,140	3,52,94,140
		4,50,94,140	**7,65,94,140**
Current Liabilities			
Trade Payable	5	21,187	30,000
Other Current Liabilities	6		36,757
		21,187	**66,757**
TOTAL		**6,64,56,958**	**9,91,85,190**
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	7	6,55,95,301	6,55,95,301
Other long term loans & advances	8	-	3,31,20,843
		6,55,95,301	**9,87,16,144**
Current Assets			
Trade Receivables	9	10,000	10,000
Cash & Cash Equivalents	10	6,63,914	2,57,258
Short Term Loans & Advances	11	1,87,743	2,01,788
		8,61,657	**4,69,046**
TOTAL		**6,64,56,958**	**9,91,85,190**
Significant accounting policies	16		

Significant accounting policies and notes 1 to 16 form part of the accounts

This is the Balance Sheet refered to in my report of even date

For and on behalf of the Board

Alukkas Varghese Joy
Director
DIN: 00313967

P P Jose
Director
DIN: 01684395

C. I. FRANCIS, B.Com., F.C.A.
XIII/35, CASINO COMPLEX
T. B. ROAD, KOKKALAI
THRISSUR - 680 021
M. No : 204086

C. I. FRANCIS FCA CHARTERED ACCOUNTANT THRISSUR-21

Place: Thrissur
Date: 01/06/2019

COCHIN SMART CITY PROPERTIES PRIVATE LIMITED
CIN: U70102KL2006PTC019054
Door No 309-5, Bishop Alappatt Road,Fathima Nagar, Thrissur
Statement of Profit and loss for the year ended 31 March 2019

	Notes	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Income			
Revenue from operations	12	120000	120000
Total Income		**120000**	**120000**
Expenses			
Other Expenses	13	1302662	1416567
Total Expenses		**1302662**	**1416567**
Profit/ (Loss) before tax		**(11,82,662)**	**(12,96,567)**
Tax Expense			
Current Year		-	-
Profit/(Loss) for the year		**(11,82,662)**	**(12,96,567)**
Earnings per Share(Par Value Rs 100 each)			
Basic & Diluted		(16.09)	(17.64)
Significant accounting policies	16		

Significant accounting policies and notes 1 to 16 form part of the accounts

For and on behalf of the Board

Alukkas Varghese Joy
Director
DIN: 00313967

P P Jose
Director
DIN: 01684395

This is the Statement of profit and loss refered to in my report of even date

C.I. FRANCIS, B.Com., F.C.A.
XIII/35, CASINO COMPLEX
T.B. ROAD, KOKKALAI
THRISSUR - 680 021
M. No: 204086

Place: Thrissur
Date: 01/06/2019

C.I. FRANCIS F.C.A. * CHARTERED ACCOUNTANT * THRISSUR-21

COCHIN SMART CITY PROPERTIES PRIVATE LIMITED

Notes to Financial Statement

	Note	As at 31 March 2019	As at 31 March 2018
Share Capital	1		
Authorised			
75000 Equity shares of Rs.100/- each		75,00,000	75,00,000
Issued , Subscribed & Paid-up			
73500 Equity shares of Rs.100/- each		73,50,000	73,50,000
		73,50,000	**73,50,000**

(a) Particulars of shareholders holding more than 5% of shares of the Company

	Number of Shares	% Holding	Number of Shares	% Holding
Alukkas Varghese Joy	73490	99.99%	73490	99.99%
	73490	**99.99%**	**73490**	**99.99%**

	Note	As at 31 March 2019	As at 31 March 2018
Reserves & Surplus	2		
Surplus			
Opening Balance		1,51,74,293	1,64,70,860
Loss for the year		(11,82,662)	(12,96,567)
		1,39,91,631	**1,51,74,293**
Long-Term Borrowings	3		
Unsecured Loan			
Loan From Mr. Alukkas Varghese Joy		1,98,00,000	4,13,00,000
		1,98,00,000	**4,13,00,000**
Other Non-Current liabilities	4		
Rent Deposit Received		2,52,94,140	3,52,94,140
		2,52,94,140	**3,52,94,140**
Trade Payable	5		
Audit Fee Payable		15,000	30,000
Rent Payable		5,074	
Telephone Charge Payable		1,113	
		21,187	**30,000**

C.I. FRANCIS FCA
THRISSUR-21
CHARTERED ACCOUNTANT

Other Current Liabilities	6		
Statutory Liabilities		-	1,289
Creditors for Expenditure		-	35,468
		-	
		-	**36,757**

Notes to Financial Statement

		As at 31 March 2019	As at 31 March 2018
Other Long term loans & advances	8		
Capital Advance		-	1,20,843.00
Rent Deposit		-	3,30,00,000.00
		-	**3,31,20,843.00**
Trade Receivable	9		
a) Outstanding for a period exceeding six months		-	-
b) Others		-	-
Unsecured, Considered good		10,000.00	10,000.00
		10,000.00	**10,000.00**
Cash and Cash Equivalents	10		
Cash on hand		509.00	12,655.00
Balances with Scheduled Banks in Current Accounts		6,63,405.00	2,44,603.00
		6,63,914.00	**2,57,258.00**
Short term loans and advances	11		
Advance Tax AY 2014-15		1,87,743.00	1,87,743.00
Advance for capital Expenditure		-	14,045.00
		1,87,743.00	**2,01,788.00**
Revenue from Operations	12		
Rent Received		1,20,000.00	1,20,000.00
		1,20,000.00	1,20,000.00
Other Expenses	13		
Audit Fee-for audit		15,000.00	15,000.00
Professional Charges		32,295.00	4,81,320.00
Income Tax Paid		-	-
Bank Charge		-	20.00
Legal Charges		7,55,000.00	6,27,500.00
Rates & Taxes		24,157.00	1,595.00
Printing & Stationary		-	5,880.00
Sundry balance written off		1,34,888.00	-
Security Charges		3,01,522.00	2,83,369.00
Miscellaneous Expenses		-	1,883.00
AMC CHARGES		1,403.00	-
Lease Rent		15,222.00	-
Telephone Charges		21,602.00	-
Domain Renewal Charges		1,573.00	-
		13,02,662.00	14,16,567.00

C.I. FRANCIS FCA * CHARTERED ACCOUNTANT * THRISSUR-21

COCHIN SMART CITY PROPERTIES PRIVATE LIMITED

Note 7 Tangible assets

		Gross Block				Depreciation			Net block	
	Particulars	As at 1st April 2018	Additions	Deletions	As at 31st March 2019	As at 1st April 2018	For the year	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
	Land	6,55,95,301	-		6,55,95,301	-	-	-	6,55,95,301	6,55,95,301
	Previous Year	6,55,95,301	-	-	6,55,95,301	-	-	-	6,55,95,301	6,55,95,301

C.T. FRANCIS FCA * THRISSUR-21 * CHARTERED ACCOUNTANT

COCHIN SMART CITY PROPERTIES PRIVATE LIMITED
Notes to Financial Statement

14. Related party disclosure as required by As-18

A) Names of related parties and description of relationship with the Company

Party	Realtionship
Mr.Alukkas Varghese Joy	Key Managerial Personnel
Mr. P.P. Jose	Key Managerial Personnel
Joyalukkas India Private Limited	Group Company

B) Transaction with related party

Party	Transaction	Amount
Mr.Alukkas Varghese Joy	Unsecured Loan Repaid	2,20,00,000
Mr.Alukkas Varghese Joy	Unsecured Loan Received	5,00,000
Joyalukkas India Private Limited	Rent Received	1,20,000
Joyalukkas India Private Limited	Rent paid	15222

C) Amount due to /(from) related party

Party	Amount
Mr.Alukkas Varghese Joy	1,98,00,000
Joyalukkas India Private Limited (Rent Receivable)	10,000
Joyalukkas India Private Limited (Rent Payable)	5,074

15. Previous year figures are regrouped wherever necessary

For and on behalf of the Board

Alukkas Varghese Joy
Director
DIN: 00313967

P P Jose
Director
DIN: 01684395

As per my report of even date attached

C. I. FRANCIS, B.Com., F.C.A.
XIII/35, CASINO COMPLEX
T. B. ROAD, KOKKALAI
THRISSUR - 680 021
M. No : 204086

Place: Trissur
Date: 01/06/2019

C. I. FRANCIS FCA
THRISSUR-21
CHARTERED ACCOUNTANT

Cochin Smart City Properties Private Limited
Notes to the financial statements

Note 16: Significant accounting policies

1.1 Background

Cochin Smart City Properties Private Limited ('the Company') was incorporated on 11 January 2006 as a private limited company. The registered office of the Company is located at Kochi, Kerala, India. The Company is engaged in the business of dealing real-estate development.

1.2 Basis of accounting and preparation of financial statements

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act, as applicable, Accounting Standards issued by the Institute of Chartered Accountants of India and other generally accepted accounting principles in India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. All amounts included in the financial statements are reported in Indian rupees, except share and per share data, and have been rounded off to the nearest rupee.

1.3 Use of estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.4 Fixed assets

Tangible fixed assets are carried at cost of acquisition less accumulated depreciation. The cost of fixed assets comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Intangible assets are recorded at their acquisition cost.

Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under capital advances. The cost of the fixed asset not ready for their intended use before such date are disclosed under capital work-in-progress

1.5 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

C.I. FRANCIS FCA
THRISSUR-21
CHARTERED ACCOUNTANT

Note 16:Significant accounting policies (continued)

1.6 Provisions and contingent liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When the likelihood of outflow of resources, in case of a possible obligation or a present obligation is remote no provision or disclosure is made.

Provision for onerous contracts i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is possible that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

1.7 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

C.I. FRANCIS FCA
THRISSUR-21
CHARTERED ACCOUNTANT

Cochin Smart City Properties Private Limited,Fathima Nagar ,Thrissur
CIN: U70102KL2006PTC019054
Cash flow statement for the year ended 31 March 2019
(All amounts in Indian rupees, except share data and where otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flows from operating activities		
Loss before tax	(11,82,662)	(12,96,567)
Adjustments for		
Depreciation and amortisation	-	-
Operating profit before working capital changes	**(11,82,662)**	**(12,96,567)**
Decrease in trade receivables	-	
Decrease in Loans and advances	3,31,20,843	-
Decrease in short term loans and advances	14,045	-
Decreas in current liabilities	(1,00,36,757)	-
Increase in liabilities and provisions	(8,813)	51,757
Cash generated/(used) from operations	**2,19,06,656**	**(12,44,810)**
Taxes paid	-	
Net cash used in operating activities (A)	**2,19,06,656**	**(12,44,810)**
Cash flows from investing activities		
Increase in fixed assets and capital work in progress	-	-
Profit on sale of fixed asset		-
Increase in other current assets	-	
Increase in long term loans and advances	-	-
Net cash used in investing activities (B)	-	-
Cash flows from financing activities		
Proceeds from issue of share capital	-	
Long term borrowings (repaid)/ availed, net	(2,15,00,000)	10,00,000
Net cash generated from financing activities (C)	**(2,15,00,000)**	**10,00,000**
Net increase in cash and cash equivalents (A+B+C)	**4,06,656**	**(2,44,810)**
Cash and cash equivalents at the beginning of the year	2,57,258	5,02,068
Cash and cash equivalents at the end of the year	**6,63,914**	**2,57,258**

(refer to note -12- Cash and bank balances)

Significant accounting policies (refer to Note 1)

The notes referred to above form an integral part of the cash flow statement

As per my report of even date attached

C. I. FRANCIS, B.Com., F.C.A.
XIII/35, CASINO COMPLEX
T. B. ROAD, KOKKALAI
THRISSUR - 680 021
M. No: 204086

for and on behalf of the Board of Directors of
Cochin Smart City Properties Private Limited

Alukkas Varghese Joy
Director
DIN: 00313967

P P Jose
Director
DIN: 01684395

Thrissur
Date: 01/06/2019