

**GLFL HOUSING FINANCE LIMITED**

**ANNUAL ACCOUNTS**

**YEAR\_2017-18**



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
GLFL HOUSING LIMITED  
Report on the Financial Statements**

We have audited the accompanying financial statements of **GLFL HOUSING LIMITED**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information for the year then ended.

**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.

**Auditor's Responsibility**

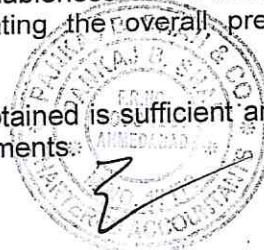
Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

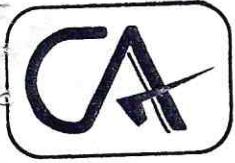
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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







## Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018, and its loss and its cash flows for the year ended on that date.

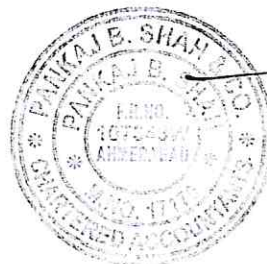
## Report on Other Legal and Regulatory Requirements

1. As required by Companies (Auditor's Report) order, 2016 issued by the Central Government in terms of section 143(11) of the Companies Act, 2013, we give in "Annexure-A" a statement on the matters specified in paragraph 3 of the order.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our 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<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting system.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

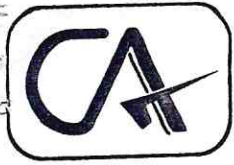
Place : Ahmedabad  
Date: 25-05-2018



For, Pankaj B. Shah & Co  
Chartered Accountants  
(Firm's Reg. No. 107343W)

*Pankaj B. Shah*

(Pankaj B. Shah)  
(Proprietor)  
(Membership No. 017170)

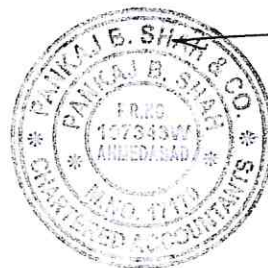


### ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. The nature of the Company's activities during the year have been such that clause (ii), (iv), (v), (vi), (vii), (viii), (ix), (xi), (xii), (xiii), (xiv), (xv), and (xvi) of paragraph 3 of Company's (Auditors Report) Order, 2016 are not applicable to the Company for the year.
2. In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - (c) The title deeds are in the name of Company.
3. According to the information and explanations given to us, the Company has granted unsecured loans, to companies, covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans:
  - a) As regards terms & conditions for repayment of principal & interest, the note no. 17,19.1 & 19.2 included in notes forming part of financial statements are self explanatory.
  - b) In respect of overdue amounts remaining outstanding as at the year-end, as explained to us, Management has entered in to arrangement with Loney as referred to in note no. 17,19.1 & 19.2 of notes. for recovery of the principal amounts and interest.
  - c) The overdue amount of more than 90 days is Rs. 154,682,629/- for which action taken for its recovery are as per note no. 19.1 of the notes.
4. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company, or on the company by its officers or employees has been noticed or reported during the year.

Place : Ahmedabad  
Date: 25-05-2018



For, Pankaj B. Shah & Co  
Chartered Accountants  
(Firm's Reg.No.107343W)

*Pankaj B. Shah*  
(Pankaj B. Shah)  
(Proprietor)  
(Membership No. 017170)





**ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **GLFL HOUSING LIMITED** 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**

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. 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.

**Auditor's Responsibility**

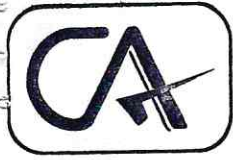
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute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

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

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







### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

Place : Ahmedabad  
Date: 25-05-2018



For, Pankaj B. Shah & Co  
Chartered Accountants  
(Firm's Reg. No. 107343W)

*Pankaj B. Shah*

(Pankaj B. Shah)  
(Proprietor)  
(Membership No. 017170)



GLFL HOUSING FINANCING LIMITED

FINANCIAL STATEMENTS

2017-2018

**GLFL HOUSING FINANCE LIMITED**

**Balance Sheet as at March 31, 2018**

[Amount in ₹]

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	5	7 698	7 698	8 219
<b>Financial Assets</b>				
Loans	6	15 46 82 629	15 31 32 800	15 33 89 836
Other financial assets	7	1 75 000	21 89 775	22 00 335
		<b>15 48 65 327</b>	<b>15 53 30 273</b>	<b>15 55 98 390</b>
<b>Current assets</b>				
<b>Financial assets</b>				
Cash and Cash Equivalents	8	1 72 747	75 327	50 069
Current Tax Assets (Net)	9	3 51 915	3 54 448	3 40 246
		<b>5 24 662</b>	<b>4 29 775</b>	<b>3 90 315</b>
<b>Total Assets:</b>		<b>15 53 89 989</b>	<b>15 57 60 048</b>	<b>15 59 88 705</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	10	8 25 00 000	8 25 00 000	8 25 00 000
Other Equity	11	7 28 42 799	7 32 17 143	7 34 67 937
		<b>15 53 42 799</b>	<b>15 57 17 143</b>	<b>15 59 67 937</b>
<b>Current liabilities</b>				
<b>Financial Liabilities</b>				
Other financial liabilities	12	47 190	42 905	20 768
		<b>47 190</b>	<b>42 905</b>	<b>20 768</b>
<b>Total Equity and Liabilities:</b>		<b>15 53 89 989</b>	<b>15 57 60 048</b>	<b>15 59 88 705</b>

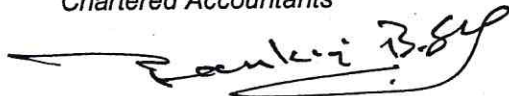
The accompanying notes are an integral part of the financial statements.

As per our report of even date

**FOR PANKAJ B SHAH & CO.**

[Firm Registration No. 107343W]

Chartered Accountants



**PANKAJ B. SHAH**

Proprietor

Mem. No. 017170

**FOR AND ON BEHALF OF THE BOARD**



**HARNISH PATEL**

Director

DIN: 00114198



**PRADIP MEHTA**

Director

DIN:00254359

Place : Ahmedabad

Date :

**25 MAY 2018**



Place : Ahmedabad

Date :

**25 MAY 2018**



**GLFL HOUSING FINANCE LIMITED**

**Statement of Profit and Loss for the year ended March 31, 2018**

[Amount in ₹]

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>INCOME</b>			
Other Income	13	1 22 411	3 00 718
<b>Total Income:</b>		<b>1 22 411</b>	<b>3 00 718</b>
<b>EXPENSES</b>			
Depreciation and Amortization	14	0	12 111
Other Expenses	15	4 96 755	5 39 401
<b>Total Expenses:</b>		<b>4 96 755</b>	<b>5 51 512</b>
<b>Profit before exceptional items and tax</b>		<b>( 3 74 344)</b>	<b>( 2 50 794)</b>
Exceptional Items		0	-
<b>Profit Before Tax</b>		<b>( 3 74 344)</b>	<b>( 2 50 794)</b>
<b>Tax expense</b>			
Current tax		0	0
Deferred tax		0	0
<b>Total tax expense:</b>		<b>0</b>	<b>0</b>
<b>Profit for the year from continuing operations</b>		<b>( 3 74 344)</b>	<b>( 2 50 794)</b>
<b>Other comprehensive income</b>			
(A) (i) Items that will not be reclassified to profit or loss		0	0
(ii) Income tax relating to items that will not be reclassified to profit or loss		0	0
(B) (i) Items that will be reclassified to profit or loss		0	0
(ii) Income tax relating to items that will be reclassified to profit or loss		0	0
<b>Total comprehensive income for the year, net of tax</b>		<b>( 3 74 344)</b>	<b>( 2 50 794)</b>
<b>Earning per Equity Share</b>	16		
Basic		(0.05)	(0.03)
Diluted		(0.05)	(0.03)

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

As per our report of even date

**FOR PANKAJ B SHAH & CO.**

[Firm Registration No. 107343W]

Chartered Accountants

*Pankaj B. Shah*

**PANKAJ B. SHAH**  
Proprietor  
Mem. No. 017170



Place : Ahmedabad

Date :

**25 MAY 2018**

**FOR AND ON BEHALF OF THE BOARD**

*Harnish Patel*

**HARNISH PATEL**  
Director  
DIN: 00114198

*Pradip Mehta*

**PRADIP MEHTA**  
Director  
DIN:00254359

Place : Ahmedabad

Date :

**25 MAY 2018**

**GLFL HOUSING FINANCE LIMITED**

**Statement of Cash Flows for the year ended March 31, 2018**

[Amount in ₹]

Particulars	2017-2018	2016-2017
<b>A. Cash flow from operating activities</b>		
Profit/(Loss) for the year before taxation	( 3 74 344)	( 2 50 794)
<b>Adjustments for</b>		
Depreciation and amortisation	0	12 111
Interest Income from financial assets measured at amortised cost - on fixed deposits with Bank	( 1 22 411)	( 1 75 718)
Operating profit before working capital changes	( 4 96 755)	( 4 14 401)
<b>Adjustments for</b>		
Increase / (Decrease) in Other current liabilities	4 285	22 137
(Increase) / Decrease in other non current financial assets	20 00 000	6 480
Cash generated from operations	15 07 530	( 3 85 784)
Direct taxes Refund/(paid)	2 533	( 14 202)
<b>Net Cash from Operating Activities</b>	<b>[A] 15 10 063</b>	<b>( 3 99 986)</b>
<b>B. Cash flow from investing activities</b>		
Interest received	1 37 186	1 79 798
Purchase of fixed assets	0	( 11 590)
<b>Net Cash from / (used in) investing activities</b>	<b>[B] 1 37 186</b>	<b>1 68 208</b>
<b>C. Cash flow from financing activities</b>		
Repayment of loan	( 15 49 829)	2 57 036
<b>Net cash flow from financial activities</b>	<b>[C] ( 15 49 829)</b>	<b>2 57 036</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents</b>	<b>[A+B+C] 97 420</b>	<b>25 258</b>
Cash and cash equivalents opening	75 327	50 069
Cash and cash equivalents closing	<b>1 72 747</b>	<b>75 327</b>
<b>Components of Cash and cash equivalent</b>		
Balances with scheduled banks	1 72 747	75 327
Fixed Deposits with maturity less than 3 months		0
Cash in hand	0	0
	<b>1 72 747</b>	<b>75 327</b>

**Explanatory Notes to Cash Flow Statement**

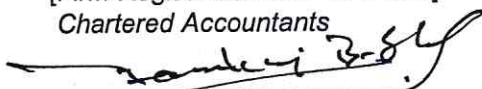
- The above Cash Flow Statement has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended.
- Figures in brackets indicate cash outflow. The above statement of cashflow should be read in conjunction with the accompanying notes
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.

As per our attached report of even date

**FOR PANKAJ B SHAH & CO.**

[Firm Registration No. 107343W]

Chartered Accountants



**PANKAJ B. SHAH**

Proprietor

Mem. No. 017170

Place: Ahmedabad

Date :

**25 MAY 2018**



**FOR AND ON BEHALF OF THE BOARD**



**HARNISH PATEL**

Director

DIN: 00114198

Place: Ahmedabad

Date :

**25 MAY 2018**

**PRADIP MEHTA**

Director

DIN:00254359



**GLFL HOUSING FINANCE LIMITED**

**Statement of changes in Equity for the year ended March 31, 2018**

**A. Equity share capital**

	[Amount in ₹]
<b>As at April 1, 2016</b>	8 25 00 000
Issue of Equity Share capital	0
<b>As at March 31, 2017</b>	8 25 00 000
Issue of Equity Share capital	0
<b>As at March 31, 2018</b>	8 25 00 000

**B. Other equity**

Particulars	Reserves and Surplus			Reserve Fund	Other Comprehensive Income	Total equity	
	General Reserve	Retained Earnings	Special reserve				Other Comprehensive Income
<b>Balance as at April 1, 2016</b>	77 19 282	( 21 41 643)	6 78 10 298	80 000	0	7 34 67 937	
Profit for the year	0	( 2 50 794)	0	0	0	( 2 50 794)	
Addition during the year	0	0	0	0	0	0	
Deduction during the year	0	0	0	0	0	0	
Other comprehensive income for the year	0	0	0	0	0	0	
<b>Balance as at March 31, 2017</b>	77 19 282	( 23 92 437)	6 78 10 298	80 000	0	7 32 17 143	
Profit for the year	0	( 3 74 344)	0	0	0	( 3 74 344)	
Addition during the year	0	0	0	0	0	0	
Deduction during the year	0	0	0	0	0	0	
Corporate dividend tax	0	0	0	0	0	0	
Other comprehensive income for the year	0	0	0	0	0	0	
<b>Balance as at March 31, 2018</b>	77 19 282	( 27 66 781)	6 78 10 298	80 000	0	7 28 42 799	

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

As per our report of even date

**FOR PANKAJ B SHAH & CO.**

[Firm Registration No. 107343W]

Chartered Accountants

**PANKAJ B. SHAH**

Proprietor

Mem. No. 017170

Place : Ahmedabad

Date :

**25 MAY 2018**

FOR AND ON BEHALF OF THE BOARD

*[Signature]*

**HARNISH PATEL**

Director

DIN: 00114198

Place : Ahmedabad

Date :

**25 MAY 2018**



## Notes to the Financial Statements

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### Note 1 : Company Overview

The Company was incorporated in the year 1992 to provide housing loans to individuals. The Company has already divested its substantial Housing Loan Portfolio alongwith liabilities in favor of LIC Housing Finance Ltd in 2002 based on the Credit Rating of the Portfolio. Remaining Portfolio consisting of NPA accounts were monitored by the Company. Since 2002 Company has been doing recovery work from the outstanding NPA/Bad accounts.

The standalone financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorised for issue on May 25, 2018.

### Note 2 : Basis of Preparation

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the then applicable Accounting Standards in India ('previous GAAP'). These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. The comparative figures in the Balance Sheet as at March 31, 2017 and April 1, 2016 and Statement of Profit and Loss and Cash Flow Statement for the year ended March 31, 2017 have been restated accordingly. Accounting Policies have been consistently applied except where newly issued accounting standard is initially adopted or revision to the existing standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

Refer Note 22 for the explanations of transition to Ind AS including the details of first-time adoption exemptions availed by the Company.

The standalone financial statements are prepared in INR and all the values are rounded to the nearest rupees, except when otherwise indicated.

#### I Statement of Compliance

The standalone financial statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement, together with notes for the year ended March 31, 2018 have been prepared in accordance with Ind AS as notified above duly approved by the Board of Directors at its meeting.

#### II Basis of Measurement

The standalone financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain Assets and Liabilities as stated below:

- (a) Financial instruments (assets / liabilities) classified as Fair Value through profit or loss or Fair Value through OCI are measured at Fair Value.
- (b) The defined benefit asset/liability is recognised as the present value of defined benefit obligation less fair value of plan assets.

The above items have been measured at Fair Value and the methods used to measure Fair Values are discussed further in Note 4.11





## Notes to the Financial Statements

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### III. Functional and Presentation Currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian Rupee is the functional currency of the Company.

The standalone financial statements are presented in Indian Rupees (₹) which is the company's presentation currency.

### IV. Standard issued but not yet effective

Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, ('The Rules') on 28 March 2018. The rules notify the new Revenue Standard Ind AS 115 'Revenue from Contracts with Customers' and also bring in amendments to existing Ind AS. The rules shall be effective from reporting period beginning on or after 1 April, 2018 and cannot be reported early. Hence, not applied in the preparation of financials.

### Note 3 : Significant accounting judgments, estimates and assumptions

The preparation of standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of standalone financial statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected.

In the process of applying the Company's accounting policies, management has made the following judgements and estimates, which have the most significant effect on the amounts recognised in the standalone financial statements.

#### 3.1 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

#### 3.2 Taxes

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

#### 3.3 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.



Notes to the Financial Statements

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**Note 4 : Significant Accounting Policies**

**4.1 Financial Instruments**

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

**(a) Financial Assets**

Financial Assets comprises of investments in equity instruments, cash and cash equivalents and other financial assets.

**Initial Recognition:**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at Fair Value through Profit or Loss, transaction costs that are attributable to the acquisition of financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company committed to purchase or sell the asset.

**Subsequent Measurement:**

**(i) Financial assets measured at Amortized Cost:**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(ii) Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):**

Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).

**(iii) Fair Value through Profit or Loss (FVTPL):**

Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

**De-recognition of Financial Assets:**

Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for derecognition. On derecognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.





Notes to the Financial Statements

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**(b) Financial Liabilities**

**Initial Recognition and Measurement**

Financial Liabilities are initially recognized at Fair value plus any transaction costs that are attributable to acquisition of the financial liabilities except financial liabilities through profit or loss which are initially measured at Fair Value.

**Subsequent Measurement:**

Financial Liabilities are classified for subsequent measurement into following categories:

**(i) Financial liabilities at Amortized Cost:**

The Company is classifying the following under amortized cost:

- Borrowing from Banks
- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus cumulative amortization using the effective Interest Method of any differences between the initial amount and maturity amount.

**(ii) Financial liabilities at Fair Value through Profit or Loss:**

Financial liabilities held for trading are measured at FVTPL.

**De-recognition of Financial Liabilities:**

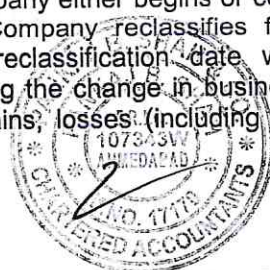
Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

**(c) Offsetting of Financial assets and Financial Liabilities**

Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

**(d) Reclassification of Financial Assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI, and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines the change in a business model as a result of external or internal changes which are significant to the Company's Operations. A Change in business occurs when the company either begins or ceased to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.





## Notes to the Financial Statements

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### 4.2 Share Capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.

### 4.3 Property, Plant and Equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Properties in the course of construction for production, supply or administrative purpose are carried at cost, less any recognised impairment loss. Cost includes professional fees and for qualifying assets, borrowing cost capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of Property Plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and are recognised net within "other income / other expenses" in the Statement of profit and loss.

#### Transition to Ind AS

For transition to Ind AS, the Company has elected to adopt the carrying value of all of its property, plant and equipment 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, except in respect of buildings under finance lease recognised in previous GAAP, to the extent it included lease component of land.

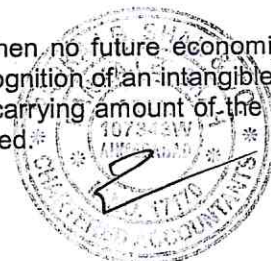
### 4.4 Intangible assets

#### Intangible Assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

#### Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.





## Notes to the Financial Statements

### 4.5 Impairment

#### I Financial assets (other than at fair value)

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

#### II Non-financial assets

##### Tangible and Intangible assets

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, their recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

##### Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

### 4.6 Provisions

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the contract.



Notes to the Financial Statements

**4.7 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

**Dividend and Interest Income**

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**4.8 Borrowing Costs**

Borrowing costs include

- (i) interest expense calculated using the effective interest rate method,
- (ii) finance charges in respect of finance leases, and
- (iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

**4.9 Income Taxes**

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

- (i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the standalone 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. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.





Notes to the Financial Statements

(ii) Deferred Tax

Deferred tax is recognised 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. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible 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 asset to be recovered.

Deferred tax liabilities and assets 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 reflects 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.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised 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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4.10 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon 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. Dilutive potential equity shares are determined independently for each period presented.





## Notes to the Financial Statements

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### 4.11 Fair Value Measurement

A number of Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. 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. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

- (a) Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.
- (b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (c) Level 3- unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the standalone financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

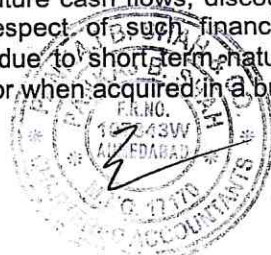
Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

- (a) Investment in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

- (b) Trade and other receivables

The fair value of trade and other receivables, excluding construction contracts in progress, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However in respect of such financial instruments, fair value generally approximates the carrying amount due to short term nature of such assets. This fair value is determined for disclosure purposes or when acquired in a business combination.





Notes to the Financial Statements

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(c) Non derivative financial liabilities

Fair Value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

**4.12 Current / non- current classification**

An asset is classified as current if:

- (a) it is expected to be realized or sold or consumed in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realized within twelve months after the reporting period; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (a) it is expected to be settled in normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period;
- (d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between acquisition of assets for processing / trading / assembling and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**4.13 Cash and cash equivalent**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.



Notes to the Financial Statements

**4.14 First Time Adoption of Ind AS**

The Company has prepared the opening standalone balance sheet as per Ind AS as of April 1, 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 the certain mandatory exceptions under Ind AS 101 and certain optional exemptions permitted under Ind AS 101 availed by the Company as detailed below:

**1 Mandatory exceptions to retrospective application of other Ind AS**

**(a) 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 differences in accounting policies) unless there is an objective evidence that those estimates were in error.

The company has not made any changes to estimates made in accordance with Previous GAAP.

**(b) Ind AS 109 - Financial Instruments (Derecognition of previously recognized Financial Assets/ Financial Liabilities)**

An entity shall apply the derecognition requirements in Ind AS 109 prospectively for the transactions occurring on or after date of transition to Ind AS.

The Company has applied the derecognition requirements prospectively.

**(c) Ind AS 109 "Financial Instruments" (Classification and Measurement of Financial Assets/ Financial Liabilities)**

Classification and measurement of Financial Assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of Financial Assets and accordingly has classified and measured financial assets on the date of transition.

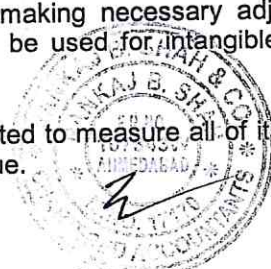
**(d) Ind AS 109 "Financial Instruments" (Impairment of Financial Assets): Impairment requirements under Ind AS 109 should be applied retrospectively based on reasonable and supportable information that is available on the date of transition without undue cost or effort.**

**2. Optional exemptions**

**(a) Deemed cost for property, plant and equipment, and intangible assets**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 "Intangible Assets".

Accordingly, the Company has elected to measure all of its property, plant and equipment, at their previous GAAP carrying value.





**GLFL HOUSING FINANCE LIMITED**

**Notes the the Financial Statements**

**Note 5 : Property, Plant and Equipment**

**Note 5.1 : As at March 31, 2018**

Particulars	Gross carrying amount				Accumulated Depreciation			Net carrying amount	
	As at 01/04/2017	Additions	Deductions	As at 31/03/2018	Upto 31/03/2017	For the year	Adjustments	Upto 31/03/2018	As at 31/03/2018
Owned Assets	19 809		0	19 809	12 111		0	12 111	7 698
Office Equipments	19 809	0	0	19 809	12 111	0	0	12 111	7 698

**Note 5.2 : As at March 31, 2017**

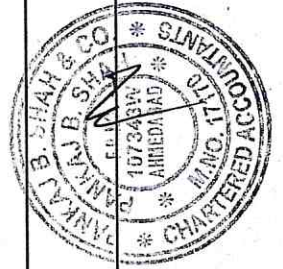
Particulars	Gross carrying amount				Accumulated Depreciation			Net carrying amount	
	As at 01/04/2016	Additions	Adjustments / (Deletions during the year)	As at 31/03/2017	Upto 31/03/2016	For the year	Adjustments / (Deletions during the year)	Upto 31/03/2017	As at 31/03/2017
Owned Assets	8 219	11 590	0	19 809	0	12 111	0	12 111	7 698
Office Equipments	8 219	11 590	0	19 809	0	12 111	0	12 111	7 698

**Note**

The company has elected to continue with the carrying value of all of its property, plant and equipment 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. Details of gross block, accumulated depreciation and net block as per Indian GAAP are given in note 5.3

**Note 5.3 : Gross block, accumulated depreciation and net block as per Indian GAAP as at April 1, 2016**

Particulars	Gross carrying amount		Accumulated Depreciation		Net carrying amount	
	As at 01/04/2016	As at 31/03/2017	Upto 31/03/2016	For the year	Upto 31/03/2017	As at 31/03/2017
Owned Assets	1 80 112	1 80 112	1 71 893		1 71 893	8 219
Office Equipments	1 80 112	1 80 112	1 71 893		1 71 893	8 219



GLFL HOUSING FINANCE LIMITED

Notes to the Financial Statements

Note 6 : Loans

[Amount in ₹]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured considered good)			
Non- Current (Refer note below)			
Loan to holding Company	15 46 82 629	15 31 32 800	15 33 89 836
<b>Total</b>	<b>15 46 82 629</b>	<b>15 31 32 800</b>	<b>15 33 89 836</b>

Note:

Due to precarious financial condition of the Gujarat Lease Financing Limited ("the Controlling Company), the Company had given loan to Controlling Company in the earlier years. The Company had discontinued its business and concentrated only on recovery of assets with a view to repay outside liabilities of the Controlling Company. Since there was no scope for any business activity in the Controlling Company, no terms and conditions were stipulated so far as interest and repayment of such loans while giving such loans. The Company does not intend to get any interest or repayment of such loans within next 12 months period and hence it continue to classify such loans as "Non-Current Financial Assets" and also not able to work out the amortised cost of such loans. Accordingly, the Company considers its' carrying amount as amortised cost.

Note 7 : Other Financial Assets (Non-current)

[Amount in ₹]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Fixed Deposits with Original Maturity for more than 12	1 75 000	21 75 000	21 81 480
Interest accrued but not due	0	14 775	18 855
<b>Total:</b>	<b>1 75 000</b>	<b>21 89 775</b>	<b>22 00 335</b>

Note 8 : Cash and cash equivalents

[Amount in ₹]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with Bank			
Current accounts	1 72 747	75 327	50 069
Cash on hand	0	0	0
<b>Total cash and cash equivalents</b>	<b>1 72 747</b>	<b>75 327</b>	<b>50 069</b>

Note 9 : Current tax assets

[Amount in ₹]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Current</b>			
Advance Tax	1 67 33 170	1 67 35 703	1 67 21 501
Less: Provision for tax	1 63 81 255	1 63 81 255	1 63 81 255
<b>Total:</b>	<b>3 51 915</b>	<b>3 54 448</b>	<b>3 40 246</b>





**GLFL HOUSING FINANCE LIMITED**

**Notes to the Financial Statements**

**Note 10 : Equity share capital**

Particulars	[Amount in ₹]	
	As at March 31, 2018	As at March 31, 2017
<b>Authorised share capital</b>		
2,00,00,000 (March 31, 2017: 2,00,00,000; April 01, 2016: 2,00,00,000) Equity Shares of ₹ 10/ each fully paid up	20 00 00 000	20 00 00 000
<b>Issued share capital</b>		
90,00,000 (March 31, 2017: 90,00,000; April 01, 2016: 90,00,000) Equity Shares of ₹ 10/ each	9 00 00 000	9 00 00 000
<b>Subscribed share capital</b>		
90,00,000 (March 31, 2017: 60,00,000; April 01, 2016: 60,00,000) Equity Shares of ₹ 10/ each	9 00 00 000	9 00 00 000
<b>Paid up share capital</b>		
60,00,000 (March 31, 2017: 60,00,000; April 01, 2016: 60,00,000) Equity Shares of ₹ 10/ each fully paid up	6 00 00 000	6 00 00 000
30,00,000 (March 31, 2017: 30,00,000; April 01, 2016: 30,00,000) Equity Shares of ₹ 10/ each (Called and Paid-up Rs. 7.50 per share)	2 25 00 000	2 25 00 000
	<b>8 25 00 000</b>	<b>8 25 00 000</b>

**Reconciliation of number of shares outstanding at the beginning and at the end of the Reporting Year**

Particulars	As at	
	March 31, 2018	March 31, 2017
At the beginning of the year	90 00 000	90 00 000
<b>Add:</b>		
Shares issued for Cash or Right Issue	0	0
Exercise of Share Option under ESOS / ESOP	0	0
	<b>90 00 000</b>	<b>90 00 000</b>
<b>Less:</b>		
Shares bought back / Redemption	0	0
At the end of the year	<b>90 00 000</b>	<b>90 00 000</b>



**GLFL HOUSING FINANCE LIMITED**

**Notes to the Financial Statements**

**Note 10 : Equity share capital ... Continued..**

**Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital:**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

**Details of shareholders holding more than 5% Shares in the company**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Gujarat Lease Financing Ltd. (₹ 10/- paid-up)	60 00 000	66.67	60 00 000	66.67	60 00 000	66.67
Gujarat Lease Financing Ltd. (Called and Paid-up ₹ 7.50:per share)	30 00 000	33.33	30 00 000	33.33	30 00 000	33.33





# GLFL HOUSING FINANCE LIMITED

## Notes to the Financial Statements

### Note 11 : Other Equity

[Amount in ₹]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
General Reserve	77 19 282	77 19 282	77 19 282
Retained Earnings	( 27 66 781)	( 23 92 437)	( 21 41 643)
Special Reserve	6 78 10 298	6 78 10 298	6 78 10 298
Reserve Fund	80 000	80 000	80 000
	<u>7 28 42 799</u>	<u>7 32 17 143</u>	<u>7 34 67 937</u>

[Amount in ₹]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>General Reserve</b>			
Balance as per previous financial statements	77 19 282	77 19 282	77 19 282
Add : Additions during the year	0	0	0
Balance at the end of the year	<u>77 19 282</u>	<u>77 19 282</u>	<u>77 19 282</u>
<b>Reserve Fund</b>			
Balance as per previous financial statements	80 000	80 000	80 000
Add : Additions during the year	0	0	0
Balance at the end of the year	<u>80 000</u>	<u>80 000</u>	<u>80 000</u>
<b>Special reserve</b>			
Balance as per previous financial statements	6 78 10 298	6 78 10 298	6 78 10 298
Add : Additions during the year	0	0	0
Balance at the end of the year	<u>6 78 10 298</u>	<u>6 78 10 298</u>	<u>6 78 10 298</u>
<b>Surplus / (Deficit) in Statement of Profit &amp; Loss</b>			
Balance as per previous financial statements	( 23 92 437)	( 21 41 643)	( 21 41 643)
Add : Profit for the year	( 3 74 344)	( 2 50 794)	0
Add / (Less): OCI for the year			
Balance available for appropriation	<u>( 27 66 781)</u>	<u>( 23 92 437)</u>	<u>( 21 41 643)</u>
<b>Net Surplus / (Deficit)</b>	<u>( 27 66 781)</u>	<u>( 23 92 437)</u>	<u>( 21 41 643)</u>
	<u>7 28 42 799</u>	<u>7 32 17 143</u>	<u>7 34 67 937</u>

### Note 12 : Other financial liabilities (Current)

[Amount in ₹]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other Payable	47 190	42 905	20 768
	<u>47 190</u>	<u>42 905</u>	<u>20 768</u>



**GLFL HOUSING FINANCE LIMITED****Notes to the Financial Statements****Note 13 : Other Income**

[Amount in ₹]

Particulars	2017-2018	2016-2017
Interest Income		
Interest from Banks	1 22 411	1 75 718
Bad debts recovered	0	1 25 000
	<u>1 22 411</u>	<u>3 00 718</u>

**Note 14 : Depreciation and Amortization**

[Amount in ₹]

Particulars	2017-2018	2016-2017
Depreciation expense on property, plant and equipment	0	12 111
	<u>0</u>	<u>12 111</u>

**Note 15 : Other expenses**

[Amount in ₹]

Particulars	2017-2018	2016-2017
Conveyance	19 372	22 957
Auditors Remuneration - Audit Fee	8 850	8 625
Bank Charges	876	2 295
Legal and Professional Fees	72 426	90 704
Office Expenses	3 66 449	3 76 710
Electricity	12 511	12 195
Telephone	14 471	15 115
Filing Fees	1 800	10 800
	<u>4 96 755</u>	<u>5 39 401</u>

Payment to Auditor  
As Auditors

8 850

8 625

**Note 16 : Earning per Share**

[Amount in ₹]

Particulars	2017-2018	2016-2017
Profit attributable to Equity shareholders (₹)	( 3 74 344)	( 2 50 794)
Number of equity shares	82 50 000	82 50 000
Weighted Average number of Equity Shares	82 50 000	82 50 000
Basic earning per Share (₹)	( 0.05)	( 0.03)
Diulted earning per Share (₹)	( 0.05)	( 0.03)





# GLFL HOUSING FINANCING LIMITED

## Notes forming part of accounts

### Note 17: Interest on housing loans

Repayment of housing loans is by way of Equated Monthly installments (EMIs) comprising of principal and interest. Interest is calculated each year on the outstanding balance at the beginning of the Company's financial year. EMIs commence once the entire loan is disbursed. Pending commencement of EMIs, Pre EMI interest is chargeable every month.

### Note 18: Prudential norms

Provision for Non-Performing Assets has been made as per the prudential norms prescribed by the National Housing Bank (NHB).

In compliance with the prudential norms prescribed by the National Housing Bank (NHB) for non-recognition of income, such income has not been accounted for.

### Note 19

#### 1. Related Party Disclosures for the year ended March 31, 2018

##### (a) Details of Related Parties

Description of Relationship	Sr. No.	Names of Related Parties
Holding Company	1	Gujarat Lease Financing Ltd.
Enterprise controlled by the holding company	2	GLFL International Limited GLFL Securities Ltd
Key Management Personnel (KMP)	3	Shri Harnish Patel

##### (b) Details of transactions with related parties for the year ended March 31, 2018 in the ordinary course of business:

[Amount in ₹]

Sr. No.	Transaction/ Nature of Relationship	Controlling Company	Total
1	Loan given/(Repaid) Gujarat Lease Financing Ltd.	15 49 829	15 49 829

##### (c) Amount due to / from related parties as at March 31, 2018

[Amount in ₹]

Sr. No.	Transaction/ Nature of Relationship	Controlling Company	Total
1	Amount Receivable Gujarat Lease Financing Ltd	15 46 82 629	15 46 82 629



**GLFL HOUSING FINANCING LIMITED**

**Notes forming part of accounts**

**2. Related Party Disclosures for the year ended March 31, 2017**

(a) Details of Related Parties

Description of Relationship	Sr. No.	Names of Related Parties
Holding Company	1	Gujarat Lease Financing Ltd.
Enterprise controlled by the holding company	2	GLFL International Limited GLFL Securities Ltd
Key Management Personnel (KMP)	3	Shri Harnish Patel

(b) Details of transactions with related parties for the year ended March 31, 2017 in the ordinary course of business: [Amount in ₹]

Sr. No.	Transaction/ Nature of Relationship	Controlling Company	Total
1	Loan given/(Repaid) Gujarat Lease Financing Ltd.	2 57 036	2 57 036

(c) Amount due to / from related parties as at March 31, 2017 [Amount in ₹]

Sr. No.	Transaction/ Nature of Relationship	Controlling Company	Total
1	Amount Receivable Gujarat Lease Financing Ltd.	15 31 32 800	15 31 32 800

**3. Related Party Disclosures for the year ended April 1, 2016**

(a) Details of Related Parties

Description of Relationship	Sr. No.	Names of Related Parties
Holding Company	1	Gujarat Lease Financing Ltd.
Enterprise controlled by the holding company	2	GLFL International Limited GLFL Securities Ltd
Key Management Personnel (KMP)	3	Shri Harnish Patel

(b) Amount due to / from related parties as at April 1, 2016

Sr. No.	Transaction/ Nature of Relationship	Controlling Company	Total
1	Amount Receivable Gujarat Lease Financing Ltd	15 33 89 836	15 33 89 836





GLFL HOUSING FINANCING LIMITED

Notes forming part of accounts

Note 20 : Fair value measurements

A. Financial instruments by category

[Amount in ₹]

Fair value through profit or loss	31-Mar-18		31-Mar-17		01-Apr-16	
	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI
<b>Financial Assets</b>						
Loans	15 46 82 629	--	--	15 31 32 800	--	--
Cash and cash Equivalents	1 72 747	--	--	75 327	--	--
Other bank balances	1 75 000	--	--	21 75 000	--	--
Other financial assets	--	--	--	14 775	--	--
<b>Total Financial Assets</b>	<b>15 50 30 376</b>	<b>--</b>	<b>--</b>	<b>15 53 97 902</b>	<b>--</b>	<b>--</b>

B. Fair value of financial assets and liabilities measured at amortized cost

The carrying amounts of loans, cash and cash equivalents, other bank balances, other financial assets and are considered to be the same as their fair values, due to their short-term nature. The fair values for security deposits, investment in preference shares and investment in debentures and borrowings are calculated based on cash flows discounted using a current lending rate, however the change in current rate does not have any significant impact on fair values as at the current year end.



# GLFL HOUSING FINANCING LIMITED

## Notes forming part of accounts

### Note 21: Financial risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost.	Aging analysis	Diversification of bank deposit and Regular monitoring.

#### Credit risk

#### Cash and Cash Equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Company considers that the related credit risk is low. Impairment on these items is measured on the 12-month expected credit loss basis.

### Note 22 : Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as on March 31, 2017

Particulars	Amount as per IGAAP* INR	Effects of transition to Ind AS INR	Amount as per Ind AS INR
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	7 698	0	7 698
Financial Assets			
Investments	15 31 32 800	0	15 31 32 800
Other financial assets	21 89 775	0	21 89 775
<b>Current assets</b>			
Financial assets			
Cash and Cash Equivalents/	75 327	0	75 327
Current Tax Assets (Net)	3 54 448	0	3 54 448
<b>Total Assets</b>	<b>15 57 60 048</b>	<b>0</b>	<b>15 57 60 048</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	8 25 00 000	0	8 25 00 000
Other Equity	7 32 17 143	0	7 32 17 143
<b>Current liabilities</b>			
Other Current liabilities	42 905	0	42 905
<b>Total Equity and Liabilities</b>	<b>15 57 60 048</b>	<b>0</b>	<b>15 57 60 048</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.





GLFL HOUSING FINANCING LIMITED

Notes forming part of accounts

Reconciliation of equity as on April 1, 2016

	Amount as per IGAAP* INR	Effects of transition to Ind AS INR	Amount as per Ind AS INR
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	8 219	0	8 219
Financial Assets			
Investments	15 33 89 836	0	15 33 89 836
Other financial assets	22 00 335	0	22 00 335
			0
			0
<b>Current assets</b>			
Financial assets			
Cash and Cash Equivalents	50 069	0	50 069
Current Tax Assets (Net)	3 40 246	0	3 40 246
<b>Total Assets</b>	<b>15 59 88 705</b>	<b>0</b>	<b>15 59 88 705</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
Equity Share Capital	8 25 00 000	0	8 25 00 000
Other Equity	7 34 67 937	0	7 34 67 937
<b>Liabilities</b>			
<b>Current liabilities</b>			
Other Current liabilities	20 768	0	20 768
			0
			0
<b>Total Equity and Liabilities</b>	<b>15 59 88 705</b>	<b>0</b>	<b>15 59 88 705</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.



GLFL HOUSING FINANCING LIMITED

Notes forming part of accounts

Reconciliation of total comprehensive income for the period March 31, 2017

Particulars	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
	INR	INR	INR
<b>INCOME</b>			
Other Income	3 00 718	0	3 00 718
<b>Total Income</b>	<b>3 00 718</b>	<b>0</b>	<b>3 00 718</b>
<b>EXPENSES</b>			
Depreciation and Amortization	12 111	0	12 111
Other Expenses	5 39 401	0	5 39 401
<b>Total expenses</b>	<b>5 51 512</b>	<b>0</b>	<b>5 51 512</b>
<b>Profit before exceptional items and tax</b>	<b>( 2 50 794)</b>	<b>0</b>	<b>( 2 50 794)</b>
Exceptional Items	0	0	0
<b>Profit Before Tax</b>	<b>( 2 50 794)</b>	<b>0</b>	<b>( 2 50 794)</b>
<b>Tax expense</b>			
Current tax	0	0	0
Deferred tax	0	0	0
<b>Total tax expense</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Profit for the year from continuing operations</b>	<b>( 2 50 794)</b>	<b>0</b>	<b>( 2 50 794)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plans	0	0	0
Tax relating to remeasurement of the defined benefit plans	0	0	0
Gain on measurement of equity instruments at FVTOCI	0	0	0
Tax relating to measurement of equity instruments at FVTOCI	0	0	0
	0	0	0
<b>Total comprehensive income for the year, net of tax</b>	<b>( 2 50 794)</b>	<b>0</b>	<b>( 2 50 794)</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.





GLFL HOUSING FINANCING LIMITED

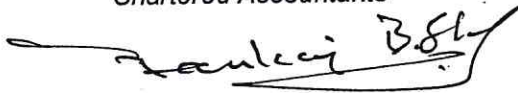
Notes forming part of accounts

**Note 23: Statement of Management**

- (a) The non-current financial assets are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.
- (b) Balance Sheet, Statement of Profit and Loss, cash flow statement and change in equity read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and financial performance of the Company for the year under review.

**Note 24 :** The figures for the previous year have been regrouped / reclassified, wherever necessary, to make them comparable with the figures for the current year. Figures are rounded off to nearest millions.

**FOR PANKAJ B SHAH & CO.**  
[Firm Registration No. 107343W]  
Chartered Accountants

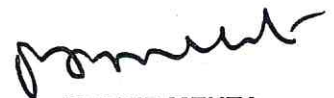


**PANKAJ B. SHAH**  
Proprietor  
Mem. No. 017170

**FOR AND ON BEHALF OF THE BOARD**



**HARNISH PATEL**  
Director  
DIN: 00114198



**PRADIP MEHTA**  
Director  
DIN:00254359

Place : Ahmedabad  
Date :

25 MAY 2018



Place : Ahmedabad  
Date :

25 MAY 2018