CRUSTUM PRODUCTS
P R I V A T E L I M I T E D

Financial Statements
2017 - 18

INDEPENDENT AUDITOR'S REPORT

To the Members of CRUSTUM PRODUCTS PRIVATE LIMITED.

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of M/s. CRUSTUM PRODUCTS PRIVATE LIMITED ("the Company"), which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (Including other Comprehensive Income) and Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (here in after referred to as " Ind AS Financial Statement)

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 and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance(including the other comprehensive income), cash flows and Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued there under. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS 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 disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 Ind AS 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 Ind AS financial statements:

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS of the financial position of the Company as at 31st March 2018, and its loss including other comprehensive income, it's cash flow and changes in the equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section143 of the Act, we give in the Annexure A, a statement on the matters Specified in paragraphs 3 and 4 of the Order.

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

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

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

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

    d) In our opinion, the aforesaid Ind AS financial statements comply with the applicable Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.

    e) On the basis of the information and explanation given by the directors , two directors got disqualified in the FY 2017-18, from being appointed as a director in terms of Section 164(2) of the Act

    f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and

    g) With respect to 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company during the year ended 31st March 2018.

For P.Murali & Co,
Chartered Accountants,
Firm Registration no: 007257S

Place: Hyderabad
Date: 30/05/2018

Sd/-
M.V Joshi
Partner
M.No:024784

Annexure A to the Auditors Report

Annexure referred to in Independent Auditor's Report to the Members of CRUSTUM PRODUCTS PRIVATE LIMITED on the Ind AS financial statements for the year ended 31st March 2018, we report that:

i. (a) The Company has not maintained fixed assets register.
(b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification.
(c) According to the information and explanation given to us and on verification of documents provided to us, the company is not holding any immovable property as on 31/03/2018, hence the verification of title deeds is not applicable as such.

ii. The physical verification of inventory has been conducted at reasonable intervals by the management during the year and no material discrepancies were noticed on such verification.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the company.

iv. The Company has not granted any loans or made any Investments, or provided any guarantee or security to the parties covered under section 185 and 186 of the Act. Therefore, the provisions of clause 3(iv) of the said order are not applicable to the company.

v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and rules framed there under to the extent notified.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of The Companies Act, 2013.

vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues Except in few cases including Provident Fund, Employees State Insurance, Income Tax and other material statutory dues, as applicable, with the appropriate authorities in India

S.No.	Particulars	Amount
1	Income Tax	2,78,388/-
2	Provident Fund	37,97,188/-
3	Professional Tax	67,160/-
4	TDS u/s 195	4,76,336/-
5	TDS u/s 194J	36,986/-
6	TDS u/s 194I	2,84,005/-
7	TDS u/s 194C	51,116/-
8	Sales Tax	99,05,263/-
	Total	**1,33,64,838/-**

(b) There were no undisputed amounts payable in respect of Provident Fund, , Employees State Insurance, Goods and service tax and other material statutory dues, Income-tax and Dividend Distribution Tax in arrears as at 31st March 2018 for a period of more than 6 months for the date they became payable.

(c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax , Goods and Service Tax which have not been deposited on account of any disputes.

viii. According to the information and explanations given to us, the company has defaulted in repayment of dues amounting to Rs 4.53 crores towards principal and Rs 1.69 crores towards interest to Oriental Bank of Commerce and UCO Bank.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of this clause are not applicable to the company.

x. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our Audit.

xi. The company has not paid any managerial remuneration. Accordingly, the provision of Section 197 of Companies Act 2013 is not applicable to the company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the Provisions of clause 3(xii) of the order are not applicable to the company.

xiii. The Company has not entered into transactions with related parties during the year. Accordingly the provisions of sec.177 and 188 are not applicable to the company.

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

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

xvi. The Company is not required to be registered under section 45-IA of The Reserve Bank of India Act 1934. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the Company.

For P.Murali & Co,
Chartered Accountants,
Firm Registration no: 007257S

Place: Hyderabad
Date: 30/05/2018

Sd/-
M.V Joshi
Partner
M.No:024784

Annexure B to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of **M/s. CRUSTUM PRODUCTS PRIVATE LIMITED** ('the company') as of 31st march 2018 in conjunction with our audit of Ind AS 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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") and the standards on Auditing deed to be prescribed under section 143(10) of the Act to the extent applicable to an Audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. These standards and guidance note require that we comply with ethical requirements and plan and performed 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 Judgment, including the assessment of the risk of martial 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 and the company's internal financial control 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 these policies and procedures that (1) pertain to the maintenance of records that, in reasonable detailed, 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 Ind AS financial statements in accordance with generally accepted principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the inherent limitation 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 deducted. 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 in adequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2018, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute Of Chartered Accountants of India.

For P. Murali & Co,
Chartered Accountants,
Firm Registration no: 007257S

Place: Hyderabad
Date: 30/05/2018

Sd/-
M.V Joshi
Partner
M.No:024784

BALANCE SHEET AS AT 31ST MARCH, 2018

PARTICULARS	Note No.	AS ON 31-03-2018 (₹)	AS ON 31-03-2017 (₹)
I. ASSETS:			
1. Non Current Assets:			
a) Property, Plant and Equipment	2	2,52,09,459	2,52,09,459
b) Capital Work in Progress		18,91,04,829	18,91,04,829
b) Financial Assets			
i) Non Current Investments			
ii) Loans			
iii) Other Non Current Financial Assets			
c) Deferred Tax Asset			
d) Other Non Current Assets			
Total Non-Current Assets		**21,43,14,288**	**21,43,14,288**
2. Current Assets:			
a) Inventories	3	8,67,558	8,67,558
b) Financial Assets			
i) Investments			
ii) Trade Receivables	4	15,39,839	15,39,839
iii) Cash and Cash Equivalents	5	77,457	77,457
iv) Other Balances with Bank			
v) Loans			
vi) Other Financial Assets			
c) Other Current Assets	6	8,81,54,976	8,81,54,976
(a) Advances other than Capital Advances			
(b) Other Assets			
Total Current Assets		**9,06,39,830**	**9,06,39,830**
TOTAL ASSETS		**30,49,54,118**	**30,49,54,118**
II. EQUITY AND LIABILITIES:			
Equity			
a) Equity Share Capital	7	4,00,00,000	4,00,00,000
b) Other Equity	8	(7,62,43,945)	(7,06,07,913)
Total Equity		**(3,62,43,945)**	**(3,06,07,913)**

BALANCE SHEET AS AT 31ST MARCH, 2018

PARTICULARS	Note No.	AS ON 31-03-2018 (₹)	AS ON 31-03-2017 (₹)
Liabilities			
1. Non Current Liabilities:			
a) Financial Liabilities			
i) Borrowings	9	27,78,49,199	27,78,49,199
ii) Other Financial Liabilties			
b)Provisions			
c) Deferred Tax Liabilities (Net)	10	60,56,671	60,56,671
d) Other Non Current Liabilties			
Total Non-Current Liabilities		**28,39,05,870**	**28,39,05,870**
2. Current Liabilities:			
a) Financial Liabilities			
i) Borrowings			
ii) Trade Payables	11	1,09,47,034	1,09,47,034
iii) Other Financial Liabilities			
b) Provisions			
(i) Current Provisions			
(ii) Tax Liability	12	2,78,388	2,78,388
c) Other Current Liabilities	13	4,60,66,771	4,04,30,738
Total Current Liabilities		**5,72,92,192**	**5,16,56,160**
TOTAL EQUITY & LIABILITIES		**30,49,54,118**	**30,49,54,118**

Summary of significant accounting policies 1.1
The accompanying notes 1 to 26 are an integral part of the financial statements

AS PER OUR REPORT OF EVEN DATE
FOR P. MURALI & CO.,
Chartered Accountants
Firm's Regn. No. : 007257S

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF CRUSTUM PRODUCTS PRIVATE LIMITED

Sd/-
M V Joshi
Partner
Membership No. 024784

Sd/-
P.LAKSHMI SRUTHI
Director

Sd/-
P.CHAKRADHAR REDDY
Director

Place : Hyderabad
Date : 30-05-2018

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

PARTICULARS	Note No.	Year Ended 31-03-2018 (₹)	Year Ended 31-03-2017 (₹)
INCOME			
Revenue from Operations		-	-
Other income		-	-
TOTAL INCOME		-	-
EXPENSES			
Food and beverages consumed			
Employees benefit Expenses			
Finance Costs	14	56,08,232	63,98,289
Depreciation and Amortisation Expenses		-	44,53,926
Other Operating and General Expenses	15	27,800	2,28,331
TOTAL EXPENSES		**56,36,032**	**1,10,80,546**
Profit/(Loss) before exceptional items and tax		(56,36,032)	(1,10,80,546)
Exceptional Items			
Profit/(Loss) before tax		**(56,36,032)**	**(1,10,80,546)**
Tax Expenses:			
(1) Current Tax			
(2) Deferred Tax			(3,59,638)
Total			
Profit (Loss) after Tax for the period		**(56,36,032)**	**(1,07,20,908)**
Other Comprehensive Income			
A. (i) Items that will not be reclassified subsequently to Profit or Loss			
(ii) Income Tax relating to items that will not be reclassified to profit or loss			
B. (i) Items that will be reclassified subsequently to Profit or Loss			
(ii) Income Tax relating to items that will be reclassified to profit or loss			
Total (Net of Tax)			
Total Comprehensive Income for the year		**(56,36,032)**	**(1,07,20,908)**
Earnings Per Share:			
a) Basic (Rs.)		(1.41)	(2.68)
b) Diluted (Rs.)		(1.41)	(2.68)
Face Value per Equity Share			

Summary of significant accounting policies 1.1
The accompanying notes 1 to 26 are an integral part of the financial statements

AS PER OUR REPORT OF EVEN DATE
FOR P. MURALI & CO.,
Chartered Accountants
Firm's Regn. No. : 007257S

Sd/-
M V Joshi
Partner
Membership No. 024784

Place : Hyderabad
Date : 30-05-2018

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF CRUSTUM PRODUCTS PRIVATE LIMITED

Sd/-
P.LAKSHMI SRUTHI
Director

Sd/-
P.CHAKRADHAR REDDY
Director

Notes To Financial Statements For The Year Ended March 31st 2018

Note No 2 : Property, Plant & Equipment

Particulars	Furnitures and Fixtures	Computers	Vehicles	Plant & Machinery	Total
Cost at					
As at 1st April 2016	**6,45,634**	**39,04,568**	**54,263**	**5,65,09,627**	**6,11,14,092**
Additions During the Year					-
Disposals During the Year					-
As at 31st March 2017	**6,45,634**	**39,04,568**	**54,263**	**5,65,09,627**	**6,11,14,092**
Additions During the Year	-	-	-	-	-
Disposals During the Year	-	-	-	-	-
As at 31st March 2018	**6,45,634**	**39,04,568**	**54,263**	**5,65,09,627**	**6,11,14,092**
Depreciation / Amortization					-
As at 1st April 2016	**5,89,617**	**39,04,568**	**42,328**	**2,69,14,194**	**3,14,50,707**
Provided for the Year	6,243		9,197	44,38,486	44,53,926
Deductions During the Year					-
As at 31st March 2017	**5,95,860**	**39,04,568**	**51,525**	**3,13,52,680**	**3,59,04,633**
Provided for the Year	-	-	-	-	-
Deductions During the Year	-	-	-	-	-
As at 31st March 2018	**5,95,860**	**39,04,568**	**51,525**	**3,13,52,680**	**3,59,04,633**
Net Carrying Value					-
As at 1st April 2016	**56,017**	-	**11,935**	**2,95,95,433**	**2,96,63,385**
As at 31st March 2017	**49,774**	-	**2,738**	**2,51,56,947**	**2,52,09,459**
As at 31st March 2018	**49,774**	-	**2,738**	**2,51,56,947**	**2,52,09,459**

Notes To Financial Statements For The Year Ended March 31st 2018

S.NO	PARTICULARS	AS ON 31-03-2018 (₹)	AS ON 31-03-2017 (₹)
Note No 3: Inventories			
	Finished Goods	8,67,558	8,67,558
	Total Inventory	**8,67,558**	**8,67,558**
Note No 4: Trade Receivables			
	Current - Unsecured		
	Considered Good	15,39,838	15,39,838
	Total		
	Less: Allowance for Bad and Doubtful Debts		
	Total Trade Receivables	**15,39,838**	**15,39,838**
Note No 5 : Cash and Cash Equivalents			
	Balances with Banks :		
	On Current Accounts and Overdraft	68,307	68,307
	Cash on Hand	9,151	9,151
	Total Cash and Cash Equivalents	**77,457**	**77,457**
Note No 6 : Other Current Assets			
	Security Deposit	29,67,524	29,67,524
	Advance to Employees	(27,642)	(27,642)
	Prepaid Expense	11,784	11,784
	Advances Recoverable in Cash or in kind	85203310	85203310
	Total Other Current Assets	**8,81,54,976**	**8,81,54,976**

Notes To Financial Statements For The Year Ended March 31st 2018

PARTICULARS	As At 31-03-2018 (₹)	As At 31-03-2017 (₹)
NOTE NO 7 : SHARE CAPITAL		
Authorised Share Capital		
50,00,000 Equity Shares of Rs.10 each		
(March 31,2017: 50,00,000 Shares of Rs.10 each) 5,00,00,000	5,00,00,000	5,00,00,000
(April 1,2016: 50,00,000 Shares of Rs.10 each)		
Issued Share Capital		
40,00,000 Equity Shares of Rs.10 each 4,00,00,000	4,00,00,000	4,00,00,000
(March 31,2017: 40,00,000 Shares of Rs.10 each)		
(April 1,2016: 40,00,000 Shares of Rs.10 each)		
Subscribed and Paid up		
40,00,000 Equity Shares of Rs.10 each 4,00,00,000	4,00,00,000	4,00,00,000
(March 31,2017: 40,00,000 Shares of Rs.10 each)		
(April 1,2016: 40,00,00 Shares of Rs.10 each)		

a.Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

	31st March 2018		31st March 2017	
	Number	Rupees	Number	Rupees
At the beginning of the period	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Issued during the period -	-	-	-	
Outstanding at the end of the period	**40,00,000**	**4,00,00,000**	**40,00,000**	**4,00,00,000**

b.Terms/rights attached to equity shares.

The company has only one class of equity shares having a face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 st March 2018, the amount of per share dividend recognized as distributions to equity shareholders is Nil.

c. Share warrants

The company has not issued any share warrants.

d. Details of shareholders holding more than 5% shares in the company

Particulars	31 Mar 2018		31 March 2017	
	Number of shares	% holding	Number of shares	% holding
Equity shares of Rs. 10/- each fully paid-up				
Viceroy Hotels Limited	40,00,000	100.00%	40,00,000	100.00%

Notes To Financial Statements For The Year Ended March 31st 2018

NOTE NO 8 : OTHER EQUITY

Particulars	Other Equity			
	Equity Component of Other Financial Instruments	Reserves & Surplus	Other Comprehensive Income	Total Equity
		Retained Earnings	Equity Instruments through other comprehensive income	
Balance as at 1st April 2016		**(5,98,87,004)**		**(5,98,87,004)**
Total Of Other Comprehensive Income (Net of Tax)				
Dividend (Including Dividend Distribution Tax)				
Profit For The Year		(1,07,20,908)		
Balance as at 31st March,2017		**(7,06,07,913)**		(7,06,07,913)
Total Of Other Comprehensive Income (Net of Tax)				
Dividend (Including Dividend Distribution Tax)				
Profit For The Year		(56,36,032)		
Balance as at 31st March,2018		**(7,62,43,945)**		**(7,62,43,945)**

Notes To Financial Statements For The Year Ended March 31st 2018

NOTE NO 9 : BORROWINGS

Particulars	Effective rate of interest	Maturity	March 31,2018		March 31,2017	
			Face Value	Amortised cost	Face Value	Amortised cost
Term Loan From Banks						
Secured				5,09,76,959		5,09,76,959
From Banks and financial institutions						
Unsecured						
From Related Parties						
Loans From Others						
Secured						
Unsecured				22,68,72,240		22,68,72,240
Less: Current maturities of long term debt						
Total				**27,78,49,199**		**27,78,49,199**

Notes To Financial Statements For The Year Ended March 31st 2018

S.NO	PARTICULARS	AS ON 31-03-2018 (₹)	AS ON 31-03-2017 (₹)
NOTE NO 10 : DEFERRED TAX LIABILITY			
Opening Balance		64,16,309	64,16,309
Add/(Less): Provision of Deferred tax charge / (Credit) for the year		(3,59,638)	(3,59,638)
	Closing Balance	**60,56,671**	**60,56,671**
Note No 11 : Trade Payables			
Suppliers		1,09,47,034	1,09,47,034
	Total Trade Payables	**1,09,47,034**	**1,09,47,034**
Note No 12 :Tax Liability			
Taxes payable (Net)		2,78,388	2,78,388
	Total	**2,78,388**	**2,78,388**
Note No 13: Other Current Liabilities			
Rent payable		5,14,356	5,14,356
Royalty payable		54,89,908	54,89,908
Interest payable		1,79,04,300	1,22,96,068
Audit Fee Payable		18,90,783	18,78,983
Salaries Payable		22,71,451	22,71,451
Other Payables		51,018	35,018
Statutory Dues		1,79,44,954	1,79,44,954
	Total Other Current Liabilities	**4,60,66,771**	**4,04,30,738**
NOTE NO 14 : FINANCE COSTS			
Interest expense at effective rate on borrowings which are measured at amortised costs			
- Interest on Term loans		56,08,000	63,98,057
- Loan processing Charges & Bank Charges		232	232
Add : Settlements on interest rate swap contracts			
Credit Card Commission		-	-
On Tax Demands			
Other borrowing costs			
Less : Interest Capitalised (Refer Footnote)			
	Total	**56,08,232**	**63,98,289**
General expenses consist of the following :			
Auditor's fee		11,800	2,28,331
Miscellaneous Expenses		16,000	
	Total	**27,800**	**2,28,331**

Significant Accounting Policies

Note 1 : Corporate Information

The **Crustum Products Private Limited ("the Company"),** is primarily engaged in the business of manufacturing and selling of bakery products. The Company is domiciled and incorporated in India in 2005 and has its registered office at at Plot No.20, Sector-I, Survey No.64, 4th Floor, HUDA Techno Enclave, Hyderabad, Telangana- 500081.

The financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorised for issue on May 30, 2018.

Note 1.1 : Basis of Preparation, Critical Accounting Estimates and Judgements, Significant Accounting Policies and Recent Accounting Pronouncements

The financial statements have been prepared on the following basis:

(a) Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. Previous periods have been restated to Ind AS. In accordance with Ind AS 101 Firsttime Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2017 and April 1, 2016 and of the comprehensive net income for the year ended March 31, 2017. These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of The Companies Act, 2013.

(b) Basis of preparation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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. Current Assets do not include elements which are not expected to be realised within 12 months and Current Liabilities do not include items which are due after 12 months, the period of 12 months being reckoned from the reporting date.

(c) Critical accounting estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented.

Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

· **Useful lives of property, plant and equipment:** The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and Intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

· **Impairment testing:** Property, plant and equipment and Intangible assets that are subject to amortisation/ depreciation are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant Estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

· **Impairment of investments:** The Group reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for and during the current year the company has made Provision for diminution in investments.

· **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit or Loss. Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

· **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

Significant Accounting Policies

(d) Revenue recognition :

Income from operations

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from restaurant is recognized upon rendering of service. Sales are net of discounts. The Company also operates through franchise arrangements with third parties in terms of which the third parties are permitted to use the Company's established trademarks :

Initial Access Premium Fee charged11 to franchisees, in consideration of being considered as competent to open a restaurant under a Company owned trademark, is recognized on formalization of the franchise agreement. The Initial Access Premium Fee is non – refundable, regardless of whether the restaurant Outlet under the franchise agreement commences operations or not. Royalty and Management Fee charged to franchisees for the use of the trademarks is calculated as a percentage of monthly sales of the restaurant and accrued for in line With restaurant sales. Revenue from displays and sponsorships are recognized based on the Period for which the products or the sponsor's advertisements are promoted/displayed. In respect of gift vouchers and point awards scheme operated by the company, sales are Recognized when the gift vouchers or points are redeemed and on sale of meals to customers.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend

Dividend income is recognized when the Company's right to receive the amount is Established.

(e) Employee Benefits

i. Provident Fund

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss during the year. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company or to respective Regional Provident Fund Commissioner. The Company is generally liable for annual Contributions and any shortfall in the fund assets based on the minimum rates of return prescribed by the

Central Government and recognises such contributions and shortfall, if any, as an expense in the year in which the corresponding services Are rendered by the Employee.

ii. Gratuity Fund

The Company makes annual contributions to gratuity funds administered by the trustees For amounts notified by the funds. The Gratuity plan provides for lump sum payment to vested employees on retirement, death or termination of employment of an amount Based on the respective employee's last drawn salary and tenure of employment. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit Method, carried out as at the Balance Sheet date. The obligation determined as aforesaid Less the fair value of the plan assets is reported as a liability or assets as of the reporting date. Actuarial gains and losses are recognised immediately in the Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

iii. Post-Retirement Pension Scheme

a) The net present value of the Company's obligation towards post retirement pension scheme is actuarially determined, based on the projected unit credit method. Actuarial gains and losses are recognized immediately in the Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

b) The Company also has separate funded and unfunded schemes, which guarantee a minimum pension to certain categories of employees. The Company accounts for thenet present value of its obligations therein, based on an independent external actuarial valuation, carried out as at the Balance Sheet date, which is determined on the basis of the projected unit credit method. Actuarial gains and losses are recognized immediately in the Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

iv. Short Term Obligations

The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised during the period in which the employee renders the related services. The accruals for employee entitlements of benefits such as salaries, bonuses and annual leave represent the amount which the Company has a present obligation to pay as a result of the employees' services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

(f) Property, Plant and Equipment :

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any. All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs. Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it. First time issues of operating supplies for a new hotel property, consisting of linen and chinaware, glassware and silverware (CGS) are capitalised and depreciated over their estimated useful life. Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Depreciation is charged to Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.

Class of Assets	Useful Life of Asset
Buildings	60 Years
Plant and Equipment	10 Years
Electrical Installation and Equipment	20 Years
Hotel Wooden Furniture	15 Years
End User devices – Computers, Laptops etc	6 Years
Operating supplies (issued on opening of a new hotel property)	2 to 3 Years
Other Miscellaneous Hotel Assets	4 Years

In respect of Leasehold Buildings, depreciation on buildings on leased properties is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to buildings are depreciated on the basis of their estimated useful lives.

Freehold land is not depreciated.

The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effect of any changes in estimates are accounted for on a prospective basis An item of property, plant and equipment is derecognized 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 is recognized in the Statement of Profit and Loss For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date Capital work in progress represents projects under which the property, plant and equipment are not yet ready for their intended use and are carried at cost determined as aforesaid.

(g) Impairment of assets:

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount Recoverable amount is the higher of fair value less costs of disposal and value in use In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount An impairment loss is recognized immediately in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

(h) Foreign Currency Translation:

The functional currency of the Company is Indian rupee

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction All non-monetary items which are carried at fair value denominated in a foreign currency are retranslated at the rates prevailing at the date when the fair value was determined Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss.

(i) Inventories:

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value Cost includes the fair value Of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase Trade discounts and rebates are deducted in determining the cost of purchase.

(j) Income Taxes:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year Current and deferred tax are recognised in 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.

(i) Current tax:

Current tax expenses are accounted in the same period to which the revenue and expenses Relate Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred tax :

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date 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 deferred income tax asset to be utilised. Deferred tax liabilities and assets are measured at 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 substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis Minimum Alternative Tax ("MAT") credit forming part of Deferred tax assets is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

(k) Provisions:

Provisions are recognised when the Company has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law, or constructive because the Company created valid expectations on the part of third parties by accepting certain responsibilities. To record such an obligation it must be probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. The amount recognised as a provision and the indicated time range of the outflow of economic benefits are the best estimate (most probable outcome) of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Noncurrent provisions are discounted if the impact is material.

(l) Borrowing Costs:

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes 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 Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit or Loss using the effective interest method.

(m) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash Flow for the year are classified by operating, investing and financing activities.

(n) Earnings Per Share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share

(o) Exceptional items:

The company discloses certain financial information both including and excluding exceptional Items. The presentation of information excluding exceptional items allows a better Understanding of the underlying trading performance of the of the underlying trading performance of the company and provides consistency with the company's internal management reporting.

Exceptional items are identified by virtue of either their size or nature so as to facilitate Comparison with prior periods and to assess underlying trends in the financial performance of the company. Exceptional items can include, but are not restricted to, gains and losses on the disposal of assets/ investments, impairment charges, exchange gain/ loss on long term borrowings/ assets and changes in fair value of derivative contracts.

(p) Financial Instruments

(i) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Classification

· **Cash and Cash Equivalents** – Cash comprises cash on hand and demand deposits with Banks. Cash Equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

· **Debt Instruments -** The Company classifies its debt instruments as subsequently measured at amortised cost, fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

(ii) Financial assets at fair value through Other Comprehensive Income (FVOCI)

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

(iii) Financial assets at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship as well as interest income is recognised in the Statement of Profit and Loss.

· **Equity Instruments -** The Company subsequently measures all equity investments (other than the investment in subsidiaries, joint ventures and associates which are measured at cost) at fair value. Where the Company has elected to present fair value gains and losses on equity investments in Other Comprehensive Income ("FVOCI"), there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other when the Company's right to receive payment is established. At the date of transition to Ind AS, the Company has made an irrevocable election to present in other Comprehensive income subsequent changes in the fair value of equity investments that are not held for trading When the equity investment is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Retained Earnings directly.

De-recognition

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(II) Financial liabilities

Initial recognition and measurement Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss directly attributable transaction costs. Subsequent measurement After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated during the years reported, no hedge relationship was designated.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(III) Impairment of financial assets

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments, requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Company recognises expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

(q) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified paymentsto reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt Instrument. Financial guarantee contracts issued by the Company are measured at their fair values and Recognised as income in the Statement of Profit and Loss. Where guarantees in relation to loans or other payables of group companies are provided for no compensation, the fair value are accounted for as contributions and recognised as part of cost of investment.

(r) Business combinations

Business combinations of entities under common control are accounted using the "pooling of interests" method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to harmonise accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination.

Notes to Financial Statements

16. Earnings Per Share (Basic EPS)

Particulars	Current Year Rs.	Previous Year Rs.
Net Profit after Tax	(56,36,032)	(1,07,20,908)
Weighted Average Number of Shares Considered	40,00,000	40,00,000
Basic EPS	(1.41)	(2.68)
Diluted EPS	(1.41)	(2.68)

17. In relation of provision for Current Tax, Deferred Tax:

Particulars	Current Year Rs.	Previous Year Rs.
Deferred Tax Asset	Nil	(3,59,638)

18. Auditors Remuneration:

Particulars	Current Year Rs.	Previous Year Rs.
Audit Fees	11,800	2,28,331

19. According to the information available with the Company, there are no amounts as at 31st March, 2017, due to suppliers who constitute a "small industrial undertaking".

20. Expenditure in Foreign Currency:

Particulars	Current Year Rs. In Crores	Previous Year Rs. in Crores
Royalties & Others	Nil	Nil

21. In relation of Secured (Term) Loans :

i) The Secured Loans from Oriental Bank of Commerce and secured by first charge on the plant and machinery and other movable fixed assets of the company and also secured by the corporate guarantee of Viceroy Hotels Limited, the holding company

ii) The Term Loan of from UCO Bank is secured by 2nd Charge on Current and Fixed Assets of the Company

22. Following are the amount outstanding and due to banks and financial institutions:

(Rs in Crores)

S.No.	Name of the Bank / Financial Institution	Amount Outstanding and Due	Interest Outstanding	Total
1	OBC Term Loan	1.31	0.49	1.8
2	UCO Bank Term Loan	3.22	1.20	4.42
	TOTAL	**4.53**	**1.69**	**6.22**

23. The Company's only business is Hoteliering and hence disclosure of segment-wise information is not applicable under Indian Accounting Standard 108- 'Segmental Information'. There is no geographical segment to be reported.

24. Previous year's figures and current year's figures have been regrouped, recasted, wherever necessary.

25. The figures have been rounded off to the nearest rupee.

AS PER OUR REPORT OF EVEN DATE
FOR P. MURALI & CO.,
Chartered Accountants
Firm's Regn. No. : 007257S
Sd/-
M V Joshi
Partner
Membership No. 024784
Place : Hyderabad
Date : 30-05-2018

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF CRUSTUM PRODUCTS PRIVATE LIMITED

Sd/-
P.LAKSHMI SRUTHI
Director

Sd/-
P.CHAKRADHAR REDDY
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2018

PARTICULARS	Current Year 2018 (₹)	Previous Year 2017 (₹)
I. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	(56,36,032)	(1,10,80,546)
Adjustments for : -		
Depreciation		
Financial Cost	56,08,232	44,53,926
Loss on Sale of Fixed Assets		63,98,289
Operating cash flow before working capital changes	**(27,800)**	**(2,28,331)**
(Increase) / Decrese in Inventory		
(Increase) / Decrese in Trade Receivables		
(Increase) / Decrese in Short Term Loans & Advances		1
(Increase) / Decrese in Other Non-Current Assets		
Increase / (Decrese) in Short Term Borrowing		
Increase / (Decrese) in Trade Payables		(14,346)
Increase / (Decrese) in Other Current Liabilites	56,36,032	66,00,862
Increase / (Decrese) in Short Term Provisions		
(Increase)/Decrease in other current assets		
CASH GENERATED FROM OPRERATIONS	**56,08,232**	**63,58,186**
Less : Income Tax Paid		
CASH GENERATED FROM OPRERATING ACTIVITIES	**56,08,232**	**63,58,186**
II. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed Assets		
Sale of fixed Assets		
Capital Work in Progress, Pre-operative Expenses		14,346
Increase in Long term loans and advances		
NET CASH AVILABLE FROM INVESTING ACTIVITIES	**-**	**14,346**
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Share Capital/Application Money		
Increase in Loans		
Share Premiun and Capital Reserve		
Interest Paid	(56,08,232)	(63,88,780)
NET CASH USED IN FINANCING ACTIVITIES	**(56,08,232)**	**(63,88,780)**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**0**	**(16,249)**
Add : Opening balance of Cash & Cash equivalents	**77,457**	**93,706**
Closing balance of Cash & Cash equivalents	**77,457**	**77,457**

AS PER OUR REPORT OF EVEN DATE
FOR P. MURALI & CO.,
Chartered Accountants
Firm's Regn. No. : 007257S
Sd/-
M V Joshi
Partner
Membership No. 024784
Place : Hyderabad
Date : 30-05-2018

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF CRUSTUM PRODUCTS PRIVATE LIMITED

Sd/-
P.LAKSHMI SRUTHI
Director

Sd/-
P.CHAKRADHAR REDDY
Director