

# **B M CHATRATH & CO LLP**

(FORMERLY B M CHATRATH & CO )  
CHARTERED ACCOUNTANTS  
LLPIN : AAJ-0682

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## **INDEPENDENT AUDITOR'S REPORT**

### **To The Members of TOPFLOW BUILDCON PRIVATE LIMITED Report on the Financial Statement**

#### **Opinion**

We have audited the accompanying Financial Statement of **Topflow Buildcon Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit & Loss, Statement of cash flows and The Statement of Change in Equity for the year then ended, and notes to the Financial Statement, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the information referred to in the Basis for Opinion Paragraph the aforesaid Financial Statement give the information required by the Companies Act, 2013 ('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 March 31, 2019, its Loss and Cash Flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the Financial Statement section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statement under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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



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### **Responsibilities of Management and those Charged with Governance for the Financial Statement**

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 Financial Statement that give a true and fair view of the financial position, financial performance 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 (As Amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act of 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibilities for the Audit of the Financial Statement**

Our objectives are to obtain reasonable assurance about whether the Financial Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statement.

### **Report on Other Legal and Regulatory Requirement**

- 1) As required by the Company's (Auditor's Report) Order 2016 ("The Order") issued by the Central Government in terms of Sub-section (11) of Section 143 of the Act, we give in "Annexure A". Statement on Matters specified in Paragraph 3 and 4 of said Order to the extent applicable.
- 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 and the Statement of Profit and Loss, Cash Flow Statement & 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 financial Statement comply with the Indian Accounting Standards (IND AS) 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 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".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2016, in our opinion and to the best of our Information and according to the explanations given to us:
- There was no Pending Litigation as at 31<sup>st</sup> March 2019 that would impact the Financial Statement of the Company for the year ended 31<sup>st</sup> March 2019.
  - The Company did not have any long term Contracts including Derivative Contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the investor Education and Protection Fund by the company.

For B M CHATRATH & CO LLP  
CHARTERED ACCOUNTANTS  
Firm Registration Number : 301011E/E3000025

  
S. K. Basu  
Partner  
Membership No. 054484



Place : Kolkata

Date : 11<sup>th</sup> May, 2019

**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 to the Members of Topflow Buildcon Private Limited (The Company) of even date)**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Financial Statement of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. (a) The Company does not have any Fixed Assets as at 31<sup>st</sup> March 2019 according to the Clause 3(i) (a), (b), (c) Paragraph 1 of the order are not applicable to the Company.
- ii. The Company did not hold any Inventory at the start or during the year. Hence paragraph (a) (b) and (c) of Clause 3 of the order 2016 are not applicable.
- iii. (a) The Company has not granted loans to the body corporate/s covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the Clause 3(iii) (a), (b) & (c) of the Order are not applicable.
- iv. The Company has not made any loan, or Investment or furnished any Guarantees or Securities within the meaning of Sections 185 & 186 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(iv) of the said order are not applicable to the Company.
- v. In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Duty of Customs, Value Added Tax, cess and other material statutory dues except Provident Fund, TDS, Service Tax and Professional Tax have been regularly deposited during the year by the Company with the appropriate authorities.  
As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax, Cess and Other Material Statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Value Added Tax, Service Tax, Custom Duty



and Excise Duty and GST were outstanding for a period more than six (6) months from the date they became payable.

c) According to the records of the Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- viii. The Company has not taken any Term Loans from any Financial Institutions or Bank; Accordingly the Provision of Clause 3(Viii) of the act is not Applicable.
- ix. The Company did not raise any money by way of Initial Public Offer or Further Public Offer & Term Loans. Hence the provision of the clause 3(ix) of the said order is not applicable to the Company.
- x. No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period the period covered by our audit.
- xi. The Company has not paid any Remuneration to its Directors or Managers. Hence the provision of Clause no 3(xi) of the order is not applicable.
- xii. In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- xiii. In our opinion all the transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the Financial Statement etc.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, provisions of clause 3(xiv) of the order are not applicable.
- xv. In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act, accordingly the provisions clause (xv) of a Paragraph 3 of the order are not applicable to the Company of Paragraph 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.

For B M CHATRATH & CO LLP  
CHARTERED ACCOUNTANTS

Firm Registration Number : 301011E/E3000025

  
S. K. Basu  
Partner

Membership No. 054484



Place : Kolkata

Date : 11<sup>th</sup> May, 2019

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in Paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' sections of our report to the Members of Topflow Buildcon Private Limited 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 **Topflow Buildcon Private Limited** ("the Company") as of march 31, 2019 in conjunction with our Audit of the Financial Statement of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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 Instituted 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 respective 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 Internal Financial Controls over financial reporting of the Company 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 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 Auditors' judgment, including the assessment of the risks of material misstatement of the Financial Statement, 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 Internal Financial Controls System Over Financial Reporting of the Company.





### Meaning of Internal Financial Controls Over Financial Reporting

A company's Internal Financial Controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statement for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Controls 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 Statement 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 Statement.


### 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 Controls 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, 2019, 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 B M CHATRATH & CO LLP  
CHARTERED ACCOUNTANTS  
Firm Registration Number : 301011E/E3000025

  
S. K. Basu  
Partner  
Membership No. 054484



Place : Kolkata

Date : 11<sup>th</sup> May, 2019

PARTICULARS		(Figures in INR)	
	Note No.	As at 31-Mar-19	As at 31-Mar-18
<b>ASSETS</b>			
(1) <b>Non-current assets</b>			
(a) Capital Work-in-Progress		3,01,44,286.00	3,01,44,286.00
		3,01,44,286.00	3,01,44,286.00
(2) <b>Current assets</b>			
(a) Financial assets			
(i) Cash and cash equivalents	2	1,14,848.00	4,63,159.00
		1,14,848.00	4,63,159.00
<b>Total Assets</b>		3,02,59,134.00	3,06,07,445.00
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	3	2,00,000.00	2,00,000.00
(b) Other equity	4	(1,01,72,382.00)	(66,92,460.00)
		(99,72,382.00)	(64,92,460.00)
(1) <b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Other financial liabilities excluding provisions	5	3,38,44,286.00	3,36,44,286.00
		3,38,44,286.00	3,36,44,286.00
(2) <b>Current liabilities</b>			
(a) Other current liabilities	6	63,87,230.00	34,55,619.00
(b) Provisions for Employees Benefit			
		63,87,230.00	34,55,619.00
<b>Total Equity &amp; Liabilities</b>		3,02,59,134.00	3,06,07,445.00

Significant Accounting Policies and notes to the financial statements 1

As per our report of even date attached

For B M CHATRATH & CO LLP  
 CHARTERED ACCOUNTANTS  
 FRN : 301011E/E300025

(S. K. BASU)

PARTNER

MEMBERSHIP NO. 054484

KISHOR KUMAR RAJGARIA

HEMANT BHUWANIA

DIRECTORS

Place: Kolkata

Dated : 11th May, 2019





**TOPFLOW BUILDCON PVT.LTD.**
**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2019**

PARTICULARS		Note No.	Year Ended 31-Mar-19	(Figures in INR) Year Ended 31-Mar-18
I	Revenue from operations		-	-
II	Other income		-	-
III	Total income (I + II)		-	-
IV	Expenses			
	Finance costs	7	34,53,712.00	34,57,808.00
	Other expenses	8	26,210.00	9,508.00
			34,79,922.00	34,67,316.00
V	Profit/(loss) before exceptional items and tax (III - IV)		(34,79,922.00)	(34,67,316.00)
VI	Exceptional items		-	-
VII	Profit/(loss) before tax (V - VI)		(34,79,922.00)	(34,67,316.00)
VIII	Tax expense			
	(1) Current tax		-	-
	(2) Provision for Income-tax/(Written back)		-	-
	(3) Deferred Tax		-	-
IX	Profit/(loss) from continuing operations (VII - VIII)		(34,79,922.00)	(34,67,316.00)
X	Profit/ (Loss) from discontinued operations (VII - VIII)		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/ (Loss) from discontinued operations (after tax) (X - XI)		-	-
XIII	Profit / (Loss) for the period (IX + XII)		(34,79,922.00)	(34,67,316.00)
XIV	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Items that will not be reclassified to profit or loss		-	-
	Total comprehensive income for the period (XIII + XIV)		(34,79,922.00)	(34,67,316.00)
XV	Earnings per equity share (for continuing operations)			
	(1) Basic		(174.00)	(173.37)
	(2) Diluted		(174.00)	(173.37)
XVI	Earnings per equity share (for discontinued operations)			
	(1) Basic		-	-
	(2) Diluted		-	-
XVII	Earnings per equity share (for discontinued and continuing operations)			
	(1) Basic		(202.96)	(202.96)
	(2) Diluted		(202.96)	(202.96)

Significant Accounting Policies and notes to the financial statements

As per our report of even date attached

For **B M CHATRATH & CO LLP**  
**CHARTERED ACCOUNTANTS**  
**FRN : 301011E/E300025**

  
**(S. K. BASU)**

**PARTNER**  
**MEMBERSHIP NO. 054484**

Place: Kolkata  
Dated : 11th May, 2019



  
**KISHOR KUMAR RAJGARIA**

  
**HEMANT BHUWANIA**

**DIRECTORS**

**TOPFLOW BUILDCON PVT.LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

(Figures in INR)

	FOR THE YEAR ENDED 31/03/2019	FOR THE YEAR ENDED 31/03/2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before Tax and Exceptional Items	(34,79,922.00)	(34,67,316.00)
Interest Paid	34,53,712.00	34,57,808.00
Operating Profit before Working Capital Changes & Exceptional items	<b>(26,210.00)</b>	<b>(9,508.00)</b>
Adjustments for:		
Trade Payables & Current Liabilities	29,31,611.00	31,26,000.00
Cash Generated from Operations	<b>29,05,401.00</b>	<b>31,16,492.00</b>
Direct Taxes paid	-	-
Net Cash Flow from Operating Activities (A)	<b>29,05,401.00</b>	<b>31,16,492.00</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Un-Secured Loan Repaid/Received	2,00,000.00	-
Net Cash used in Investing Activities (B)	<b>2,00,000.00</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Interest paid	(34,53,712.00)	(34,57,808.00)
Net Cash used in Financing Activities (C)	<b>(34,53,712.00)</b>	<b>(34,57,808.00)</b>
Net Changes in Cash & Cash Equivalent (A+B+C)	<b>(3,48,311.00)</b>	<b>(3,41,316.00)</b>
Cash & Cash Equivalent - Opening Balance	4,63,159.00	8,04,475.00
Cash & Cash Equivalent - Closing Balance	1,14,848.00	4,63,159.00

\* Represent Cash and Bank Balances as indicated in Note No.6

Note :- 1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind As-7 (Statement of Cash Flow).

2. Previous year's figures are regrouped/rearranged wherever necessary.

For **B M CHATRATH & CO LLP**  
 CHARTERED ACCOUNTANTS  
 FRN : 301011E/E300025

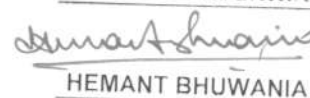
  
 (S.K. BASU)

PARTNER  
 MEMBERSHIP NO. 054484

Place: Kolkata  
 Dated : 11th May, 2019



  
 KISHOR KUMAR RAJGARIA

  
 HEMANT BHUNIA

DIRECTORS

**TOFFLOW BUILDCON PVT.LTD.**  
**FINANCIAL YEAR 2018 - 2019**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31/03/2019**

(a) **Equity Share Capital**

(Rs. In INR)

Particulars	Number	Amount (Rs.)
Equity Share of Rs.10 each issued, subscribed and paid-up		
At the beginning of April 1, 2017	10,000	1,00,000
Changes in equity share capital during the year	10,000	1,00,000
Balance as at the end of March 31, 2018	20,000	2,00,000
Changes in equity share capital during the year	-	-
Balance as at the end of March 31, 2019	20,000	2,00,000

(b) **Other Equity**

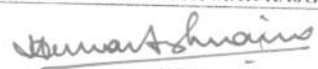
Particulars	Reserves and Surplus		Items of other comprehensive income	Total
	Capital Redemption Reserve	Retained earnings	Other items of other comprehensive income	
Balance at the beginning of the reporting period (01/04/2017)	-	(32,25,144.31)	-	(32,25,144.31)
Fair Value of Investment as per Ind AS at the beginning of the reporting period	-	-	-	-
	-	(32,25,144.31)	-	(32,25,144.31)
Income/(Loss) for the year				
Fair Value of Investment as per Ind AS		(34,67,316.00)	-	(34,67,316.00)
	-	-	-	-
Balance at the end of the reporting period (31/03/2018)	-	(32,25,144.31)	-	(32,25,144.31)
Fair Value of Investment as per Ind AS				
Income/(Loss) for the year		(34,79,922.00)		(34,79,922.00)
	-	-	-	-
Balance at the end of the reporting period (31/03/2019)	-	(1,01,72,382.31)	-	(1,01,72,382.31)

For **B M CHATRATH & CO LLP**  
 CHARTERED ACCOUNTANTS  
 FRN 301011E/E300025

(S. K. BISHN)   
 PARTNER  
 MEMBERSHIP NO. 054484

Place: Kolkata  
 Dated : 11th May, 2019

  
 KISHOR KUMAR RAJGARIA

  
 HEMANT BHUNIA

DIRECTORS



**TOPFLOW BUILDCON PVT.LTD.**

**FINANCIAL YEAR 2018 - 2019**

**NOTES TO THE FINANCIAL STATEMENTS:**

**NOTE - 1**

**A CORPORATE INFORMATION**

Topflow Buildcon Private Limited ('the Company') incorporated in 2012 has its Registered Office at 9/1, R. N. Mukherjee Road, Birla Building, 4th Floor Room No.29, Kolkata-700 001. The Company has no manufacturing activity. Company's source of income is renting of immovable property. However, the Company has not yet started its business activities.

**B SIGNIFICANT ACCOUNTING POLICIES**

**(i) Capital work-in-progress**

The cost of self-constructed assets includes the cost of material & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowings costs.

**(ii) Financial Instrument**

All regular purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**a) Investment in Equity Instruments at fair value through other comprehensive income**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'.

**b) Financial assets at fair value through profit & loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit & loss.

**c) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**(iii) Provisions, contingent liabilities and contingent assets**

A provision is 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.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgement of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.



**TOPFLOW BUILDCON PVT.LTD.**

**FINANCIAL YEAR 2018 - 2019**

**NOTES TO THE FINANCIAL STATEMENTS:**

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgement of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

**(iv) Revenue Recognition**

Interest Income from a financial asset is recognized 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 the asset's net carrying amount on initial recognition.

Dividend Income is recognized as and when right to receive payment is established provided that it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably.

Gain/(Loss) on sale of Current/ Non Current Investments are recognized at the time of redemption/sale and at fair value at each reporting period.

Insurance and other claims are accounted for as and when admitted by the appropriate authorities in view of uncertainty involved in ascertainment of final claim.

**(v) Cash & Cash Equivalents**

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

**(vi) Taxation**

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred tax is calculated at current statutory Income Tax Rate and is recognised on timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognised and carried forward only to the extent that there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred Tax assets/ liabilities are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/ virtually certain to be realized.

Minimum Alternative Tax (MAT) credit is recognized as an assets only when and to the extent there is a convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT Credit became eligible to be recognized as an assets in accordance with the recommendations contained in the guidance note issued by Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the Statement of Profit & Loss. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

**(vii) Earning Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**(viii) Cash Flow Statement**

Cash Flow are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company are segregated.



**TOPFLOW BUILDCON PVT.LTD.**  
**FINANCIAL YEAR 2018 - 2019**

**NOTES TO THE FINANCIAL STATEMENTS:**

**(ix) Use of Estimates**


The preparation of the Financial Statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgment and assumptions affect the application of accounting policies and the reported amount of Assets and Liabilities and disclosure of contingent Liabilities on the date of the Financial Statements and reported amounts of revenues and expenses for the year. Accounting estimate could change from year to year. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in estimates are reflected in the financial statements in the period in which the changes are made and if material, these effects are disclosed in the notes to financial statements.

For **B M CHATRATH & CO LLP**  
CHARTERED ACCOUNTANTS  
FRN : 301011E/E300025

  
(S. K. BHATNAGAR)  
PARTNER  
MEMBERSHIP NO. 054484

Place: Kolkata  
Dated : 11th May, 2019

  
KISHOR KUMAR RAJGARIA

  
HEMANT BHUNIA

DIRECTORS





**TOPFLOW BUILDCON PVT.LTD.****Notes on accounts****Note No.****2 Cash and cash equivalents**

Cash in hand

Balance with Scheduled Banks (in Current Accounts)

**31-Mar-19****31-Mar-18**

10,360.00

10,360.00

1,04,488.00

4,52,799.00

**1,14,848.00****4,63,159.00****3 Share Capital****Authorised**

20,000 Equity Shares of Rs 10/- each

2,00,000.00

2,00,000.00

**Issued**

20,000 Equity Shares of Rs 10/- each

2,00,000.00

2,00,000.00

**Subscribed & Paid-up**

20,000 Equity Shares of Rs 10/- each fully paid-up

(of the above 20000 shares held by HIGH QUALITY STEELS LTD., the Holding Company and its Nominees)

2,00,000.00

2,00,000.00

**2,00,000.00****2,00,000.00****Notes :-**

- The Company has only one class of shares referred to as Equity Shares having par value of Rs.2.50.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the numbers of equity shares held by the shareholders.

**3. Reconciliation of number of Issued, Subscribed and Paid-up Capital**

	31.03.2019		31.03.2018	
	No. of Equity Share	Amount (in Rs.)	No. of Equity Share	Amount (in Rs.)
No. of Shares at the beginning of the year	20000	200000.00	10000	100000.00
Add: Equity Shares issued during the year			10000	100000.00
No. of Shares at the end of the year	20000	200000.00	20000	200000.00

**4. The name of Shareholder holding more than 5% of Equity Shares**

Name of Shareholder	% of Holding	No. of Equity Shares held	% of Holding	No. of Equity Shares held
HIGH QUALITY STEELS LTD.	100	20000	100	20000

**4 Other equity****A. SURPLUS**

In statement of Profit and loss :-

Opening balance

(66,92,460.00)

(32,25,144.00)

Add: Profit/(Loss) after tax as per statement of profit and loss

(34,79,922.00)

(1,01,72,382.00)

(34,67,316.00)

Closing balance

**(1,01,72,382.00)**

(66,92,460.00)

**(66,92,460.00)****5 Non-current liabilities :****Financial liabilities****Other Financial liabilities excluding provisions**

Unsecured Loan from Holding Company

3,38,44,286.00

3,36,44,286.00

**3,38,44,286.00****3,36,44,286.00****Current liabilities :****Financial liabilities****6 Other current liabilities :**

TDS on Interest

1,71,010.00

3,44,854.00

Outstanding Expenses

8,850.00

7,080.00

Interest payable

62,07,370.00

31,03,685.00

**63,87,230.00****34,55,619.00****7 Finance Costs**

Interest Expenses

Others

34,53,712.00

34,57,808.00

**34,53,712.00****34,57,808.00****8 Other expenses**

Filing Fees

1,200

Professional Fees

16,160

Miscellaneous Expenses

Auditors' Remuneration

8,850.00

2,428.00

**26,210.00**

7,080.00

**9,508.00****9 Commitments and Contingent Liabilities****Commitments**

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advance)



# 10. EARNING PER SHARE:

	31-03-2019 (in Rs.)	31-03-2018 (in Rs.)
Basic Earning Per Share	(Rs.) -174.00	-173.37
Diluted Earning Per Share	(Rs.) -174.00	-173.37
Nominal Value Per Share	(Rs.) 8	10

Earnings per share is calculated by dividing the net profit / loss for the period attributable to equity share holders by the weighted average number of equity shares outstanding during the period, as below:

	2018-2019 (Rs.)	2017-2018 (Rs.)
Profit After Taxation	(34,79,922.00)	(34,67,316.00)
Weighted Average Number of Shares outstanding during the year	20000	20000

## 11 Related party disclosures :

Relationship	Parties Where Control Exist - 2018-2019	Parties Where Control Exist - 2017-2018
A. Key Management Personnel	--	--
B. Subsidiaries	--	--
C. Associate Company	--	--
D. Holding Company	High Quality Steels Ltd.	High Quality Steels Ltd.
E. Group Company Where Transaction Exists	--	--

### Loan Repayment Schedule

Type of Loan / Nature of Security	Terms of Repayment
Long-term Loan	To be repaid by 31st December, 2017 as per Board Resolution Dt 08/10/2013

### RELATED PARTY TRANSACTIONS:

Transactions	Others Where Control Exists	Key Management Personnel	Associate Company	Subsidiaries Company	Holding Company	Grand Total
Remuneration paid	--	--	--	--	--	--
Purchase of Goods / Services	(--)	(--)	(--)	(--)	(--)	(--)
Dividend Received	(--)	(--)	(--)	(--)	(--)	(--)
Dividend Paid	(--)	(--)	(--)	(--)	(--)	(--)
Loans and Advances:	(--)	(--)	(--)	(--)	(--)	(--)
Unsecured Loans	(--)	(--)	(--)	(--)	2,00,000.00	2,00,000.00
Investment Made	(--)	(--)	(--)	(--)	(--)	(--)
	(--)	(--)	(--)	(--)	(--)	(--)

## 12 Previous year's figures are regrouped/rearranged wherever necessary

As per our report of even date attached

For B M CHATRATH & CO LLP  
CHARTERED ACCOUNTANTS  
FRN : 301011E/E300025

(S. K. CHATRATH)  
PARTNER  
MEMBERSHIP NO. 054484

Place: Kolkata  
Dated : 11th May, 2019

KISHOR KUMAR RAJGARIA

HEMANT BHUWANIA

DIRECTORS

