



INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF PARDOS AFFORDABLE HOUSING PRIVATE LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of **PARDOS AFFORDABLE HOUSING PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2019, the Statement of Profit and Loss and cash flow for the period from 22nd May, 2018 to 31st March, 2019, 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, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of state of affairs of the Company as at 31 March 2019, Profit and cash flow statement for the period from 22nd May, 2018 to 31st March, 2019.

BASIS FOR OPINION

We conducted our audit in accordance with the **Standards on Auditing (SAs)** specified U/s. 143(10) of the Act. Our responsibilities under those SAs are further described in the **Auditor's Responsibilities** for the Audit of the Financial Statements 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 together with the **ethical requirements** that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, 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.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements 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 u/s 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to **continue as a going concern**, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements 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 statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the **risks of material misstatement** of the financial statements, **whether due to fraud or error**, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the **appropriateness of accounting policies** used and the **reasonableness of accounting estimates and related disclosures** made by management



- Conclude on the appropriateness of management's use of the **going concern** basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern'
- Evaluate the overall **presentation, structure and content** of the financial statements, including the **disclosures**, and whether the financial statements represent the underlying transactions and events in a manner that achieves **fair presentation**.

We **communicate** with those charged with governance regarding, **among other matters, the planned scope and timing of the audit and significant audit findings**, including any significant deficiencies in internal control that we identify during our audit.

We also **provide those charged with governance with a statement** that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. This report does not include a statement on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016, issued by the Central Government, in terms of Sub section (11) of Section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the company.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and cash flow statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified u/s. 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.



- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in 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.

For R. P. Narang & Co.

(Chartered Accountants)

Firm Registration number- 001794N




Prashant Narang

Partner

Membership Number: 098578

UDIN:19098578AAAAEM8539

Place: Delhi

Date: 11/09/2019

Pardos Affordable Housing Pvt. Ltd.
Balance Sheet as at March 31, 2019

(Amount in Rs.)


	Note	As at March 31, 2019
I. EQUITY AND LIABILITIES		
Shareholders' funds		
a. Share capital	3	4,000,000
b. Reserves and surplus	4	(798,657)
Long Term Borrowings		
a. Debentures	5	
b. Unsecured Loans	6	796,000,000
Current liabilities		
a. Other current liabilities	7	87,378
b. Trade Payable	8	143,759
c. Provisions	9	-
Total		799,432,480
II. ASSETS		
Non- Current assets		
a. Long Term Loan & Advances	10	20,605,172
Current assets		
a. Cash and bank balance	11	41,344,316
b. Other current assets	12	-
c. Inventory	13	737,482,992
Total		799,432,480
Summary of significant accounting policies	2	-

The accompanying notes form an integral part of the financial statements.
As per our report of even date

For R.P. Narang & Co.

ICAI Firm registration number : 001794N

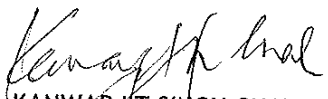
Chartered accountants

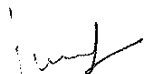

(Prashant Narang)

Membership number: 098578

UDIN: 19098578AAAAEM8539

For and on behalf of the Board of Directors of
Pardos Affordable Housing Pvt. Ltd.


KANWARJIT SINGH CHAWLA
(Director)
DIN: 00028604


PUNEET KAKKER
(Director)
DIN: 08118727



Place: New Delhi
Date: 11-09-2019

Pardos Affordable Housing Pvt. Ltd.
Statement of Profit and Loss for the year ended March 31, 2019

(Amount in Rs.)

	Note	Period ended March 31, 2019
I. INCOME		
a. Revenue from operations	14	-
b. Other income		-
Total Revenue		-
II. EXPENDITURE		
a. Employee Costs	15	-
b. Other expenses	16	-
Total expenses		798,657
		798,657
III. Profit before tax		(798,657)
IV. Tax expense:		
Current tax		-
Deferred tax charge/benefit		-
Total Tax Expense		-
V. Profit after tax (III-IV)		(798,657)
Basic earnings per equity share (in Rs.) (nominal value of Rs. 10 per share)		(79.87)
Summary of significant accounting policies	2	

The accompanying notes form an integral part of the financial statements.
As per our report of even date

For R.P. Narang & Co.

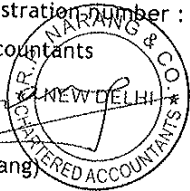
ICAI Firm registration number : 001794N

Chartered accountants



(Prashant Narang)

Membership number: 098578

UDIN: 19098578AAAAEM8539



For and on behalf of the Board of Directors of
Pardos Affordable Housing Pvt. Ltd.


KANWARJIT SINGH CHAWLA
(Director)
DIN: 00028604


PUNEET KAKKER
(Director)
DIN: 08118727



Place: New Delhi
Date: 11-09-2019

Place: New Delhi
Date: 11-09-2019

Pardos Affordable Housing Pvt. Ltd.

Notes to the financial statements for the year ended March 31, 2019

3 Share capital

The Company has one class of share i.e. equity share having a par value of Rs. 10 per share, referred to herein as equity shares. Each holder of equity share is entitled to one vote per share.

Particulars

	As at March 31, 2019	
	Numbers	(Amount in Rs.)
Authorised shares		
Equity shares of Rs. 10 each.	400,000	4,000,000
Issued, subscribed and fully paid up shares		
Equity shares of Rs. 10 each.	400,000	4,000,000
Total	400,000	4,000,000

i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Particulars

	As at March 31, 2019	
	Numbers	(Amount in Rs.)
At the beginning of the year	-	-
Issued During the Year	400,000	4,000,000
Outstanding at the end of the year	400,000	4,000,000

ii) Terms/rights attached to equity shares

Voting

Each holder of equity shares is entitled to one vote per share held.

Dividends

The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting.

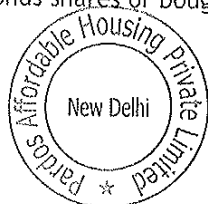
Liquidation

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution will be in proportion to the number of equity shares held by the shareholders.

iii) Details of shareholders holding more than 5% shares in the Company

Name of share holders	As at March 31, 2019	
	Numbers	% holding
DMI Alternative Investment Fund- Special Opportunities Scheme	399,990	99.99%
Puneet Kakker (nominee of DMI Alternative Investment Fund- Special Opportunities Scheme)	10	0.01%

iv) No class of shares have been allotted as fully paid-up pursuant to contract(s) without payments being received in cash, allotted as fully paid by way of bonus shares or bought back.



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Pardos Affordable Housing Pvt. Ltd.
Notes to the financial statements for the year ended March 31, 2019

4 Reserves and surplus		<u>As at March 31, 2019</u>
Surplus in the Statement of Profit and Loss		
Opening balance		-
Add: Profit for the year		(798,657)
Closing balance		<u>(798,657)</u>
5 Debentures		<u>As at March 31, 2019</u>
Dmi Alternatives Investment Fund -(CCD)		159,000,000
Dmi Alternatives Investment Fund -(OCD)		637,000,000
		<u>796,000,000</u>
6 Long Term Loan & Advances		<u>As at March 31, 2019</u>
Loan from Ctc Geotechnical Pvt. Ltd.		-
7 Other current liabilities		<u>As at March 31, 2019</u>
Other liabilities		
Duties & Taxes		57,378
Audit Fee Payble		30,000
		<u>87,378</u>
8 Trade Payable		<u>As at March 31, 2019</u>
Trade payable		143,759
		<u>143,759</u>
9 Provisions		<u>As at March 31, 2019</u>
Expenses Payable		
Provision for Income Tax		-
		<u>-</u>



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Pardos Affordable Housing Pvt. Ltd.

Notes to the financial statements for the year ended March 31, 2019

10 Loans & Advances

CTC Geotechnical Pvt. Ltd. (Mob. Advance)	2,155,172
CTC Geotechnical Pvt. Ltd. (Security Deposit)	18,000,000
Sikka Associates (Mobilisation Advance)	450,000

20,605,172

11 Cash and bank balances

As at March 31, 2019

Cash on hand

Balances with banks

in current accounts

41,344,316

41,344,316

12 Other Assets

As at March 31, 2019

TDS Recoverable

GST Input

-

-

-

13 Inventory

As at March 31, 2019

Construction & Others

Land

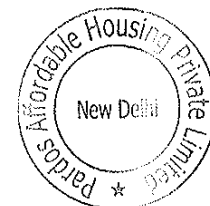
2,432,989

735,050,003

737,482,992



Pardos Affordable Housing Pvt. Ltd.



Pardos Affordable Housing Pvt. Ltd.
Notes to the financial statements for the year ended March 31, 2019

14 Revenue from operations

Period ended March 31,
2019

Income from Operations

-
-

15 Employee Benefits

Period ended March 31,
2019

Staff Salaries & Benefits


-
-

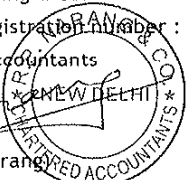
16 Other expenses

Period ended March 31,
2019

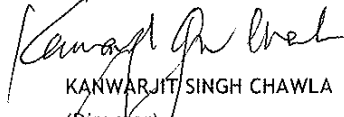
Audit Fee
Fee & Subscription
Professional Charges
Incorporation expenses


30,000
74,585
672,052
22,020
798,657

For R.P. Narang & Co.
ICAI Firm registration number : 001794N
Chartered accountants

(Prashant Narang)
Membership number: 098578



For and on behalf of the Board of Directors of
Pardos Affordable Housing Pvt. Ltd.


KANWARJIT SINGH CHAWLA
(Director)
DIN: 00028604


PUNEET KAKKER
(Director)
DIN: 08118727

Place: New Delhi
Date: 11-09-2019



Pardos Affordable Housing Pvt. Ltd.
Cash Flow Statement for the year ended March 31, 2019

(Amount in Rs.)

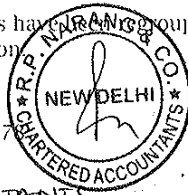
Particulars		
A.	Cash flow from Operating activities	
	Net Profit before taxation	(798,657)
	Adjustments for:	
	Depreciation	-
	Interest expense	-
	Operating profit before working capital changes	(798,657)
	Adjustments for:	
	(Increase)/Decrease in Trade and Other Receivables	-
	Increase in Inventory	(737,482,992)
	Increase in Trade Payables	143,759
	Increase in Trade and Other Payables	87,378
	Cash from operations	(738,050,512)
	Net income tax (paid)/refunds	-
	Net cash flow from Operating activities (A)	(738,050,512)
B.	Cash flow from Investing activities	
	Capital expenditure on fixed assets, including capital advances	-
	Net cash used in Investing activities (B)	-
C.	Cash flow from Financing activities	
	Issue of Equity Capital	4,000,000
	Issue of Debentures	796,000,000
	Receipt of Loan	-
	Loans given	(20,605,172)
	Net cash flow from Financing activities (C)	779,394,828
	Net Increase in Cash and Cash equivalents (A+B+C)	41,344,316
	Cash and cash equivalents at the beginning of the year	-
	Cash and cash equivalents at the end of the year*	41,344,316
	*Comprise:	
	Cash in hand	-
	Balance with Schedule Banks in Current Accounts	41,344,316
	Deposits for original maturity of less than 3 months	-
		41,344,316

Note:

1 Previous year's figures have been grouped, rearranged or recast wherever considered necessary to conform to this year's classification.

(Prashant Narang)
Membership number: 09857

R. P. NARANG & Co.
CHARTERED ACCOUNTANTS
FIRM REGN No. 00179414



Kanwarjit Singh Chawla
KANWARJIT SINGH CHAWLA
(Director)
DIN: 00028604

Puneet Bakker
PUNEET BAKKER
(Director)
DIN: 08118727

Place: New Delhi
Date: 11-09-2019



Corporate Information

Pardos Affordable Housing Private Limited ("the company") is a company domiciled in India a private limited company and engaged into real estate and construction development. The company was Incorporated on 22nd May 2018.

Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendments Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect and reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period , although these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Current/ non-current classification

All the assets and liabilities are classified into current and non-current.

Asset

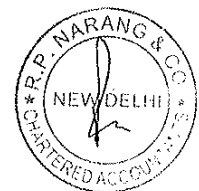
An asset is classified as current when it is expected to be realized in, or is intended for sale in, the company's normal operating cycle within 12 months from the reporting date or it is cash or cash equivalent unless it is restricted from being exchanged or expected to be used to settle a liability for at least 12 months after the reporting date Current assets include the current portion of noncurrent assets. All other assets are classified as non- current.

Liability

A liability is classified as current when it is expected to be settled in the company's normal operating cycle or it is held primarily for the purpose of being traded to it its due to be settled within 12 months after the reporting date or the company does not have an unconditional right to defer settlement of liability for at least 12 months from the reporting date. Current liabilities include current portion of non current liability. All other liabilities are classified as non- current.



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Revenue Recognition

Revenue reorganization Revenue is recognized to the extent that is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Income taxes

Tax expenses comprise current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, in India, at the reporting date.

Deferred income taxes reflect the Impact of timing differences between taxable income and accounting income origination during the current year and reversal of timing differences for the earlier years, deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences, Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down carrying amount of deferred tax asset to the extent that is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be the case may be, that sufficient future taxable income will be available.

MAT credit is recognized where there is convincing evidence that the asset can be realized in future. Mat credit assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realized.

Earnings per shares

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20. "Earnings per Share" notified under section 133 of the Companies Act 2013. Basic earnings per share are computed by dividing the net profit after tax attributable to Equity shareholders outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year, Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by



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weighted average number of equity shares considered for deriving the basic EPS and weighted average number of shares that could have been issued upon conversion of all potential equity shares.

Provisions

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provision are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability

A contingent liability is a possible obligation that arises from past event whose existence will be confirmed by occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation, A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Cash and Cash equivalents

Cash and Cash equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank and short-term investments with an original maturity of three months or less.

Notes to Accounts

17.1 Contingent Liabilities not provided for in respect of:

As at 31.03.19

- | | | |
|----|---|-----|
| a) | Bank Guarantee Outstanding | Nil |
| b) | Claim against the company not acknowledged as debts | Nil |

17.2 Related Party Disclosures:

List of related parties & nature of relationship as identified by the management and relied upon by the Auditors.

Name of the related party	Relationship
Kanwarjit Singh Chawla	Director w.e.f 22.05.2018
Puneet Kakker	Director w.e.f.22.05.2018
DMI Alternatives Investment Fund-Special opportunity scheme.	Enterprises Exercising Significant Control



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(Rs. In Lacs)			
Nature of transactions (excluding reimbursements)	Holding/Associates/ Enterprises Exercising Significant Control	Enterprises where relative of directors/KMP are interested	Key Managerial Personnel/relative/ Significant Influence of KMP
	2018-19	2018-19	2018-19
Debenture:			
Issue of debenture		Nil	Nil
DMI Alternatives Investment Fund- Special Oppurtunity Scheme.	7960		
Unsecured Loan:			
-Taken/(repaid)		Nil	Nil
Balances outstanding (31.03.19)			
Unsecured Loans	Nil	Nil	Nil
Debenture	7960		

17.3 Micro, Small & Medium Enterprises Development Act 2006

Based on the information received and available with the Company, there are no dues outstanding to micro and small enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006. Further the Company has not received any claim for interest under the terms of the said Act.

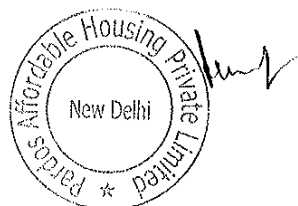
17.4 The company has not employed any employee so far, therefore provision of gratuity is not made.

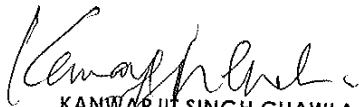
17.5 Since there are no business transactions during the period under review, deferred tax has not been recognized.

17.6 Some of the outstanding balances as at 31st March 2019 in respect of Sundry Debtors, Creditors, Loans and Advances, Deposits and Advance from Customers are subject to confirmation and reconciliation.

17.7 Wherever balance confirmation is not available from the parties, the balances as appearing in the books of account have been confirmed by the management.

17.8 In the opinion of the Board and to the best of their knowledge; value on realization of assets other than fixed assets & non-current investment in the ordinary course of business, would not be less than the amount at which they are stated in the balance



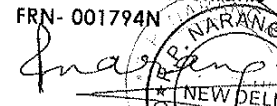

KANWARJIT SINGH CHAWLA
Director
DIN: 00028604

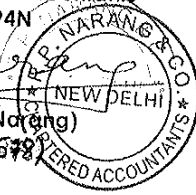



PUNEET KAKKER
Director
DIN: 08118727

Place: New Delhi
Dated: 11-09-2019

For R.P. Narang & Co.
Chartered Accountants
FRN- 001794N


(Prashant Narang)
(M No. 098578)



A circular stamp with the text "R.P. NARANG & CO." around the top, "NEW DELHI" in the center, and "CHARTERED ACCOUNTANTS" around the bottom, flanked by two stars.