



SANJAY SATPAL & ASSOCIATES

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS REPORT OF M/S RANGOLI BUILDTech PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH 2018

To the Members of
M/s Rangoli Buildtech Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s Rangoli Buildtech Private Limited ('the Company')** having registered office at **Flat No.-1105, 11th Floor, Akash Deep, Building, Barakhamba Lane, New Delhi-110001** which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

In preparing the financial statements, Management is 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing



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standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We are also responsible to 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2018 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements



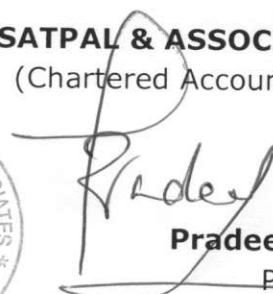
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order") and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give in the "**Annexure-A**", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) 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 it appears from our examination of those books;
 - c) The Balance Sheet, 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 financial statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on 31st March, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) We have not audited the internal financial controls over financial reporting (IFCoR) of the Company as at 31st March, 2018 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date as the Clause (i) of Sub-section 3 of Section 143 of the Act is not applicable to the company as per the notification No. G.S.R. 583(E) dated 13th June, 2017; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position;



- ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv) The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.

FOR SANJAY SATPAL & ASSOCIATES
(Chartered Accountants)




Pradeep Jha
Partner

Membership No. : 500992
Firm Reg. No. : 012704N

Place: New Delhi

Date: 03 SEP 2018

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT OF M/S RANGOLI BUILDTECH PRIVATE LIMITED [REFERRED TO IN PARAGRAPH 1 UNDER SECTION (REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS) OF OUR REPORT OF EVEN DATE]

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

- (i) a) In our opinion the company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.
- b) We have been informed that the company has carried out physical verification of the fixed assets at reasonable intervals and no material discrepancy has been noticed during such verification.
- c) The Company has not carried any immovable properties during the year as such in our opinion this clause relating to immovable properties is not applicable to the Company.
- (ii) As per the informations and explanations given to us, the company is engaged in the business of purchase/sale and development of land/property and accordingly costs directly attributable to the project until completion are accumulated as "project work in progress". As such, the company does not carry any physical inventories other than land/project work in progress at the year end which is physically verified by the management. In our opinion frequency of such verification is reasonable. No material discrepancies were noticed on such verification.
- (iii) As informed by the Board of Directors of the company it has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 as such clause no. 3(iii) of the order is presently not applicable to the company
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantee and security made during the year.
- (v) On the basis of our observation and information given by the Board of Directors the Company has not accepted any deposits from the public as such as such clause no. 3(v) of the order is presently not applicable to the company.



- (vi) In our opinion and according to the information and explanations given to us the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act in respect of the activities carried 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 provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the period 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, wealth tax, service tax, duty of customs, value added tax, cess and other statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess as on 31st March 2018 which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

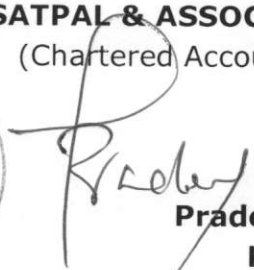


- (xiii) Based upon the audit procedures performed and according to the information and explanations given to us, All transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Dated: 03 SEP 2018
Place: New Delhi

For SANJAY SATPAL & ASSOCIATES
(Chartered Accountants)




Pradeep Jha
Partner
Membership No.500992
Firm Reg. No. 012704N

Rangoli Buildtech Pvt. Ltd
Balance Sheet as on 31st March, 2018

Particulars	Note No.	Amount in INR	
		As at 31st Mar 2018	As at 31st Mar 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	70,000,000	50,000,000
Reserves and surplus	2	(1,791,655)	(912,941)
Non-current liabilities			
Long- term borrowings	3	76,500,000	76,500,000
Other long term Liabilities	4	1,088,543,629	1,055,341,038
Current liabilities			
Trade payables	5	8,000,000	-
Other current liabilities	6	2,742,175	2,280,751
Short Term Provisions	7	71,000	96,217
TOTAL		1,244,065,149	1,183,305,065
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	8	182,523	368,027
Deferred tax assets (Net)	9	97,504	130,743
Long-term loans and advances	10	56,736,447	56,736,447
Other non-current assets	11	24,812,137	17,292,637
Current assets			
Inventories	12	1,095,664,208	994,595,049
Cash and cash Equivalent	13	40,428,434	41,234,627
Short-term loans & advances	14	24,891,000	71,666,042
Other current assets	15	1,252,896	1,281,492
TOTAL		1,244,065,149	1,183,305,065
Significant Accounting Policies	21		

The accompanying notes are an integral part of the Financial Statement

As per our audit report of even date

Sanjay Satpal & Associates

Chartered Accountants

Firm Registration no. 012704N

Pradeep Jha
(Partner)

M.No. 500992



For and on behalf of Directors

Nritya Dev Jha
(Director)
DIN-07515234

Ram Meher Dahya
(Director)
DIN-06973497

Date- 03 SEP 2018
Place- New Delhi

Rangoli Buildtech Pvt. Ltd
Statement of Profit & Loss for the year ended 31st March, 2018

Particulars	Note No.	Amount in INR	
		For the year ended 31st March 2018	For the year ended 31st March 2017
INCOMES			
Revenue from operations & Other Income	16	2,431,252	2,948,133
Total Revenue		2,431,252	2,948,133
EXPENSES			
Changes in inventories of work in Progress		(54,294,117)	(8,111,102)
Direct Site Expenses	17	54,294,117	8,111,102
Finance costs	18	47,301	4,821
Depreciation and amortization expense	8	194,472	146,859
Other expenses	19	2,938,653	2,474,335
Total Expenses		3,180,426	2,626,015
Profit before tax		(749,174)	322,118
Tax expense			
Current tax		71,000	96,217
Deferred tax		33,239	(569)
Tax for earlier year		25,301	(40,199)
Profit after tax		(878,714)	266,669
Earning per share	20		
Basic		(0.18)	0.05
Diluted		(0.18)	0.05
Significant Accounting Policies	21		

As per our audit report of even date


For and on behalf of Directors

Sanjay Satpal & Associates
Chartered Accountants
Firm Registration no. 012704N

Pradeep Jha
(Partner)
M.No. 500992




Nritya Dev Jha
(Director)
DIN-07515234


Ram Meher Dahiya
(Director)
DIN-06973497

Date- 03 SEP 2018
Place- New Delhi

Rangoli Buildtech Pvt. Ltd

Notes to the Financial Statements For The Year ended 31st March 2018

NOTE -1

SHARE CAPITAL

	31st March 2018 (Amount in Rs.)	31st March 2017 (Amount in Rs.)
Authorized Share Capital		
70,00,000(Previous Year: 50,00,000) equity shares of Rs. 10/- each	70,00,000	50,00,000
Issued, Subscribed & Paid Up Capital		
70,00,000 equity shares of Rs. 10/- each	70,00,000	50,00,000
Total issued, subscribed and fully paid up share capital	<u>70,00,000</u>	<u>50,00,000</u>

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

	31st March 2018		31st March 2017	
	No. of shares	Share capital(Rs.)	No. of shares	Share capital(Rs.)
At the beginning of the year	5,000,000	50,00,000	5,000,000	50,00,000
Add: Issued during the year	2,000,000	20,00,000	-	-
Less: Buy back during the year	-	-	-	-
Closing balance	<u>7,000,000</u>	<u>70,00,000</u>	<u>5,000,000</u>	<u>50,00,000</u>

ii) 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.

iii) Details of each Shareholder holding more than 5 % shares in the company

Name of Shareholder	31st March 2018		31st March 2017	
	No. of shares	% of holding	No. of shares	% of holding
Mr. Parveen Jolly	833,333	11.91%	833,333	16.67%
M/s Vision Jewellers Pvt. Ltd	-	0.00%	1,666,667	33.33%
M/s Gracious Projects Pvt. Ltd	2,500,000	35.71%	2,500,000	50.00%
M/s Nischay Housinh Pvt Ltd	1,833,334	26.19%	-	-
M/s Optimistic Trading Co Pvt Ltd	1,833,333	26.19%	-	-

As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTE- 2

RESERVES & SURPLUS

Surplus/deficit in the statement of profit & loss

	31st March 2018 (Amount in Rs.)	31st March 2017 (Amount in Rs.)
Balance as per last financial statement	-912,941	-1,179,610
Add: Profit/ (Loss) during the year	-878,714	266,669
Closing balance	<u>-1,791,655</u>	<u>-912,941</u>
	<u>-1,791,655</u>	<u>-912,941</u>

NOTE- 3

LONG TERM BORROWINGS

Un-secured Loans

	31st March 2018 (Amount in Rs.)	31st March 2017 (Amount in Rs.)
Loans and advances	76,500,000	76,500,000
	<u>76,500,000</u>	<u>76,500,000</u>

Long term borrowings of the company represent unsecured loans taken from party. It has been confirmed to us by the management of the company that the schedule of repayment of principal and interest has not been stipulated in respect of these loans. Balances of borrowings has been taken as per books and are subject to confirmation from party.



NOTE- 4
OTHER LONG TERM LIABILITIES

	31st March 2018 (Amount in Rs.)	31st March 2017 (Amount in Rs.)
Advance received from customers	1,067,965,079	1,054,762,488
Security Deposit Received	510,000	510,000
Earnest Money Received	68,550	68,550
Other Liabilities	20,000,000	-
	1,088,543,629	1,055,341,038

NOTE- 5
TRADE PAYABLES

	31st March 2018 (Amount in Rs.)	31st March 2017 (Amount in Rs.)
Sundry Creditors		
- Total outstanding dues of micro, medium and small enterprises	-	-
- Total outstanding dues other than of micro, medium and small enterprises	8,000,000	-
	8,000,000	-

Micro, Small and Medium Enterprises

The company has not received any information/ copy of registration certificate from its suppliers/Service Provider regarding their registration under MSMED Act 2006. Accordingly, there are no dues outstanding in respect of Micro, Small and Medium enterprises at the Balance Sheet date. The Auditors have relied upon the above information.

NOTE- 6
OTHER CURRENT LIABILITIES

	31st March 2018 (Amount in Rs.)	31st March 2017 (Amount in Rs.)
Expenses & Statutory liabilities Payable	1,557,333	1,095,909
Unclaimed Customer Interest-Court Order	1,184,842	1,184,842
	2,742,175	2,280,751

NOTE- 7
SHORT TERM PROVISIONS

	31st March 2018 (Amount in Rs.)	31st March 2017 (Amount in Rs.)
Provision for Income-tax (net of advance tax)	71,000	96,217
	71,000	96,217

NOTE- 9
DEFERRED TAX ASSETS (NET)

Deferred Tax Assets

Timing difference between tax depreciation and depreciation/amortization charged for financial reporting

Gross deferred tax assets

Deferred Tax Assets (Net)

	31st March 2018 (Amount in Rs.)	31st March 2017 (Amount in Rs.)
	97,504	130,743
	97,504	130,743
	97,504	130,743

As per Accounting Standard – 22 on "Accounting for Taxes on Income" the Company has recognized Net Deferred tax assets of Rs. 97,504/- during the financial year 2017-18 arising out of the timing difference. The said determination has been done on prudence basis by the management.

NOTE- 10
LONG TERM LOANS & ADVANCES
Unsecured Considered Good

	31st March 2018 (Amount in Rs.)	31st March 2017 (Amount in Rs.)
Advance Against Land	56,736,447	56,736,447
	56,736,447	56,736,447



Security Deposit
Amount Recoverable in Cash or Kind

472,137
24,340,000

452,637
16,840,000

24,812,137

17,292,637

NOTE- 12

INVENTORIES

Valued at lower of cost or net realizable value

Project at Sonapat

31st March 2018
(Amount in Rs.)

31st March 2017
(Amount in Rs.)

1,095,664,208

994,595,049

1,095,664,208

994,595,049

NOTE- 13

Cash and Cash Equivalents

Cash and Cash Equivalents

- Balances with banks
- In Current accounts
- Stamp Paper in hand
- Cash on hand

Bank deposits

Bank Deposits Pledged With DTCP

Interest Accrued on FDR Pledged With DTCP

Interest Accrued on FDR

Total

31st March 2018
(Amount in Rs.)

31st March 2017
(Amount in Rs.)

1,593,525

4,657,669

141,640

141,640

30,899

52,932

439,404

349,404

31,309,000

31,309,000

6,887,212

4,713,147

26,754

10,835

40,428,434

41,234,627

NOTE- 14

Short Term Loan & Advances

Unsecured considered good

Balance with Government Authority (DTCP)

Total

31st March 2018
(Amount in Rs.)

31st March 2017
(Amount in Rs.)

24,891,000

71,666,042

24,891,000

71,666,042

NOTE- 15

Other Current Assets

TDS receivables

Amount Recoverable in Cash or In Kind

Income Tax Paid for earlier year

Total

31st March 2018
(Amount in Rs.)

31st March 2017
(Amount in Rs.)

1,092,896

969,692

40,000

191,800

120,000

120,000

1,252,896

1,281,492

NOTE- 16

REVENUE FROM OPERATION & OTHER INCOME

Revenue from Opreation

Other Income

Interest Income

Profit on Sale of Car

31st March 2018
(Amount in Rs.)

31st March 2017
(Amount in Rs.)

2,431,252

2,943,808

2,431,252

4,325

2,948,133



Note- 17
Direct Site Expenses

	31st March 2018 (Amount in Rs.)	31st March 2017 (Amount in Rs.)
Civil Work	32,132,633	2,700,000
Licence Renewal Fees Paid	15,222,170	-
Electricity Expenses	87,183	80,937
Advertisement	-	43,440
Legal & Professional Expenses	1,544,520	2,066,490
Bank Guarantee Charges	322,279	-
Salary	3,283,200	1,442,000
Security Expenses	1,427,875	1,409,000
Travelling & Conveyance Expenses	22,820	25,760
Office Maintenance	80,329	96,468
Generator Running & Maintenance	-	96,450
Repair & Maintenance	99,198	92,972
Telephone Expenses	-	2,015
Staff Welfare Expenses	88,108	71,241
Interest Received	(16,198)	(15,671)
	54,294,117	8,111,102

NOTE- 18
Finance Cost

	31st March 2018 (Amount in Rs.)	31st March 2017 (Amount in Rs.)
Bank Charges	40,545	2,007
Interest on Other	6,756	2,814
	47,301	4,821

Note- 19
Administrative & Other Expenses

	31st March 2018 (Amount in Rs.)	31st March 2017 (Amount in Rs.)
Audit Fees	25,000	28,750
Books & Periodicals	2,975	2,974
Conveyance Charges	19,030	26,191
Fee & Taxes	927,000	2,200
Donation	100,000	-
Legal & Professional Expenses	579,000	1,258,753
Rent	787,920	772,240
Office Maintenance Charges	137,437	33,872
Postage & Courier	22,859	18,562
Printing & Stationery	19,741	13,709
Repair & Maintenance	3,068	7,438
Software AMC	147,972	-
Travelling Expenses	114,792	264,714
Telephone Expenses	25,783	25,156
Miscellaneous Expenses	26,076	19,776
	2,938,653	2,474,335

Note- 20
Earning per Share (EPS)

Profit after tax (before earlier year adjustment)	(853,413)	321,549
Weighted average nos equity shares	7,000,000	5,000,000
Basic and diluted earning per share	-0.12	0.05



**NOTE-21
INTRODUCTION**

Rangoli Buildtech Private Limited a company registered under Indian companies Act 1956, incorporated on 20th Sept, 2004. The company is primarily engaged in the business of promotion, development and construction sale of real estate related activities.

**NOTE-22
METHOD OF ACCOUNTING**

The Financial Statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on accrual basis. These Financial Statements have been prepared to comply 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. The accounting policy have been consistently applied by the company, except as otherwise stated.

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company as per the guidance as set out in the Schedule III to the Companies Act. 2013.

Summary of Significant Accounting Policies

A. Change in Accounting Policy

The useful life of fixed assets have been revised in accordance with the Schedule II to the Companies Act 2013 which is applicable from accounting periods commencing on or after 1st April 2014.

B. Use of Estimates

The preparation of financial statements requires estimates or assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expense during the reporting period. These estimates are based up on management knowledge or current event and actions, actual results could differ from those estimates and revisions, if any recognized in the current and future period.

C. Inventories

Inventories comprise real estate project development Work In Progress. These are valued at cost or Net Realizable Value whichever is lower. Cost includes cost of land and/or cost of non refundable deposit paid under agreement, direct expenditure during project implementation period, borrowing costs and other indirect costs of the project directly attributable to the project.

D. Fixed Assets and Depreciation

Fixed assets are stated at historical cost less accumulated depreciation and impairment (if any). Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation on assets is provided on written down method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready to put to use subject to adjustments arising out of transitional provisions of Schedule II to the Companies Act, 2013.

E. Revenue Recognition

In terms of Accounting Standard 7 on "Construction Contracts" read with "Guidance Note on Recognition of Revenue by Real Estate Developers" issued by the Institute of Chartered Accountants of India, where revenue is recognized in relation to sold areas only on the basis of percentage completion method as and when the following conditions are met:

on or before 31st March -2012

- i. The Buyer Agreement is signed.
- ii. The Buyer demonstrates adequate commitment to purchase the property.
- iii. The project has achieved at least 40% completion on the basis of actual Construction Cost incurred on the project under execution, as against total estimated cost of the project.

From 1st April-2012

- i. The Buyer Agreement is signed.
- ii. The Buyer demonstrates adequate commitment to purchase the property.
- iii. The project has achieved at least 25% completion on the basis of actual Construction Cost (without Land) incurred on the project under execution, as against total estimated cost of the project without land.



The estimates of the project revenue, project profits, project cost, cost of completion and forcible loss are reviewed periodically by the management and any effect of changes is recognized during the period in which such changes are determined

F. Cost of Sales

Cost of construction or development expenses incurred, including cost of land, are charged to the profit and loss account proportionate to the revenue recognized as per the accounting policy of revenue recognition mentioned above.

G. Borrowing Cost

Borrowing Costs that are directly attributable to the acquisition of qualifying assets are considered as part of the cost of the assets. Other borrowing costs are treated as period cost and charged to the Profit and Loss account as and when they are incurred.

H. Impairment of Assets

The Carrying amounts of Assets are reviewed at each Balance Sheet date and if there is any indication of impairment based on internal or external factors, an impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the assets as per the depreciation policy.

I. Investment

Investments which are readily realizable and intended to be held for not more than a period are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost or fair market value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the values of investments.

J. Taxes on Income

Income Tax is computed in accordance with **Accounting Standard 22 – “Accounting for Taxes on Income”** issued by Institute of chartered Accountants of India.

Income Tax comprises the current tax provision and the net change in the deferred tax asset or liability during the period. Deferred tax assets and liabilities are recognized for the future tax consequences arising out of temporary differences between the carrying values of the assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates applicable on the Balance Sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a reasonable / virtual certainty (as applicable) that sufficient future taxable income will be available against which such deferred tax asset can be realized. The effect on deferred tax assets and liabilities resulting from change in tax rates is recognized in the income statement in the period of enactment of the change.

K. Provisions

Provision are recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balances sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

L. Contingent Liabilities

Depending upon the facts of each case and after due evaluation of legal aspects, claims against the Company not acknowledged as debts are treated as contingent liabilities. In respect of statutory dues disputed and contested by the company, contingent liabilities are provided for and disclosed as per original demand without taking into account any interest or penalty that may accrue thereafter.

M. Foreign Currency Transaction

Initial Recognition

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Exchange Difference

Exchange difference arising on settlement of monetary items or on reporting company's monetary items at the date different from those at which they are initially recorded during the period, or reported in previous financial statement, are recognized as income or as expense in the period in which they arise.



SCHEDULE OF FIXED ASSET AS PER COMPANIES ACT 1956

Note-8 Fixed Assets

	Fixed Assets	Gross Block					Accumulated Depreciation				Net Block	
		Balance as at 1st April 2017	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at 31st March 2018	Balance as at 1st April 2017	Depreciation charge for the year	Deductions/A djustment	On disposals	Balance as at 1st April 2017	Balance as at 31st March 2018
		Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
a(i)	Tangible Assets											
	Air Conditioner	214,677	-	-	-	214,677	203,943	-	-	-	203,943	10,734
	Car	-	-	-	-	-	-	-	-	-	-	-
	Computers	853,862	-	-	-	853,862	535,098	187,960	-	-	723,058	318,764
	Furniture and Fixtures	546,184	8,968	-	-	555,152	508,745	6,512	-	-	515,257	39,895
	Inverter	13,400	-	-	-	13,400	12,730	-	-	-	12,730	670
	Refrigerator	8,400	-	-	-	8,400	7,980	-	-	-	7,980	420
	Total	1,636,523	8,968	-	-	1,645,491	1,268,496	194,472	-	-	1,462,968	182,523
b	Intangible Assets											
	Computer software	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-
c	Capital Work In Progress											
	Total	-	-	-	-	-	-	-	-	-	-	-
d	Intangible assets under Development											
	Total	1,636,523	8,968	-	-	1,645,491	1,268,496	194,472	-	-	1,462,968	182,523

