

INDEPENDENT AUDITOR'S REPORT

To the Members of Rise Projects Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Rise Projects Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the 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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, 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 reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "A"**.
 - g. With respect to the other matters to be included in 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:
 - a) The Company does not have any pending litigations which would impact its financial position.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



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2. 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, we give in the **Annexure "B"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For Kumar Chopra & Associates
(Chartered Accountants)
F.R.N. – 000131N



CA. Rajeev Jain
Partner
M. No 084478

Place: Kaushambi
Date: 19.08.2016

Annexure "A" to the Independent Auditor's Report of even date on the Financial Statements of Rise Projects Private Limited

Report on the Internal Financial Controls 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 Rise Projects Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

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 statements for external purposes in accordance with generally accepted accounting principles. A



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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 disposition of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of change 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, 2016, based on 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 Kumar Chopra & Associates
(Chartered Accountants)
F.R.N. – 000131N



CA. Rajeev Jain
Partner
M. No. 084478

Place: Kaushambi
Date: 19.08.2016

Annexure "B" to the Independent Auditor's Report of even date on the Financial Statements of Rise Projects Private Limited

Report under 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

- i. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) Fixed assets have been physically verified by the management during the year in accordance with a programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us, the company does not have any immovable property under fixed assets. Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable to the Company.
- ii. In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the management are at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us, the Company has granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. In respect of such loans:
 - a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the company's interest.
 - b) In the absence of stipulations, the regularity of the receipts of principal amounts and interest has not been commented upon.
 - c) The loans granted are repayable on demand and there are no overdue amounts outstanding as at year end.
- 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 Companies Act, 2013 in respect of grant of loans, making investments, providing guarantees and securities, as applicable.
- v. In our opinion and according to the information and explanations given to us, the company has accepted deposits from members, in respect of which, directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act 2013 and rules framed thereunder, to the extent applicable, have been complied with.



- vi. To the best of our knowledge and as explained, the maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
- a) According to the information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues applicable to it and there are no such outstanding dues as at March 31, 2016, 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 were no dues outstanding of statutory dues on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders or government.
- ix. According to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer / debt instruments. The term loans have been applied for the purposes for which these were raised.
- x. Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- xi. The company is not a public company therefore, provisions of section 197 read with Schedule V of Companies Act, 2013 are not applicable to the company; hence provisions of clause (xi) of paragraph 3 of the Order are not applicable to the company.
- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given to us, transactions with the related parties are in compliance with section 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.



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- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures to which the provisions of section 42 of the Companies Act, 2013 are applicable; hence provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the company.
- xv. According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence the provisions of paragraph 3 (xvi) of the Order are not applicable.

For Kumar Chopra & Associates
(Chartered Accountants)

F.R.N. - 000131N



CA. Rajeev Jain

Partner

M. No.084478

Place: Kaushambi

Date: 19.08.2016

RISE PROJECTS PRIVATE LIMITED
Balance Sheet as at 31st March 2016

		(Amount in Rupees)	
Particulars	Note No	As at 31.03.2016	As at 31.03.2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
Share capital	1	136,271,250	136,271,250
Reserves and surplus	2	90,631,793	65,112,941
		<u>226,903,043</u>	<u>201,384,191</u>
2 Non-current liabilities			
Long-term borrowings	3	471,237,571	341,407,763
Long-term provisions	4	373,649	322,474
		<u>471,611,220</u>	<u>341,730,237</u>
3 Current liabilities			
Short-term borrowings	5	108,325,000	213,801,278
Trade payables	6	15,874,643	5,891,636
Other current liabilities	7	1,301,266,966	460,823,652
Short-term provisions	8	1,364	431,447
		<u>1,425,467,973</u>	<u>680,948,013</u>
TOTAL		<u>2,123,982,236</u>	<u>1,224,062,441</u>
II. ASSETS			
1 Non-current assets			
Fixed assets	9		
Tangible assets		23,194,758	14,659,506
Intangible assets		51,126	121,388
Deferred tax assets (Net)	10	1,746,646	706,184
Long-term loans and advances	11	1,057,178	2,244,423
		<u>26,049,708</u>	<u>17,731,501</u>
2 Current assets			
Inventories	12	901,251,468	634,988,776
Cash and cash equivalents	13	668,456,278	340,263,703
Short-term loans and advances	14	356,609,915	81,234,907
Other current assets	15	171,614,867	149,843,554
		<u>2,097,932,528</u>	<u>1,206,330,940</u>
TOTAL		<u>2,123,982,236</u>	<u>1,224,062,441</u>
Accounting Policies & Other Notes	25		

As per our report of even date
For Kumar Chopra & Associates
Chartered Accountants

CA. Rajeev Jain
Partner
(M.No. 084478)
Place: Delhi
Date: 19.08.2016



Swati Jain
Director
(DIN : 02916756)

Vaibhav Jain
Director
(DIN : 02916760)

Honey Agarwal
Company Secretary
(M.No. A26697)

RISE PROJECTS PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note No	(Amount in Rupees)	
		For the year ended 31.03.2016	For the year ended 31.03.2015
I Revenue from operations	16	620,523,170	619,131,394
II Other income	17	21,693,045	2,683,457
III Total Revenue (I+II)		642,216,215	621,814,851
IV Expenses:			
Cost of construction and other expenses	18	577,429,440	225,843,225
Change in inventories of work-in-progress	19	(266,262,692)	254,697,045
Employee benefits expense	20	38,207,834	12,937,855
Finance costs	21	90,584,335	24,888,121
Depreciation and amortization expense		8,994,177	5,302,012
Other expenses	22	150,977,916	41,474,127
Total expenses		599,931,010	565,142,385
V Profit before exceptional items and tax (III-IV)		42,285,205	56,672,466
VI Exceptional items		1,327,749	441,345
VII Profit before tax (V-VI)		40,957,456	56,231,121
VIII Tax expense:			
(1) Current tax		8,614,261	11,403,633
Less: Mat credit entitlement/(utilization)		(7,864,805)	9,383,187
Net Current Tax		16,479,066	2,020,446
(2) Deferred tax		(1,040,462)	16,034,139
IX Profit for the Year (VII-VIII)		25,518,852	38,176,536
X Earnings per equity share-Basic/Diluted	23	1.87	8.39
Additional information	24		
Accounting Policies & Other Notes	25		

As per our report of even date
For Kumar Chopra & Associates
Chartered Accountants

CA. Rajeev Jain

Partner

(M.No. 084478)

Place: Delhi

Date: 19.08.2016



Swati Jain

Director

(DIN : 02916756)

Vaibhav Jain

Director

(DIN : 02916760)

Honey Agarwal

Honey Agarwal

Company Secretary

(M.No. A26697)

RISE PROJECTS PRIVATE LIMITED
Notes to Balance Sheet

Note No	Particulars	(Amount in Rupees)	
		As at 31.03.2016	As at 31.03.2015
1	Share capital		
	Authorised (2,00,00,000 Equity Shares of Rs. 10/- each)	200,000,000	200,000,000
	Issued, Subscribed and Fully Paid (1,36,27,125 Equity Shares of Rs. 10/- each)	136,271,250	136,271,250
		<u>136,271,250</u>	<u>136,271,250</u>

1.1 Details of Shareholders holding more than 5% shares

	Number of shares		% of	
	2016	2015	2016	2015
B2C Realtors Pvt Ltd	5,151,284	5,151,284	37.80	37.80
Vaibhav Jain	3,165,647	3,165,647	23.23	23.23
Heartland City Developers Pvt Ltd	3,063,218	3,063,218	22.48	22.48
Swati Jain	2,246,970	2,246,976	16.49	16.49

1.2 The reconciliation of the number of shares outstanding is set out below:

Equity Shares at the beginning of the year	13,627,125	4,523,156
Add: Shares issued during the year		9,103,969
Equity Shares at the end of the year	<u>13,627,125</u>	<u>13,627,125</u>

2 Reserves and surplus

Securities Premium Reserve

Balance as per last Balance Sheet	64,596,375	57,768,397
Add: on issue of shares		6,827,978
	<u>64,596,375</u>	<u>64,596,375</u>

Surplus as per Statement of Profit and Loss

Balance as per last Balance Sheet	516,566	(37,659,970)
Add: Profit/(Loss) for the year	25,518,852	38,176,536
	<u>26,035,418</u>	<u>516,566</u>
	<u>90,631,793</u>	<u>65,112,941</u>

3 Long-term borrowings

Secured

i Deferred payment liabilities

(a) Municipal Corporation Faridabad (Company has been allotted residential land at Faridabad by Municipal Corporation Faridabad by virtue of which 25% of the allotment price has been paid at the time of allotment and balance amount is payable in 6 half yearly installments from financial year 2013-2014 onwards)	146,510,662	100,488,241
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RISE PROJECTS PRIVATE LIMITED
Notes to Balance Sheet

Note No	Particulars	(Amount in Rupees)	
		As at 31.03.2016	As at 31.03.2015
	(b) Ghaziabad Development Authority against Plot GH-3, Ghaziabad (Company has created first charge in favour of the authority on the 1483.65 sq mtr. Of covered area in Tower D from 9th floor to 17th floor comprising 9 units. Terms of repayment- The loan is payable in 8 quarterly installments starting from financial year 2016-2017 onwards)	17,339,448	-
ii	<u>Term loans from Banks</u>		
	(a) Axis Bank (Secured against exclusive first charge on entire project assets and receivables along with personal guarantee of directors and 2nd charge on project land and building located at Sector-41, Surajkund, Faridabad. Terms of repayment- The loan is repayable in 33 monthly installments starting from March 2016. Interest is charged @ BR+4.85% p.a)	297,124,373	234,800,000
	(b) ICICI Bank (Secured against hypothecation of car and is also guaranteed by the Directors of the Company; Terms of repayment- Loan is repayable in 60 monthly installments along with interest @ 10.15%. Loan will be fully repaid by March' 2019)	4,207,932	6,024,538
	(c) HDFC Bank (Secured against hypothecation of car and is also guaranteed by the Directors of the Company; Terms of repayment- Loan is repayable in 36 monthly installments along with interest @ 10.45%. Loan will be fully repaid by May' 2016)	-	94,984
	(d) HDFC Bank (Secured against hypothecation of car and is also guaranteed by the Directors of the Company; Terms of repayment- Loan is repayable in 60 monthly installments along with interest @ 10.11%. Loan will be fully repaid by May' 2020)	3,817,494	-
	(e) HDFC Bank (Secured against hypothecation of car and is also guaranteed by the Directors of the Company; Terms of repayment- Loan is repayable in 36 monthly installments along with interest @ 9.75%. Loan will be fully repaid by August' 2018)	1,118,831	-

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RISE PROJECTS PRIVATE LIMITED
Notes to Balance Sheet

Note No	Particulars	(Amount in Rupees)	
		As at 31.03.2016	As at 31.03.2015
	(f) HDFC Bank (Secured against hypothecation of car and is also guaranteed by the Directors of the Company; Terms of repayment-Loan is repayable in 36 monthly installments along with interest @ 9.75%. Loan will be fully repaid by August'2018)	1,118,831	-
		<u>471,237,571</u>	<u>341,407,763</u>
4	Long-term provisions		
	Provision for employee benefits	373,649	322,474
		<u>373,649</u>	<u>322,474</u>
5	Short-term borrowings		
	<u>Secured</u>		
	Overdraft from Indian Bank (Secured against Fixed Deposits)	-	11,243,591
	<u>Unsecured</u>		
	Loan repayable on demand from others	108,325,000	55,440,000
	Loans and advances from related parties		
	(i) Directors	-	5,187,687
	(ii) Other related parties	-	141,930,000
		<u>108,325,000</u>	<u>213,801,278</u>
6	Trade payables		
	Creditors for goods	1,368,830	-
	Creditors for expenses	14,505,813	5,891,636
		<u>15,874,643</u>	<u>5,891,636</u>
7	Other current liabilities		
	Current maturities of long-term debt	498,744,660	358,171,433
	Realisation under agreement to sale	527,583,649	-
	Interest accrued and due on borrowings	9,625,472	6,254,046
	Interest accrued but not due on borrowings	54,159	-
	Security retention	13,358,812	8,627,591
	Duties and taxes	13,103,618	7,518,440
	Other payables	238,796,596	80,252,142
		<u>1,301,266,966</u>	<u>460,823,652</u>
8	Short-term provisions		
	Provision for income tax	-	430,312
	Provision for employee benefits	1,364	1,135
		<u>1,364</u>	<u>431,447</u>

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RISE PROJECTS PRIVATE LIMITED

NOTE 9

FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK	
	Cost as at 01.04.2015	Additions during the year	Sales/ Adjustm ents during the year	Cost as at 31.03.2016	As on 01.04.2015	For the year	On Sales/ Adjustme nts	As on 31.03.2016	As on 31.03.2015
Tangible Assets									
Plant and Machinery	22,575	426,300	-	448,875	5,207	22,405	-	421,263	17,368
Office Equipment	1,269,157	1,671,537	(14,625)	2,955,319	475,093	712,592	68,689	1,836,323	794,064
Computers and Data Processing Units	783,876	1,597,878	-	2,381,754	279,609	869,599	-	1,232,546	504,267
Furniture and Fittings	1,647,409	702,913	-	2,350,322	202,089	525,928	(61,929)	1,560,376	1,445,320
Electrical Installations and Equipments	3,518,035	173,125	-	3,691,160	430,433	822,215	-	2,438,512	3,087,602
Motor Vehicles	13,639,405	12,887,414	-	26,526,819	4,828,520	5,992,561	-	15,705,738	8,810,885
TOTAL (A)	20,880,457	17,459,167	(14,625)	38,354,249	6,220,951	8,945,300	6,760	23,194,758	14,659,506
Intangible Assets									
Software	148,261	-	14,625	133,636	26,873	48,877	(6,760)	51,126	121,388
TOTAL (B)	148,261	-	14,625	133,636	26,873	48,877	(6,760)	51,126	121,388
GRAND TOTAL (A+B)	21,028,718	17,459,167	-	38,487,885	6,247,824	8,994,177	-	15,242,001	14,780,894
Previous Year	15,335,314	5,693,404	-	21,028,718	945,812	5,302,012	-	6,247,824	14,780,894

[Signature]

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Money Agreement



RISE PROJECTS PRIVATE LIMITED
Notes to Balance Sheet

Note No	Particulars	(Amount in Rupees)	
		As at 31.03.2016	As at 31.03.2015
10	Deferred tax assets (Net)		
	<u>Tax effect of items constituting deferred tax assets:</u>		
	On account of depreciation	1,646,651	606,189
	On account of expenses allowable in Income Tax	99,995	99,995
	Act on Payment Basis u/s 43B		
		<u>1,746,646</u>	<u>706,184</u>
11	Long-term loans and advances		
	<u>Unsecured, considered good</u>		
	Security deposits	1,057,178	2,244,423
		<u>1,057,178</u>	<u>2,244,423</u>
12	Inventories		
	Land and construction work-in progress	901,251,468	634,988,776
		<u>901,251,468</u>	<u>634,988,776</u>
13	Cash and cash equivalents		
	Balance with banks	219,273,132	9,576,589
	Cash on hand	54,007,283	5,462,114
	Fixed Deposits	123,547,283	325,225,000
	(Out of the above Fixed Deposits, Fixed Deposits of Rs. 5.00 crores held as Collateral against Axis bank Term loan and Fixed Deposits of Rs. 6.08 crores as DSRA against Term loan and Fixed Deposits of Rs. 0.02 crores are held as guarantees; previous year - Rs. 1.52 crores held as		
	Investment in mutual funds	271,628,580	-
		<u>668,456,278</u>	<u>340,263,703</u>
14	Short-term loans and advances		
	<u>Unsecured, considered good</u>		
	Advances to suppliers	12,486,362	33,495,643
	Advance to contractor	29,271,065	13,249,544
	Balance with revenue authorities	8,832,907	4,685,585
	MAT credit entitlement	1,518,382	9,383,187
	Prepaid expenses	226,759	420,948
	Other loans and advances*	304,274,440	20,000,000
		<u>356,609,915</u>	<u>81,234,907</u>
	*Other loans and advances include advance of Rs. 11.50 cr to related party (Previous year - Nil)		
15	Other current assets		
	Unbilled receivables	160,833,301	146,714,866
	Interest accrued on fixed deposits	10,778,566	3,122,688
	Unamortized expenses	3,000	6,000
		<u>171,614,867</u>	<u>149,843,554</u>

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RISE PROJECTS PRIVATE LIMITED
Notes to Statement of Profit and Loss

Note No	Particulars	(Amount in Rupees)	
		For the year ended 31.03.2016	For the year ended 31.03.2015
16	Revenue from operations		
	Sale of residential units	619,522,241	618,953,394
	Other operating revenues	1,000,929	178,000
		<u>620,523,170</u>	<u>619,131,394</u>
17	Other income		
	Interest income	14,958,834	2,507,126
	Net gain on sale of investments	6,720,913	72,761
	Other non-operating income	13,298	103,570
		<u>21,693,045</u>	<u>2,683,457</u>
18	Cost of construction and other expenses		
	Purchases of material & taxes	26,871,882	11,844,746
	Land, contract cost, labour and other charges	550,557,558	213,998,479
		<u>577,429,440</u>	<u>225,843,225</u>
19	Change in inventories of work-in-progress		
	<u>Work-in-progress</u>		
	Opening stock	634,988,776	889,685,821
	Closing stock	901,251,468	634,988,776
		<u>(266,262,692)</u>	<u>254,697,045</u>
20	Employee benefits expense		
	Salaries and wages	32,645,380	10,432,707
	Bonus	699,833	445,334
	Incentive	240,000	-
	Contribution to ESIC	82,626	-
	Contribution to Provident Fund	122,306	-
	Gratuity	51,404	323,609
	Staff welfare expenses	4,366,285	1,736,205
		<u>38,207,834</u>	<u>12,937,855</u>
21	Finance costs		
	Interest expense	90,324,767	24,888,121
	Loan processing charges	259,568	-
		<u>90,584,335</u>	<u>24,888,121</u>

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RISE PROJECTS PRIVATE LIMITED
Notes to Statement of Profit and Loss

Note No	Particulars	(Amount in Rupees)	
		For the year ended 31.03.2016	For the year ended 31.03.2015
22	Other expenses		
	Advertisement	43,214,709	7,117,823
	Business promotion	18,913,871	1,253,749
	Commission & Brokerage	36,623,492	12,802,708
	Legal & professional charges	25,491,881	5,757,069
	Electricity expenses	2,768,200	1,511,525
	Rent	4,770,400	4,989,065
	Repair & maintenance	2,772,715	1,702,623
	Housekeeping expenses	1,888,631	1,175,618
	Payment to Auditor	200,000	200,000
	Printing & Stationary	1,691,553	133,296
	Interest and penalty on statutory dues	1,240,998	51,147
	Insurance	543,585	56,337
	Donations	100,000	671,000
	Travelling & conveyance	7,089,037	1,839,496
	Capital issue expenses	-	907,367
	Miscellaneous expenses	3,668,844	1,305,304
		<u>150,977,916</u>	<u>41,474,127</u>
22.1	Payment to auditor		
	(i)As an auditor	200,000	200,000
		<u>200,000</u>	<u>200,000</u>
23	Earnings per equity share-Basic/Diluted		
i	Net Profit as Statement of Profit and loss attributable to Equity shareholders	25,518,852	38,176,536
ii	Weighted Average no. of equity shares used as denominator for calculating EPS	13,627,125	4,548,098
iii	Basic/ Diluted Earnings Per share	1.87	8.39
iv	Face Value per Equity share	10	10

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RISE PROJECTS PRIVATE LIMITED
Notes to Statement of Profit and Loss

Note No	Particulars	(Amount in Rupees)	
		For the year ended 31.03.2016	For the year ended 31.03.2015
24	Additional information		
	<i>Exceptional items</i>		
	Prior period expense	1,327,749	
		1,327,749	-
	<i>Expenditure in foreign currency</i>		
	Foreign travelling	3,370,623	
		3,370,623	-

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ACCOUNTING POLICIES AND OTHER NOTES

SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of Preparation of Financial Statements:** The financial statements of the Company have been prepared on accrual basis under the historical cost convention in accordance with Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.
2. **Use of estimates:** The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could be different from these estimates. The difference between the actual results and the estimates are recognized in the periods in which the results are known/materialize.
3. **Inventories:** Inventory of work-in-progress is valued at cost or net realizable value whichever is lower. Work-in-progress includes cost of land, cost of construction, development cost and other related expenses directly attributable to the construction/ development of the project as certified by the management. Further, interest on borrowed funds relating to the project is debited to the inventory.
4. **Revenue Recognition:**
 - i. The company is following the percentage of completion method of accounting for constructed residential units. Revenue is recognized, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including land as against the total estimated cost of the project under execution subject to construction costs being 25% or more of the total estimated cost. The estimates relating to saleable area, sales value, estimated cost etc. are revised by the management periodically. The effect of such changes to estimates is recognized in the period such changes are determined.
In accordance with Revised Guidance note issued by the Institute of Chartered Accountants of India, on 'Accounting for Real Estate Transactions (Revised 2012)', revenue recognition for all real estate projects commencing on or after 1 April, 2012 or where the revenue is recognized for the first time on or after 1 April 2012, revenue is recognized on percentage of completion method if (a) actual construction and development cost (excluding land cost) incurred is 25% or more of the estimated cost, (b) at least 25% of the saleable project area is secured by contracts or agreements with buyers and (c) at least 10% of the total revenue as per sales agreement or any other legally enforceable document are realized as at the reporting date.
 - ii. Interest income is accounted on accrual basis on time proportionate basis.
5. **Cost of construction/development:** Cost of construction /development (including cost of land) incurred is charged to the statement of profit and loss proportionate to project area sold. Costs incurred for projects which have not achieved reasonable level of development is carried over as construction work-in-progress.
6. **Unbilled receivables:** Unbilled receivables represent revenue recognized on 'Percentage of Completion Method' less amount due from customers as per payment plans adopted by them.
7. **Fixed Assets:** Fixed Assets are carried at cost less accumulated depreciation/amortization and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.
Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.
8. **Depreciation and Amortization:** Depreciation on fixed assets is provided on Written Down Value (WDV) Method on pro rata basis over the useful life prescribed in schedule II to the Companies Act, 2013 after considering salvage value of five percent of original cost. The Company has considered useful life of assets



same as prescribed in Schedule II to the Companies Act, 2013, except in respect of the following category of assets, in whose case life of assets is assessed as under:

Assets	Estimated Useful Life
Computer Software	5 years

9. Prior Period and Extraordinary Items: Significant items of Income and Expense which relate to prior accounting period and extraordinary items are accounted in Statement of Profit and Loss under the head "Exceptional Items" and "Extraordinary Items" other than those occasioned by events relatable to current year.
10. Investments: Long-term investments are carried out at cost, less provision for diminution, other than temporary, in the value of such investments. Cost of investments includes expenses directly incurred on acquisition of investments. Current investments are carried at lower of cost or fair value.
11. Employee Benefits:
 - a. The company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.
 - b. Gratuity benefit is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
 - c. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.
12. Foreign Currency Transactions:
 - a. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
 - b. Monetary items denominated in foreign currencies at the year-end are restated at year end rates. Non-Monetary foreign currency items are carried at cost.
 - c. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.
13. Borrowing Costs: Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and Loss.
14. Events occurring after the Balance Sheet Date are those significant events, both favorable and unfavorable, that occur between the balance sheet date and the date on which the financial statements are approved by the Board of Directors. Assets and liabilities are adjusted for such events which provide additional evidence to assist the estimation of amounts relating to conditions existing at the balance sheet date.
15. Provisions and Contingencies: A provision is recognized when the company has a present obligation as a result of past events 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. A provision is determined based on best estimate to settle the obligation at the Balance Sheet date and are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in notes forming part of the financial statements. Contingent assets are not recognized in the financial statements.
16. Taxes on Income: Income Taxes are accounted for in accordance with Accounting Standard 22 "Accounting for Taxes on Income". Tax expense comprises both Current Tax and Deferred Tax. Current Tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax assets are not recognized unless there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax assets and liabilities are offset if such items relate to taxes on income



levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred Tax assets and liabilities are reviewed at each Balance Sheet date for their realisability.

OTHER NOTES

1. Employee benefits:

(A) Defined Contribution Plan:

Amount recognized as an expense in the Statement of Profit and Loss in respect of Defined Contribution Plans (Provident and other funds) is Rs. 2.05 lakhs (Previous year NIL).

(B) Defined Benefit Plan:

- i. The Company has a defined benefit gratuity plan. The following tables summarize the components of net benefit expense recognized in the profit and loss account and the amounts recognized in the balance sheet for the plan as per actuarial valuation.

- a. Change in the present value of defined benefit obligation (DBO) during the year representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Year ended 31st March 2016 (in lakhs)	Year ended 31st March 2015 (in lakhs)
Present value of defined obligation at the beginning of the year	3.24	--
Interest cost	0.26	--
Current service cost	2.50	3.24
Benefits paid	--	--
Actuarial (gain)/loss	(2.25)	--
Present value of defined obligation at the end of the year	3.75	3.24

- b. Expense recognized in the Statement of Profit and Loss:

Particulars	Year ended 31st March 2016 (in lakhs)	Year ended 31st March 2015 (in lakhs)
Interest cost	0.26	--
Current service cost	2.50	3.24
Net Actuarial (gain)/loss recognized in the year	(2.25)	--
Expense to be recognized in the Statement of Profit and Loss	0.51	3.24

- c. Principal Actuarial Assumptions for Gratuity:

Particulars	Year ended 31st March 2016 (in lakhs)	Year ended 31st March 2015 (in lakhs)
Discount Rate	8% p.a.	8% p.a.
Salary Growth Rate	5% p.a.	5% p.a.
Withdrawal Rate	2% p.a.	10% p.a.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.



d. Experience adjustments:

Particulars	Year ended 31st March 2016 (in lakhs)	Year ended 31st March 2015 (in lakhs)
Experience Adjustment (Gain) /Loss for Plan liabilities	(2.25)	--

2. Contingent Liabilities:

Other Money for which the company is contingently liable	As at 31 st March 2016 (in crores)	As at 31 st March 2015 (in crores)
-Liability in respect of interest to Municipal Corporation of Faridabad	-	2.04

3. Particulars of Holding, Subsidiary and Associate Companies:

S.No	Name of Company	Country of Incorporation	Holding/Subsidiary/Associate
1.	B2C Realtors Pvt Ltd	India	Associate
2.	Heartland City Developers Pvt Ltd	India	Associate

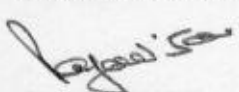
4. Related Party Disclosures as required by Accounting Standard 18 are given below:

Related Parties						
Key Management Personnel	Relatives of Key Management Personnel		Entities in which Key Management Personnel or Relatives of Key Management Personnel have control or significant influence			
a. Vaibhav Jain b. Swati Jain	-		Euphoria Developers Private Limited			
Transactions with Related Parties						
Nature of transaction	Key Management Personnel (Rs. in lacs)		Relatives of Key Management Personnel (Rs. in lacs)		Entities in which Key Management Personnel or Relatives of Key Management Personnel have control or significant influence (Rs. in lacs)	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Salary	66.00	--	--	--	--	--
Architect Consultancy fee	182.00	--	--	--	--	--
Loan given	--	--	--	--	740.70	--
Loan given received back	--	--	--	--	740.70	--
Balance outstanding of loan given as on 31 st March	--	--	--	--	--	--
Loan accepted	--	841.63	-	-	500.00	1,057.00
Repayment of loan accepted	51.88	812.63	-	-	1,919.30	1,488.75
Balance outstanding of loan accepted as on 31 st March	--	51.88	-	-	--	1,419.30
Advance for project	--	--	--	--	1150.00	--



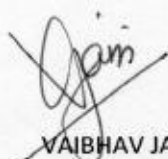
5. As per the information of the Company, there are no Micro, Small & Medium Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 to whom company owns any dues.
6. In opinion of the Board and to the best of their knowledge and belief, the value on realization of current assets and loan & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.
7. There is only Primary Business Segment and hence provisions of AS-17 are not applicable.
8. In the opinion of the management, there is no impairment in the value of any asset requiring any provision as per AS 28.
9. Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.
10. Figures are rounded off to the nearest rupee.

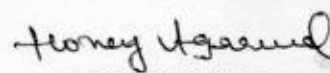
AS PER OUR REPORT OF EVEN DATE
FOR KUMAR CHOPRA & ASSOCIATES
CHARTERED ACCOUNTANTS


CA. RAJEEV JAIN
PARTNER
PLACE: DELHI
DATE: 19.08.2016




SWATI JAIN
DIRECTOR
(DIN: 02916756)


VAIBHAV JAIN
DIRECTOR
(DIN: 02916760)


HONEY AGARWAL
COMPANY SECRETARY
(M.No. A26697)