PRYD & Associates.

CHARTERED ACCOUNTANTS

Independent Auditor's Report

To the Members of
KONARK RAJHANS ESTATES PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of ***KONARK RAJHANS ESTATES PRIVATE LIMITED ("the Company")*** which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, 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 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 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 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, 2016, and its Loss and its Cash Flow 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"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "***Annexure* A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we 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, 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 written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of
PRYD & Associates
Chartered Accountants
(Firm's Regn. No.: 011626N)

(Rajiv Bansal)
Partner
Membership No: 099738

Panchkula, Haryana
1st September, 2016

"Annexure A" to the Independent Auditors' Report of even date on the Financial Statements of Konark Rajhans Estates Private Limited

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) The title deeds of immovable properties are held in the name of the company.

2) The management has conducted the physical verification of inventory at reasonable intervals. No material discrepancies were noticed on such physical verification.

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

4) In our opinion and according to the information and explanations given to us, the company has not entered into any transaction in respect of loans, investments, guarantees, and security covered under the section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iv) of the Order is not applicable to the Company.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) As informed to us, pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act.

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs,

Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

8) In our opinion and according to the information and explanations given to us, the Company has not taken any loans from banks, financial institutions or from the government and has not issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, no managerial remuneration has been paid or provided, hence this clause is not applicable;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of
PRYD & Associates
Chartered Accountants
(Firm's Regn. No.: 011626N)

(Rajiv Bansal)
Partner
Membership No: 099738

Panchkula, Haryana
1st September, 2016

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of Konark Rajhans Estates 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 Konark Rajhans Estates 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 Financial 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgement, 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial 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 unauthorised 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 changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of
PRYD & Associates
Chartered Accountants
(Firm's Regn. No.: 011626N)

(Rajiv Bansal)
Partner
Membership No: 099738

Panchkula, Haryana
1st September, 2016

KONARK RAJHANS ESTATES PRIVATE LIMITED
Balance Sheet as at March 31, 2016

Particulars	Note No.	(Amount In INR) Figures as at end of current reporting period	(Amount In INR) Figures as at end of previous reporting period
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	50,355,000	50,355,000
Reserves & Surplus	3	(4,612,200)	1,348,490
Non-current Liabilities			
Long - Term Borrowings	4	32,708,000	118,328,129
Current Liabilities			
Short - Term Borrowings	5	222,593,635	-
Other Current Liabilities	6	417,832,104	68,099,515
TOTAL		718,876,539	238,131,134
ASSETS			
Non - Current Assets			
Fixed Assets			
- Tangible Assets	7	2,861,009	3,198,629
Deferred Tax Assets (Net)	8	2,761,836	96,346
Other Non - Current Assets	9	525,000	-
Current Assets			
Inventories	10	678,866,700	208,223,953
Cash and Cash Equivalents	11	28,469,138	22,183,356
Short - Term Loans and Advances	12	5,273,884	4,267,919
Other Current Assets	13	118,972	160,931
TOTAL		718,876,539	238,131,134

Significant Accounting Policies and Notes on Financial Statements — 1

As per our report of even date

For PRYD & Associates
Chartered Accountants
Firm Regn No: 011626N

PRYD & ASSOCIATES Regd. No. 011626N New Delhi Chartered Accountants

(Rajiv Bansal)
Partner
Membership No : 099738

Place : Panchkula, Haryana
Dated : 01/09/2016

For and on behalf of the Board of Directors
Konark Rajhans Estates Private Limited

(Suresh Chandra Bhandari)
Director
DIN:07340368

(Ajay Goyal)
Director
DIN:01820740

(Rashmeet Kaur Bhatia)
Company Secretary
Membership No. A41868

KONARK RAJHANS ESTATES PRIVATE LIMITED
Statement of Profit & Loss for the year ended March 31, 2016

Particulars	Note No.	(Amount In INR) Figures as at the end of current reporting period	(Amount In INR) Figures as at the end of previous reporting period
Income			
Revenue from Operations	14	10,840,866	-
Other Income	15	2,110,542	-
Total Revenue		12,951,408	-
Expenses			
Cost of Sales	16	580,097	-
Employee benefits expenses	17	1,666,337	
Finance costs	18	11,538	-
Depreciation	7	601,740	-
Other expenses	19	18,717,876	-
Total Expenses		21,577,588	-
Profit/(Loss) before Exceptional and Extraordinary Items and Tax		(8,626,180)	-
Exceptional Items		-	-
Profit/(Loss) before Extraordinary Items and Tax		(8,626,180)	-
Extraordinary Items		-	-
Profit/(Loss) before Tax		(8,626,180)	-
Tax expense:			
- Current Tax			-
- Deferred Tax		2,665,490	-
Profit / (loss) for the year		(5,960,690)	-
<u>Earning per Equity Share (Face Value of INR-10/- each)</u>			
Basic & Diluted	20	(1.18)	-
Significant Accounting Policies and Notes on Financial Statements	1		

As per our report of even date

For PRYD & Associates
Chartered Accountants
Firm Regn No. 011626N

(Rajiv Bansal)
Partner
Membership No : 099738

Place : Panchkula, Haryana
Dated : 01/09/2016

For and on behalf of the Board of Directors
Konark Rajhans Estates Private Limited

(Suresh Chandra Bhandari)
Director
DIN:07340368

(Ajay Goyal)
Director
DIN:01820740

(Rashmeet Kaur Bhatia)
Company Secretary
Membership No. A41868

KONARK RAJHANS ESTATES PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

		(Amount In INR) Figures as at end of current reporting period	(Amount In INR) Figures as at end of previous reporting period
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax	(8,626,180)	-
	Add: Non Cash / Non Operating Expenses		
	Preliminary Expenses	9,000	-
	Depreciation	601,740	-
	Loss on Sale of Assets	174,976	-
	Interest Received/other Income	(2,107,892)	-
	Operating Profit before Working Capital Changes	(9,948,356)	-
	Adjustment for		
	Decrease/(Increase) in Inventory	(470,642,747)	(673,840)
	Decrease/(Increase) in Short Term Loans & Advances	(1,005,965)	(856,423)
	Decrease/(Increase) in Other Current Assets	32,959	-
	Decrease/(Increase) in Other Non- Current Assets	(526,000)	-
	Decrease/(Increase) in Short Term Borrowing	222,593,835	-
	(Decrease)/Increase in Other Current Liabilities	349,732,589	(34,802,808)
	Cash Generated from Operations	90,237,115	(36,333,071)
	Interest Paid	-	-
	Direct Taxes Paid	-	-
	Net Cash form Operating Activities	90,237,115	(36,333,071)
B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(749,096)	(393,382)
	Sale of Fixed Assets	310,000	-
	Decrease/(Increase in Investment)	-	5,427
	Interest Received	2,107,892	-
	Net Cash from Investing Activities	1,668,796	(387,955)
C)	CASH FLOW FORM FINANCING ACTIVITIES		
	Increase/ (Decrease) from Long-Term Borrowings	(85,620,129)	(13,761,622)
	Net Cash used In Financing Activities	(85,620,129)	(13,761,622)
	Net Increase In Cash & Equivalents (A+B+C)	6,285,783	(50,482,648)
	Net Cash & Cash Equivalents		
	Cash & Cash Equivalents at the Beginning of the year	283,356	50,766,004
	Cash & Cash Equivalents at the End of the year	6,569,138	283,356

For PRYD & Associates
Chartered Accountants
Firm Regn No. 011626N

Regd. No. 011626N New Delhi

(Rajiv Bhandari)
Partner
Membership No : 099738

Place : Panchkula, Haryana
Dated : 01/09/2016

For and on behalf of the Board of Directors
Konark Rajhans Estates Private Limited

(Suresh Chandra Bhandari)
Director
DIN:07340368

(Ajay Goyal)
Director
DIN:01820740

(Rashmeet Kaur Bhatia)
Company Secretary
Membership No. A41868

KONARK RAJHANS ESTATES PRIVATE LIMITED

NOTE – 1: NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016.

NATURE OF OPERATIONS

Konark Rajhans Estates Private Limited, a private limited company, is engaged primarily in the business of real estate development.

1. SIGNIFICANT ACCOUNTING POLICIES

A. **Basis of preparation of accounts & accounting concepts**
The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards notified by Companies (Accounts) Rules, 2014, (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with the accounting principles generally accepted in India. The accounting policy has been consistently applied by the Company.

B. **Use of estimates**
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events, plans and actions, actual results could differ from these estimates. Any revision to accounting estimates and assumptions are recognised prospectively.

C. **Tangible assets, Intangible assets and capital work in progress**
Tangible assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable / allocable cost of bringing the asset to its working condition for its intended use. The cost also includes direct cost and other related incidental expenses. Revenues earned, if any during trial run of assets is adjusted against cost of the assets.
Borrowing costs relating to acquisition / construction / development of tangible assets, intangible assets and capital work in progress which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

D. **Depreciation and amortization**
Tangible Assets

Depreciation is provided from the date the assets are ready to be put to use, on written down value method as per the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation method, useful life and residual value are reviewed periodically.

E. Valuation of Inventories

Inventories Includes Land other than the project land which is valued at cost or net realizable value whichever is less and Work in progress which is valued at cost which includes cost of land, license fees and other statutory charges, development cost and other expenses directly attributable to the project

F. Segment Reporting

The Company is primarily engaged in the business of real estate development. As the Company's business activity falls within a single primary business segment, the disclosure requirements of Accounting Standards (AS-17) "Segment Reporting" are not applicable.

G. Revenue recognition

Operating and Other Income are accounted on accrual basis.

H. Taxation

I) Deferred tax resulting from timing difference between book and tax profits is accounted for using the tax rates and laws that have been enacted as on the balance sheet date.

II) Deferred tax assets arising on the temporary timing differences are recognized only if there is reasonable certainty of realization.

I. Borrowing costs

Borrowing costs that are directly attributable to the acquisition / construction of qualifying assets or for long - term project development are capitalized as part of their costs.

Borrowing costs are considered as part of the asset cost when the activities that are necessary to prepare the assets for their intended use are in progress.

Other borrowing costs are recognized as an expense, in the period in which they are incurred.

J. Earnings per share

Basic earnings per share is calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

D & ASSOCIATES
Regn. No. 016260N
New Delhi
Chartered Accountants

KONARK RAJHANS ESTATES PRIVATE LIMITED
Notes on financial statements

	(Amount in INR) Figures as at end of current reporting period	(Amount in INR) Figures as at end of previous reporting period
Note 2 - Share Capital		
Authorised Share Capital:		
5,300,000 Equity Shares of INR10/- each (Previous Year 5,300,000 Equity Share of INR10/- Each)	53,000,000	53,000,000
Issued, Subscribed and Paid Up Share Capital:		
50,35,500 Equity Shares of INR 10/- each fully paid up (Previous Year 50,35,500 Equity Shares of INR10/- each fully paid up)	50,355,000	50,355,000
	50,355,000	50,355,000

Reconciliation of number of shares outstanding:

	No. of Shares	No. of Shares
Shares at the beginning of the Year	5,035,500	5,035,500
Add : Shares issued during the Year	-	-
Less : Shares cancelled on buy back of Equity Shares	-	-
Shares at end of the Year	5,035,500	5,035,500

Terms/Rights attached to Equity Shares
The Company has only one class of equity shares having par value of INR10/- per share. Each holder of equity shares is entitled to one vote per share.
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders

Details of shareholders holding more than 5% shares of the Company:

	F.Y 2015-16		F.Y 2014-15	
Name of Shareholders	No. of Shares	% hold	No. of Shares	% hold
Rajesh Goyal	805,680	16.00	805,680	16.00
Naresh Kumar Singla	1,299,700	25.81	1,299,700	25.81
Sandeep Aggarwal	459,750	9.13	459,750	9.13
Rajesh Kumar Vig	629,437	12.50	629,437	12.50
Ghanshyam Garg	650,500	12.92	650,500	12.92
Sanjeev Kumar Goyal	590,433	11.73	590,433	11.73
Shashi Prabha	300,000	5.96	300,000	5.96

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders, the above shareholding represents legal ownership of shares.

Note 3 - Reserves and surplus

Balance in Statement of Profit & Loss		
Opening Balance	1,348,490	1,348,490
Add: Profit/(Loss) During the Year	(5,960,690)	-
Less: Transfer to General Reserve	-	-
Closing Balance	(4,612,200)	1,348,490

Note 4 - Long Term Borrowings		
Deferred Credit Payable 25% of Principal amount has been secured by giving Bank Guarantee to DGTCP	439,901,000	-
Less: Amount payable within next 12 months	407,193,000	
	32,708,000	-

(Out of Deferred Credit Payable of Rs. [illegible]/- a sum of Rs. 81,77,000/- is secured against Bank Guarantee and Balance of Rs. 2,45,31,000/- is unsecured)

Notes on financial statements

	(Amount in INR) Figures as at end of current reporting period	(Amount in INR) Figures as at end of previous reporting period
Vehicle Loan		
Secured against Hypothecation of car	-	247,640
	-	247,640
Loans & Advances (Unsecured)		
- from Related Parties	-	84,537,737
- from others	-	33,542,752
TOTAL	32,708,000	118,328,129

Note 5 - Short Term Borrowings

Unsecured Loans		
Loans & Advances from Related Parties	42,439,586	-
Loans & Advances from Others	180,154,049	-
	222,593,635	-

Note 6 - Other Current Liabilities

Duties & Taxes	2,476,141	34,799
Sundry Creditors	7,983,889	68,008,124
Deferred Credit Payable (25% of Principal amount has been secured by giving Bank Guarantee to DGTCP)	407,193,000	-
Expense Payable	179,074	56,592
	417,832,104	68,099,515

Note 8 - Deferred Tax Asset

Deferred tax asset on Depreciation	163,123	96,346
Deferred tax asset on Carried forward losses	2,598,713	-
	2,761,836	96,346

Note 9 - Other Non - Current Assets

Fixed Deposit with Bank (Pledged with bank for issuance of Bank Guarantee in favour of VAT department)	500,000	-
Fixed deposit with Bank (Under Lien given as security deposit to the VAT department)	25,000	
	525,000	-

Note 10 - Inventories

Stock/Work in Progress		
Opening Balance	208,223,953	206,873,569
Add: Pre-Operative Expenses	-	1,350,384
Add: EDC/IDC	439,901,000	-
Add: Development & other cost	30,741,747	-
Closing Balance	678,866,700	208,223,953

Note 11 - Cash and cash equivalents

Cash in Hand	189,272	142,720
Balances with banks in Current Account	6,379,866	140,636
Other Bank Balance (Fixed deposit with maturity of more than 3 months but less than 12 Months)	21,900,000	21,900,000
	28,469,138	22,183,356

PRYD & ASSOCIATES Regd. No. 026N New Delhi Chartered Accountants

Notes on financial statements

	(Amount In INR) Figures as at end of current reporting period	(Amount In INR) Figures as at end of previous reporting period
Note 12 - Short Term Loans & Advances		
(Unsecured and considered good)		
Income tax deposited upto previous year	2,489,038	742,914
Service Tax Input	1,321,537	-
Prepaid Expenses	796,481	2,632,755
Advances to the suppliers	-	834,500
Refund Due (F.Y 2014-15)	202,687	-
Security Deposit	304,250	7,750
Others	159,991	50,000
	5,273,884	4,267,919
Note 13 - Other Current Assets		
Interest Accrued but not due	118,972	151,931
Preliminary Expenses	-	9,000
	118,972	160,931
Note 14 - Revenue from Operations		
Sale of Forms (net)	10,840,866	-
	10,840,866	-
Note 15 - Other Income		
Interest on Fixed Deposits with Bank	2,107,892	-
Miscellaneous Income	2,650	-
	2,110,542	-
Note 16 - Cost of Sales		
Purchases		
Opening Stock	-	-
Add: Additions during the year	566,087	-
Closing Stock	566,087	-
Add:- Direct Expenses	14,010	
	580,097	-
Note 17 - Employee Benefits Expenses		
Salary Expenses	1,474,678	
Staff Welfare Expenses	191,659	-
	1,666,337	-
Note 18 - Finance costs		-
Interest	11,538	-
	11,538	-

& ASSOCIATES Regd. No. 015326N New Delhi Chartered Accountants

Notes on financial statements

	(Amount In INR) Figures as at end of current reporting period	(Amount In INR) Figures as at end of previous reporting period
Note 19 - Other expenses		
Payment to Auditors:		
- Statutory Audit Fees	40,075	-
- Tax Audit Fees	17,175	-
- For Taxation Matters	3,435	-
Advertisement Expenses	14,799,005	-
Bank Charges	32,181	-
Commission Expenses	447,493	-
Electricity Expenses	97,895	-
Freight & Cartage	10,710	-
Fees & Subscription	18,286	-
Insurance Expenses	8,598	-
Legal & Professional Fees	285,665	-
Loss on of Sale of Fixed Asset	174,976	-
News Paper & Magazines	5,580	-
Office & General Expenses	236,429	-
Other Expenses	2,373	-
Postage & Courier	62,667	-
Preliminary Exp W/0	9,000	-
Printing & Stationary	89,498	-
Rent	759,840	-
Repair & Maintenance Expenses:	-	-
- Plant & Machinery	63,986	-
- Building	301,186	-
- Others	23,804	-
Filing Fees	20,300	-
Security Service Expenses	49,326	-
Sales and Marketing Expenses	745,908	-
Swach Bharat Cess	5,903	-
Telephone Expenses	68,062	-
Travelling & Conveyance Expenses	253,048	-
Vehicle Running & Maintenance	5,482	-
	18,717,876	-
Note 20 - Earning Per Share		
Profit/(Loss) during the year	(5,960,690)	-
No. of Shares	5,035,500	5,035,500
Earning Per Share	(1.18)	-

As per our report of even date

For PRYD & Associates
Chartered Accountants
Firm Regn No. 011626N

Rajiv Bajaj
Partner
Membership No. A098738

Place : Panchkula, Haryana
Dated : 01/09/2016

For and on behalf of the Board of Directors
Konark Rajhans Estates Private Limited

(Suresh Chandra Bhandari)
Director
DIN:07340368

(Ajay Goyal)
Director
DIN:01820740

(Rashmeet Kaur Bhatia)
Company Secretary
Membership No. A41868

KONARK RAJHANS ESTATES PVT.LTD.
Note No, "7" : FIXED ASSETS
AS AT 31ST MARCH, 2016

(Amount In INR)

	Gross Block				Depreciation			Net Block	
Particular	Original Cost (Rs.)	Addition During the Year	Deletion During the Year	As on 31/03/2016	Dep charges upto 31.03.2015	Dep for the Year 2015-16	Total as on 31/03/2016	WDV as on 01.04.2015	WDV as on 31st Mar 2016
TANGIBLE ASSETS:									
OWNED ASSETS									
Air Condition	385,530	67,200	120,586	352,144	152,607	49,924	202,531	232,923	149,613
Building	2,793,834	25,396	-	2,819,230	591,996	210,695	802,691	2,201,838	2,016,539
Car Ertiga	863,235	-	242,336	620,899	505,919	114,980	620,899	357,316	-
Computer	275,808	45,250	14,470	306,588	250,763	23,651	274,414	25,045	32,174
Cycle	5,773	-	3,776	1,997	1,478	519	1,997	4,295	-
Fan	22,595	-	3,112	19,483	7,263	2,329	9,592	15,333	9,891
Furniture & fittings	432,544	434,000	82,851	783,693	170,825	129,556	300,380	261,719	483,313
Office Equipments	255,736	157,250	17,844	395,142	155,576	70,088	226,653	100,160	169,478
Total	5,036,055	749,09[illegible]	484,975	5,300,176	1,837,426	601,740	2,439,166	3,198,629	2,861,009
Previous Year	5,035,055	-	-	5,300,176	1,066,035	771,391	1,837,426	3,970,020	3,198,629

21. **Contingent Liabilities & Capital Commitments:**
Contingent Liabilities: (To the extent not provided for)

	2016	2015
		(Amount in INR)
Income Tax matters (Pending in Appeals)	57,68,175/-	77,38,485/-
Capital Commitments:	Nil	NIL

22. **Related party disclosure in accordance with the Accounting Standard 18 are given hereunder:**

a. Related parties and nature of relationship:

I. **Directors & their relatives**

- Naresh Singla – Director
- Rajesh Goyal – Director
- Sandeep Aggarwal – Director
- Rajesh Kumar Vig-Director
- Sanjeev Kumar Goyal – Director

Relatives of Directors

- Kanta Goyal
- Kiran Gupta
- Poonam Goyal
- Ritesh Goyal
- Satpaul
- PR Bansal
- Ram Rakesh
- Ajit Kumar
- Rajesh Agarwal
- Vivek Mittal

II. **Enterprises over which Director exercises control & significant influence**

- Royal Palm Infratech Private Limited
- Progressive Realtors
- Shiva Bricks
- Barnala Builders & Properties Consultants

b. Transactions that have taken place during the year with related parties

	1-Apr-2015 to 31-Mar-2016				1-Apr-2014 to 31-Mar-2015			
Particular	Opening Balance	Transaction		Closing Balance	Opening Balance	Transaction		Closing Balance (Cr)
		Debit	Credit			Debit	Credit	
Unsecured Loans (Cr)								
Kanta Goyal	3,900,000	3,900,000	-	-	3,900,000	-	-	3,900,000

Kiran Gupta	315,750	337,063	21,313	-	315,750	-	-	315,750
Naresh Singla	1,808,000	1,808,000	-	-	1,808,000	-	-	1,808,000
Poonam Goyal	1,000,000	1,000,000	-	-	1,000,000	-	-	1,000,000
Progressive Realtors	-	-	8,100,000	8,100,000	-	-	-	-
Rajesh Goyal	8,442,500	-	-	8,442,500	8,442,500	-	-	8,442,500
Rajesh Kumar Vig	36,02,000	36,02,000	-	-	36,02,000	-	-	36,02,000
Ritesh Goyal	6,917,000	4,000,000	-	2,917,000	6,917,000	-	-	6,917,000
Sandeep Aggarwal	3,272,500	2,500,000	-	772,500	3,272,500	-	-	3,272,500
Sanjeev Kumar Goyal	1,250,000	2,550,000	1,300,000	-	1,250,000	-	-	1,250,000
Satpaul	129,600	129,600	-	-	129,600	-	-	129,600
Shiva Bricks	1,000,000	1,000,000	-	-	1,000,000	-	-	1,000,000
Royal Palm Infratech(P) Ltd.	50,032,387	49,032,387	3,759,586	4,759,586	50,032,387	-	-	50,032,387
PR Bansal	3,00,000	3,00,000	-	-	3,00,000	-	-	3,00,000
Ram Rakesh	4,50,000	4,50,000	-	-	4,50,000	-	-	4,50,000
Ajit Kumar	2,50,000	2,50,000	-	-	2,50,000	-	-	2,50,000
Barnala Builders & Properties Consultants	6,00,000	6,00,000	-	-	6,00,000	-	-	6,00,000
Rajesh Agarwal	3,00,000	-	-	3,00,000	3,00,000	-	-	3,00,000
Vivek Mittal	98,000	-	-	98,000	98,000	-	-	98,000
Total	8,36,67,737	7,14,59,050	13,180,899	2,63,89,586	8,36,67,737	-	-	8,36,67,737
Advance against property								
Progressive Realtors	-	-	17,050,000	17,050,000	-	-	-	-
Naresh Singla	870,000	870,000	-	-	870,000	-	-	870,000
Total	870,000	870,000	17,050,000	17,050,000	870,000	-	-	870,000

23. The Company has not received any information from suppliers or service providers, whether they are covered under Micro, Small and Medium Enterprises, (Development) Act, 2006. Therefore, it has not been possible to ascertain and disclose the information, if any, required under the Act.

24. In the opinion of Board of Directors, current assets, loans and advance appearing in the balance sheet as at March 31, 2016 have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

25. The value of Inventory as on 31/03/2016 includes the amount of EDC & IDC payable to Deptt. of Country and Town planning, Haryana whereas till the preceding previous year the same were not considered.

26. In the Statement of Profit & Loss, previous year's figures are not given as in the previous year Statement of Profit & Loss was not prepared.

27. Previous year figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current year's classification.

As per our report of even date	For and on behalf of the Board of Directors
For PRYD & Associates Chartered Accountants Firm Regn No. 011626N	Konark Rajhans Estates Private Limited
(Rajiv Bansal) Partner	(Suresh Chandra Bhandari) Director DIN: 07340368 (Ajay Goyal) Director DIN: 01820740
Membership No: 099738	
Place: Panchkula, Haryana Dated: 01/09/2016	(Rashmeet Kaur Bhatia) Company Secretary Membership.No.: A41868