

# Walker Chandiook & Co LLP

**Walker Chandiook & Co LLP**  
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## Independent Auditor's Report

To the Members of Dalmia Promoters and Developers Private Limited

## Report on the Financial Statements

1. We have audited the accompanying financial statements of Dalmia Promoters and Developers Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, 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

2. 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 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; 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

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. 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.
5. 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.



6. 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 controls 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 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.
7. 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

8. 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 31 March 2016, and its loss and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. Further to our comments in annexure A, 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 financial statements 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 (as amended);
  - e. on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
  - f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 25 May 2016 as per annexure B expressed unqualified.



# Walker Chandiok & Co LLP

- 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.

*Walker Chandiok & Co LLP*  
For **Walker Chandiok & Co LLP**  
(Formerly Walker, Chandiok & Co)  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

*Nitin Kohli*  
per **Nitin Kohli**  
Partner  
Membership No.: 507771



**Place :** New Delhi  
**Date :** 25 May 2016

# Walker ChandioK & Co LLP

**Annexure A to the Independent Auditor's Report of even date to the members of Dalmia Promoters and Developers Private Limited, on the financial statements for the year ended 31 March 2016**

## Annexure A

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

- (i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is 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 other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.  
(b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.



# Walker Chandiook & Co LLP

**Annexure A to the Independent Auditor's Report of even date to the members of Dalmia Promoters and Developers Private Limited, on the financial statements for the year ended 31 March 2016**

- (x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

*Walker Chandiook & Co LLP*  
For **Walker Chandiook & Co LLP**  
(Formerly Walker, Chandiook & Co)  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

*Nitin Kohli*  
per **Nitin Kohli**  
Partner  
Membership No.: 507771



Place : New Delhi  
Date : 25 May 2016

**DALMIA PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**Balance Sheet as at 31 March 2016**

	Note	2016 (₹)	2015 (₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	1,000,000	1,000,000
Reserves and surplus	3	<u>(102,072,107)</u>	<u>(82,492,181)</u>
		<u>(101,072,107)</u>	<u>(81,492,181)</u>
<b>Non-current liabilities</b>			
Other long-term liabilities	4	<u>12,456,379</u>	<u>12,456,379</u>
		<u>12,456,379</u>	<u>12,456,379</u>
<b>Current liabilities</b>			
Short-term borrowings	5	156,273,047	137,898,047
Trade payables			
Payable to micro enterprises and small enterprises	6A	-	-
Other payables	6B	107,721	91,006
Other current liabilities	7	<u>17,541,593</u>	<u>16,897,741</u>
		<u>173,922,361</u>	<u>154,886,794</u>
		<u>85,306,633</u>	<u>85,850,992</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Long-term loans and advances	8	<u>9,686,241</u>	<u>9,686,241</u>
		<u>9,686,241</u>	<u>9,686,241</u>
<b>Current assets</b>			
Current investments	9	-	-
Inventories	10	74,447,393	74,447,393
Cash and bank balances	11	<u>1,172,999</u>	<u>1,717,358</u>
		<u>75,620,392</u>	<u>76,164,751</u>
		<u>85,306,633</u>	<u>85,850,992</u>

The accompanying notes are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

*Walker Chandniok & Co LLP*  
**For Walker Chandniok & Co LLP**  
*(formerly Walker, Chandniok & Co)*  
Chartered Accountants

*Nitin Kohli*  
per Nitin Kohli  
Partner



Place : New Delhi  
Date : 25 May 2016

**For and on behalf of the Board of Directors**

*Ramesh Chandra Gupta*  
**Ramesh Chandra Gupta**  
Director  
(DIN - 7327339)

*Atul Goyal*  
**Atul Goyal**  
Director  
(DIN - 00010467)

**DALMIA PROMOTERS AND DEVELOPERS PRIVATE LIMITED**

**Statement of Profit and Loss for the year ended 31 March 2016**

	Note	2016 (₹)	2015 (₹)
<b>REVENUE</b>			
Other income	12	4,000	56,446
		<u>4,000</u>	<u>56,446</u>
<b>EXPENSES</b>			
Finance costs	13	18,948,518	16,884,706
Other expenses	14	635,408	172,914
		<u>19,583,926</u>	<u>17,057,620</u>
<b>Loss for the year</b>		<u>(19,579,926)</u>	<u>(17,001,174)</u>
Loss per share (Basic and diluted)	15	(195.80)	(170.01)

The accompanying notes are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

*Walker Chandiok & Co LLP*  
 For Walker Chandiok & Co LLP  
 (formerly Walker, Chandiok & Co)  
 Chartered Accountants

*Nitin Kohli*  
 per Nitin Kohli  
 Partner



Place : New Delhi  
 Date : 25 May 2016

For and on behalf of the Board of Directors

*Ramesh Chandra Gupta*  
 Ramesh Chandra Gupta  
 Director  
 (DIN - 7327339)

*Atul Goyal*  
 Atul Goyal  
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