

**INDEPENDENT AUDITOR'S REPORT****To the Members of M/s Lada Estate Pvt. Ltd.****Report on the Financial Statements**

- 1 We have audited the accompanying financial statements of M/s Lada Estate Pvt. Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and 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-**

- 2 The management and Board of Directors of the Company are 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 Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are 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. 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.
- 4 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 management and Board of Directors, as well as evaluating the overall presentation of the financial statements

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

#### Opinion

6. 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:-

- i) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2016;
- ii) in case of the Statement of Profit and Loss, of the loss for the year ended on that date
- iii) in case of the Cash Flow Statement, of the cash flows for the year ended on that date

#### Report on Other Legal and Regulatory Requirements

- 7 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 A a statement on the matters specified in paragraphs 3 and 4 of the Order.

- 8 As required by section 143(3) of the Act, we further 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 appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the applicable 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, and 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"; and
- g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014::
- (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; as such the question of commenting on any material foreseeable losses thereon does not arise
  - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise

For K. K. JAIN & CO.  
Chartered Accountants  
Firm Registration No.002465N

*Simmi Jain*

(Simmi Jain)  
Partner  
M. No.86496



Place: Delhi  
Date: 26.04.2016

**Annexure A referred to in paragraph 7 Our Report of even date to the members of M/s Lada Estate Pvt. Ltd. on the accounts of the company for the year ended 31st March, 2016**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) The Company had no fixed assets during the year.
- (ii) (a) Inventories have been physically verified by the management at reasonable intervals during the year.  
(b) No material discrepancies were noticed on verification of inventory.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act.
- (iv) The company has not advanced any loans nor made any investments or given any guarantee or security during the year.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act
- (vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Service Tax, duty of Custom, duty of Excise, Value added Tax, Cess and other statutory dues, as applicable, with the appropriate authorities in India:  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March, 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 and based on the records of the company examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Sales Tax, duty of Custom, duty of Excise, Value added Tax or Cess which have not been deposited on account of any disputes
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.



- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) No managerial remuneration has been paid/provided by the company. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For K. K. JAIN & CO.  
Chartered Accountants  
Firm Registration No.002465N

*Simmi Jain*

(Simmi Jain)  
Partner  
M. No.86496



Place: Delhi  
Date: 26.04.2016

LADA ESTATE PVT. LTD.  
Balance Sheet as at 31st March 2016

(Amt. in ₹)

Particulars	Notes	31-Mar-2016	31-Mar-2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	3.	100,000	100,000
(b) Reserves and surplus	4.	304,335	391,353
<b>Current liabilities</b>			
(a) Trade Payable	5.	216,507,686	215,161,319
(b) Other current liabilities	6.	128,221	15,112
(c) Short-term provisions	7.	-	53,117
<b>Total</b>		<b>217,040,242</b>	<b>215,720,901</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Deferred Tax Asset	8.	36,288	-
<b>Current assets</b>			
(a) Inventories	9.	216,834,471	215,698,733
(b) Cash and bank balances	10.	169,469	22,168
(c) Short-term loans and advances	11.	14	-
<b>Total</b>		<b>217,040,242</b>	<b>215,720,901</b>

Significant accounting policies

2

The notes referred above form an integral part of the financial statements.

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

For K. K. Jain & Co.  
Chartered Accountants  
Registration No.: 002465N

*Suman Jain*

Suman Jain  
Partner  
Membership No.: 086496



Place : New Delhi

Date : 26.4.2016

For and on behalf of the Board of Directors

*(Signature)*

(Satish Kumar Tyagi)  
Director  
00003431

*(Signature)*

(Devesh Nauriyal)  
Director  
02155830

*(Handwritten marks)*

LADA ESTATE PVT. LTD.  
Profit & Loss Accounts for year ended 31st March 2016

(Amt. in ₹)

Particulars	Notes	31-Mar-2016	31-Mar-2015
<b>Income:</b>			
Revenue from operation	12	-	20,951,775
Other Income	13	-	23,577
<b>Total revenue</b>		<b>-</b>	<b>20,975,352</b>
<b>Expenses:</b>			
Purchase of Inventory	14	1,135,738	1,217,045
Change in inventory	15	(1,135,738)	18,548,684
Finance cost	16	5,869	112
Other expenses	17	117,437	75,362
<b>Total expenses</b>		<b>123,306</b>	<b>19,841,203</b>
<b>Profit/ (Loss) before tax</b>		<b>(123,306)</b>	<b>1,134,149</b>
<b>Continuing operations</b>			
Profit from continuing operations before tax		(123,306)	1,134,149
Tax expense:			
- Provision for Current Tax			(264,994)
- Mat Tax			
- Deferred Tax		36,288	(85,458)
<b>Profit/ (Loss) from continuing operations after tax</b>		<b>(87,018)</b>	<b>783,697</b>
<b>Profit/(Loss) for the year</b>		<b>(87,018)</b>	<b>783,697</b>
<b>Earnings per share (₹)</b>	18		
Including discontinuing operations			
- Basic earning per share		(8.70)	78.37
- Diluted earning per share		(8.70)	78.37
Excluding discontinuing operations			
- Basic earning per share		(8.70)	78.37
- Diluted earning per share		(8.70)	78.37

Significant accounting policies

2

The notes referred above form an integral part of the financial statements.

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

For K. K. Jain & Co.  
Chartered Accountants  
Registration No: 002465N

*Simmi Jain*  
Simmi Jain  
Partner  
Membership No.: 086496



For and on behalf of the Board of Directors

*(Signature)*  
*(Signature)*  
(Satish Kumar Tyagi) (Devesh Nauriyal)  
Director Director  
00003431 02135830

Place: New Delhi  
Date: 26.4.2016

*(Signature)*