

## **INDEPENDENT AUDITOR'S REPORT**

**To The Members of Abhigyan Builders & Developers (P) Ltd.**

### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of Abhigyan Builders & Developers (P) Ltd. ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Company Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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 standalone Ind AS 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 standalone Ind AS 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 provision of the Act and the Rules made there under.

We conducted our audit of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.



E-14/14 Basement, Vasant Vihar  
New Delhi - 110057  
Tel. : 41023155, 41654097, 41518396  
E-mail : aja\_cas@yahoo.co.in  
Website : www.cajoshi.com

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures of the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "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 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, the Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.



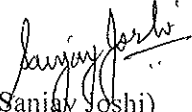
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f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the Company.
- iv. The company did not have any holdings or dealings in specified bank notes during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016 (Refer Note no. 22)

For Amit Joshi & Associates  
Chartered Accountants  
FRN No. 004898N

  
(Sanjay Joshi)  
Partner  
M. No. 084687



Place : New Delhi  
Date : 10.05.2017

**Annexure 'A' to the Auditor's Report on the accounts of Abhigyan Builders & Developers Private Limited for the year ended March 31, 2017 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 Companies Act, 2013**

- (i) The company does not have any fixed assets. Consequently clauses (i)(a), (i)(b) and (i)(c) of paragraph 3 of the order are not applicable.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies have been noticed.
- (iii) 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 Companies Act, 2013. Consequently clauses (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the order are not applicable.
- (iv) In respect of loans, investments, guarantees and security, wherever applicable, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The Company has not accepted deposits during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Consequently, this clause of paragraph 3 of the order is not applicable.
- (vi) According to the information and explanation given to us, the company is not required to maintain cost records specified by the Central Govt. under sub section (1) of section 148 of the Companies Act, 2013. Consequently, this clause of paragraph 3 of the order is not applicable.
- (vii) a. According to the records, the company has been generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sale tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities. There are no arrears of undisputed statutory dues as at March 31, 2017 which were outstanding for a period of more than six months from the date they became payable.  
b. There are no disputed dues, which have remained unpaid as on March 31, 2017 in respect of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax.

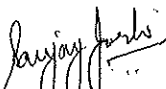


AMIT JOSHI & ASSOCIATES  
CHARTERED ACCOUNTANTS

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E-mail : aja\_cas@yahoo.co.in  
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- (viii) According to the records of the company and the information and explanations given to us, the company has not taken any loans or borrowings from financial institutions, bank, government or debenture holders. Consequently, this clause of paragraph 3 of the order is not applicable.
- (ix) According to the records of the company and the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Consequently, this clause of paragraph 3 of the order is not applicable.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company by its officers or employees noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the records of the company and the information and explanations given to us, the company has not paid or provided managerial remuneration during the year. Consequently, this clause of paragraph 3 of the order is not applicable.
- (xii) The company is not a Nidhi Company. Consequently, this clause of paragraph 3 of the order is not applicable.
- (xiii) According to the records of the company and the information and explanations given to us, all transactions with related parties during the year are in compliance with the provisions of section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the records of the company and the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Consequently, this clause of paragraph 3 of the order is not applicable.
- (xv) According to the records of the company and the information and explanations given to us, the company has not entered into any non cash transactions with directors or persons connected with him. Consequently, this clause of paragraph 3 of the order is not applicable.
- (xvi) According to the records of the company and the information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For Amit Joshi & Associates  
Chartered Accountants  
FRN No. 004898N

  
(Sanjay Joshi)  
Partner  
M. No. 084687



Place : Gurgaon  
Date : 10.05.2017

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ABHIGYAN BUILDERS & DEVELOPERS 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 Abhigyan Builders & Developers Private Limited. ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone 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.

***Auditor's 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 operate 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 include 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, uses or disposition of the company's assets that could have a material effect on the financial statements.



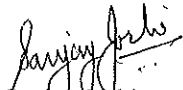
*Inherent Limitations of Internal Financial Controls Over Financial Reporting*

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, 2017, 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 Amit Joshi & Associates  
Chartered Accountants  
FRN : 004898N

  
Sanjay Joshi

(Partner)

M. No. 084687

Place : Gurgaon

Date : 10.05.2017



Abhigyan Builders & Developers Private Limited  
Balance Sheet as at March 31, 2017

( Amount in Rs.)

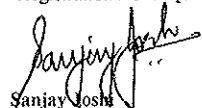
	Notes	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
Other non current assets	3	<u>407,731</u>	<u>407,731</u>	-
		407,731	407,731	-
<b>Current assets</b>				
(a) Inventories	4	215,434,305	286,350,617	286,350,617
(b) Financial assets				
(i) Cash and cash equivalents	5	<u>215,886</u>	<u>654,684</u>	<u>678,758</u>
		<u>215,650,191</u>	<u>287,005,301</u>	<u>287,029,375</u>
<b>Total Assets</b>		<u><u>216,057,922</u></u>	<u><u>287,413,032</u></u>	<u><u>287,029,375</u></u>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital	6	2,100,000	2,100,000	2,100,000
(b) Other equity		<u>(6,979,869)</u>	<u>(6,935,271)</u>	<u>(7,318,714)</u>
		<u>(4,879,869)</u>	<u>(4,835,271)</u>	<u>(5,218,714)</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
<b>(a) Financial liabilities</b>				
(i) Trade Payables	7	13,917	11,450	11,236
(ii) Other financial liabilities	8	220,920,541	258,399,436	258,399,436
(b) Other current liabilities	9	<u>3,333</u>	<u>33,837,417</u>	<u>33,837,417</u>
		<u>220,937,791</u>	<u>292,248,303</u>	<u>292,248,089</u>
<b>Total Equity and Liabilities</b>		<u><u>216,057,922</u></u>	<u><u>287,413,032</u></u>	<u><u>287,029,375</u></u>

Summary of significant accounting policies 2

See accompanying notes to the financial statements.

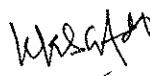
As per our report of even date attached

For and on behalf of  
Amit Joshi & Associates  
Chartered Accountants  
Registration No. 004898N

  
Sanjay Joshi  
Partner  
Membership No.084687



For and on behalf of the Board of Directors

  
Krishan Kumar Sheera  
Director  
DIN 06802349

  
Vikas Krishan Sharma  
Director  
DIN 03410194

Place : Gurgaon  
Dated : 10.05.2017

(U)



**Abhigyan Builders & Developers Private Limited**  
**Statement of Profit and Loss for the year ended March 31, 2017**

( Amount in Rs.)


Particulars	Notes	March 31, 2017	March 31, 2016
<b>REVENUE</b>			
Revenue from operation	10	70,916,312	-
Other Income	11	-	34,336
<b>Total</b>		<b>70,916,312</b>	<b>34,336</b>
<b>EXPENSES</b>			
(Increase)/Decrease in inventories of land	12	70,916,312	-
Other expenses	13	44,598	57,840
<b>Total</b>		<b>70,960,910</b>	<b>57,840</b>
Profit/(loss) before tax		(44,598)	(23,504)
Tax expense			
Current tax		-	-
MAT credit entitlement		-	404,297
Earlier periods tax		-	2,650
Profit/ (Loss) for the year/ previous year after tax		<b>(44,598)</b>	<b>383,443</b>
<b>Earnings per equity share</b>			
Basic and Diluted	14	(0.21)	1.83

**Summary of significant accounting policies**

See accompanying notes to the financial statements. 2

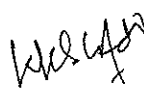
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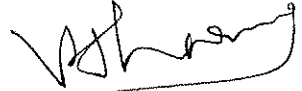
For and on behalf of  
**Amit Joshi & Associates**  
Chartered Accountants  
Registration No. 004898N

  
**Sanjay Joshi**  
Partner  
Membership No.084687



For and on behalf of the Board of Directors

  
**Krishan Kumar Sheera**  
Director  
DIN 06802349

  
**Vikas Krishan Sharma**  
Director  
DIN 03410194

Place : Gurgaon  
Dated : 10.05.2017



**Statement of Changes in Equity**  
Abhigyan Builders & Developers Private Limited  
Statement of Changes in Equity for the year ended March 31, 2017

**A. Equity Share Capital**

Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
2,100,000	-	2,100,000

Amount in rupees

**B. Other Equity**

	Share application money pending allotment	Equity component of compound financial instrument	Reserve and surplus			Debt instruments through Comprehensive Income	Equity Instruments through Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange difference on translating the financial	Other items of other comprehensive Income	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserve (specify nature)								
<b>Balance as at April 01, 2015</b>	-	-	-	-	-	-	-	-	-	-	-	-	(7,318,714)
Change in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting year	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the year 2015-16</b>	-	-	-	-	383,443	-	-	-	-	-	-	-	383,443
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other changes (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2016</b>	-	-	-	-	-	-	-	-	-	-	-	-	(6,935,271)
Change in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting year	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the year 2016-17</b>	-	-	-	-	-	-	-	-	-	-	-	-	(44,598)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other changes (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2017</b>	-	-	-	-	-	-	-	-	-	-	-	-	(6,979,869)

As per our report of even date attached

For and on behalf of  
**Amit Joshi & Associates**  
Chartered Accountants  
Registration No. 004898N

*Amit Joshi*  
Sanjay Joshi  
Partner  
Membership No. 084687



For and on behalf of the Board of Directors

*Krishan Kumar Sheera*  
Krishan Kumar Sheera  
Director  
DIN 06802349

*Vikas Krishan Sharma*  
Vikas Krishan Sharma  
Director  
DIN 03410194

Place : Gurgaon  
Dated : 19.05.2017

(A)

**Abhigyan Builders & Developers Private Limited**  
Cash Flow Statement for the year ended March 31, 2017

( Amount in Rs.)

Particulars	March 31, 2017	March 31, 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before tax and prior period items	(44,598)	(23,504)
Add : Adjustment for non-cash & other items		
Interest income from Kotak Mahindra Bank	-	(34,336)
<b>Operating profit before working capital changes</b>	<b>(44,598)</b>	<b>(57,840)</b>
<b>Add : Adjustment for working capital changes:</b>		
Increase/(Decrease) in current liabilities	(71,310,512)	214
(Increase)/ Decrease in current assets	70,916,312	-
<b>Cash generated from operations</b>	<b>(438,798)</b>	<b>(57,626)</b>
Less : Direct taxes paid (net of refunds)	-	(784)
<b>Net cash flow from operating activities</b>	<b>(438,798)</b>	<b>(58,410)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest received from Kotak Mahindra Bank	-	34,336
	-	34,336
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid on tax	-	-
	-	-
<b>Net Increase/(decrease) in cash and cash equivalents</b>	<b>(438,798)</b>	<b>(24,074)</b>
Cash and cash equivalents at the beginning of the year/ previous year	654,684	678,758
Cash and cash equivalents at the end of the year/ previous year	215,886	654,684
	<b>(438,798)</b>	<b>(24,074)</b>

This is the cash flow statement referred to in our report of even date

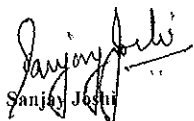
For and on behalf of

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Chartered Accountants

Registration No. 004898N

  
Sanjay Joshi  
Partner


Membership No.084687



  
Krishan Kumar Sheera

Director

DIN 06802349

  
Vikas Krishan Sharma

Director

DIN 03410194

Place : Gurgaon

Dated : 10.05.2017



**Abhigyan Builders & Developers Private Limited**  
**Notes to the Financial Statement for the year ended March 31, 2017**

**1. Corporate Information**

Abhigyan Builders & Developers Private Limited is a company incorporated under the provision Companies Act, 1956 read with relevant provision of Companies Act, 2013 on 15<sup>th</sup> September 2005. The company is primarily engaged in Real Estate Development.

**2. Summary of significant Accounting Policies**

**a) Basis of preparation of financial statement - First Time adoption of Ind AS**

These are the company's first financial statements prepared in accordance with Ind AS. The accounting policies have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statement for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (The company's date of transition).

The financial statements have been prepared under historical cost convention, on accrual basis, in accordance with the IND AS in India, and to comply in all material aspects with the accounting standards as per section 133 of Companies Act, 2013 read with rules made there under and the relevant guidance notes issued by the Institute of Chartered Accountants of India (ICAI)

The financial statements for the year ended March 31, 2017 were authorized and approved for issue by the Board of Directors on 10.05.2017 .

**b) Use of estimates**

The preparation of financial statements in conformity with IND AS requires management of the company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP. Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

**c) Financial Assets and Liabilities**

**Financial Assets**

Initial measurement is done at fair value (transaction cost is adjusted), which generally matches the transaction value of the receivable or loan. After initial measurement such financial assets are subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents consists primarily of bank balances. For carrying amount please refer note no-5.

**Financial Liabilities**

Financial liabilities which are non derivatives are initially measured at fair value ( transaction cost is adjusted) which normally corresponds to the amount received. Subsequent measurement is carried out at amortised cost using the effective interest rate method.

These consist of trade payables and deposit received against development agreement. For carrying amount Please refer note nos -7 and 8.



**Abhigyan Builders & Developers Private Limited**  
**Notes to the Financial Statement for the year ended March 31, 2017**

d) **Financial Risks and Capital**

In the course of its business of real estate development, the company is exposed to a number of financial risks: credit risk, liquidity risk and market risk.

Credit risk refers to a risk that the counterparty will default on its contractual obligations resulting in financial loss to the company. Credit risk arises on liquid assets, non current financial assets, derivative assets, trade and other receivables. The Company has cash and cash equivalents and other financial assets. In respect of cash and cash equivalents, the said amount is in current account with Scheduled Bank where chances of default are minimum.

Liquidity risk is the risk that the company may encounter difficulties in meeting its obligation associated with financial liabilities that are settled with delivering cash or other financial assets. The company does not foresee any liquidity problems as it has adequate inventories to back its financial liabilities.

Market risk refers to risk from movement in market prices that affects its assets and liabilities. The company is exposed to only changes in market price of inventory against which it has a development agreement in place on cost plus basis and as such there is no exposure to market risk.

e) **Capital Risk Management**

The company's capital management is driven by the impact on shareholders of the level of capital employed. It is the policy of the company to maintain a sound capital base to support the development of business. The company does not have any borrowings and the entire operations are funded through equity.

f) **Revenue recognition**

Revenue is recognized on accrual basis to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

g) **Inventories**

Inventory is valued at lower of cost or net realizable value as per IND AS 2.

h) **Earning per share**

Earnings per share is calculated by dividing net profit/(loss) for the year/ previous year attributable to equity share holders by weighted average no. of equity shares outstanding during the year/ previous year as per IND AS 33 on "Earning per share".

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**Abhigyan Builders & Developers Private Limited**  
Notes to the Financial Statement for the year ended March 31, 2017

	(Amount in Rs.)		
	March 31, 2017	March 31, 2016	April 01, 2015
<b>3) Other non current assets</b>			
Asset under current tax			
Income tax paid (net of income tax provision)	407,731	407,731	-
	<u>407,731</u>	<u>407,731</u>	<u>-</u>
<b>4) Inventories</b>			
Land (At Cost)	215,434,305	286,350,617	286,350,617
	<u>215,434,305</u>	<u>286,350,617</u>	<u>286,350,617</u>
<p>a) The Company has entered into Development Agreement in respect of land presently owned/ to be acquired by the Company, with certain developers. The Developer is required to obtain the required approvals/licences from Appropriate Authority for the same. In terms of the said Agreement, in case the required approvals/licences are not given by the Appropriate Authority, the Developer has the right but not the obligation to purchase the land presently owned/ to be acquired by the Company.</p> <p>b) Land admeasuring 3.30 acres located in village Begumpur Khatola, District Gurgaon had been compulsorily acquired by the Government of state of Haryana. The company for claiming further enhance compensation had filed RFA in Honorable High Court of Haryana &amp; Punjab at Chandigarh and simultaneously filed one execution petition before District Court Gurgaon for claiming compensation enhanced by District Court , Gurgaon. One referencepetition of village Begumpur Khatola is also filed for claiming enhanced compensation which is pending with LAC, Gurgaon.</p>			
<b>5) Cash and Cash Equivalents</b>			
Balance with Bank			
In Current account	215,886	654,684	678,758
	<u>215,886</u>	<u>654,684</u>	<u>678,758</u>

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Abhigyan Builders & Developers Private Limited  
Notes to the Financial Statement for the year ended March 31, 2017

(' Amount in Rs.)

6) Equity Share Capital

(A) The following details related to share capital of the company are as follows:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Authorised, Issued, Subscribed and paid-up share capital and par value per share			
<b>Authorised Share Capital</b>			
300,000 (previous year 300,000) equity shares of Rs.10/- each	3,000,000	3,000,000	3,000,000
	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>
<b>Issued, Subscribed and Paidup Share Capital</b>			
<b>During the year/ previous year</b>			
210,000 (previous year 210,000 equity shares) equity shares of Rs.10/- each fully paid up are held by Holding company DLF Home Developers Limited	2,100,000	2,100,000	2,100,000
<b>Net paid up equity shares 210,000 of Rs.10/- each</b>	<b>2,100,000</b>	<b>2,100,000</b>	<b>2,100,000</b>

(B) Reconciliation of number of equity shares outstanding at the beginning of the year and at the end of year:

Particulars	Share Nos.
Number of shares outstanding as at April 01, 2015	
Number of shares outstanding as at April 01, 2016	210,000
Number of shares outstanding as at March 31, 2017	210,000
Difference	Nil

(C) The company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.

(D) Shareholdings in the company of the holding company and ultimate holding co and their subsidiaries / associates in aggregate:

Class of shares	Share holder	Relation	March 31, 2017	March 31, 2016	April 01, 2015
Equity shares of Rs.10 each	DLF Home Developers Limited	Holding Company	210,000	210,000	210,000

(E) Shares in the company held by each shareholder holding more than 5% shares

Name of the shareholder	March 31, 2017		March 31, 2016		April 01, 2015	
	Number of shares held in the	Percentage of shares held	Number of shares held in the company	Percentage of shares held	Number of shares held in the company	Percentage of shares held
DLF Home Developers Limited	210,000	100	210,000	100	210,000	100

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**Abhigyan Builders & Developers Private Limited**  
**Notes to the Financial Statement for the year ended March 31, 2017**

( Amount in Rs.)			
	March 31, 2017	March 31, 2016	April 01, 2015
<b>7) Trade payables**</b>	13,917	11,450	11,236
Audit fee payable	<u>13,917</u>	<u>11,450</u>	<u>11,236</u>
**Based on the information available with the company, there are no dues outstanding in respect of Micro, Small and Medium enterprises at the balance sheet date. The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the company.			
<b>8) Other Financial Liabilities</b>	220,920,541	258,399,436	258,399,436
Deposit received under Development Agreement with related party	<u>220,920,541</u>	<u>258,399,436</u>	<u>258,399,436</u>
<b>9) Other Current Liabilities</b>	-	33,837,417	33,837,417
Receipts against compulsory land acquisitions	3,333	-	-
Statutory dues payable	<u>3,333</u>	<u>33,837,417</u>	<u>33,837,417</u>

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**Abbigyan Builders & Developers Private Limited**  
Notes to the Financial Statement for the year ended March 31, 2017

		( Amount in Rs.)	
		March 31, 2017	March 31, 2016
10) Revenue from operation			
Compensation received		70,916,312	-
		<u>70,916,312</u>	<u>-</u>
11) Other Income			
Interest received from Kotak Mahindra Bank		-	34,336
Interest on loan given		-	-
		<u>-</u>	<u>34,336</u>
12) (Increase)/Decrease in Inventories of land			
Opening stock		286,350,617	286,350,617
Less: closing stock		<u>215,434,305</u>	<u>286,350,617</u>
		<u>70,916,312</u>	<u>-</u>
13) Other Expenses			
Auditors remuneration			
Statutory audit fees		33,000	25,000
Service tax		4,950	3,575
Legal & professional charges		-	25,080
Fee & Taxes		6,500	4,000
Printing & stationary expenses		-	63
Miscellaneous expenses		148	122
		<u>44,598</u>	<u>57,840</u>
14) Earning per share			
Net Profit/(Loss) for the year/ previous year attributable to equity shareholders		(44,598)	383,443
Weighted average number of equity shares		210,000	210,000
Basic and diluted earnings per share of Rs. 10/- each		(0.21)	1.83

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**Abhigyan Builders & Developers Private Limited**  
Notes to the Financial Statement for the year ended March 31, 2017

15) Related party disclosures

A) Relationship

Information required to be disclosed under IND AS 24 on "Related Party Disclosures".

a. Holding company at any time during the year/ previous year:

DLF Home Developers Limited

b. Ultimate Holding company at any time during the year/ previous year:

DLF Limited

c. The following are other related entities at any time during the year with whom there were transactions during the year/ previous year:

DLF Commercial Projects Corporation

B) There were following transaction during the year/ previous year carried out with related parties in the ordinary course of business.

Description	Holding Company		Subsidiary, associates and other related entities	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Transaction during the year/ previous year				
Earnest money received against agreement to purchase of land				
DLF Commercial Projects Corporation	-	-	188,000,000	-
Earnest money refund/ debited				
DLF Commercial Projects Corporation	-	-	225,478,895	-

C) Balance at the end of the year/ previous year

Description	March 31, 2017		March 31, 2016	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Share Capital				
DLF Home Developers Limited	2,100,000	2,100,000	-	-
Amount Payable				
DLF Commercial Projects Corporation	-	-	220,920,541	258,399,436

- 16) The Company is engaged in the business of Real Estate, which as per IND AS 108 on "Segment reporting" is considered to be the only reportable business segment. The Company is operating only in India and there is no other significant geographical segment.
- 17) No provision for tax for the year has been made in the accounts as there is no taxable income under the provisions of the Income-Tax Act 1961. The Company follows notified IND AS 12 - Income Taxes, as per section 133 of Companies Act, 2013 read with rules made thereunder. The Company has carry forward business loss under the Income Tax Act 1961 and it is not determinable as to when it is likely to have the taxable income. Accordingly, as per IND AS 12, the deferred tax asset have not been recognized in these financial statements as it is not probable that taxable income will arise in the foreseeable future.
- 18) As per the information available with the Company, no transaction have been entered with suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Therefore, no disclosure are made as required under the said Act.
- 19) The company had transferred development rights in terms of development agreement with Developers including the assignee in respect of 4.42 acres of land for which the sale deed in favor of developers is yet to be executed. Company is still the title holder of the above land and accordingly have executed the mortgage on the request of the developer entity to enable the developer to avail loan facility from Standard Chartered Bank.
- 20) All security provided as disclosed in respective notes are provided for business purposes.
- 21) Detail of Specified Bank Notes (SBN) held and transacted during the period from 08<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 as provided in Table below:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	Nil	Nil	Nil
(+) Permitted receipts	Nil	Nil	Nil
(-) Permitted payments	Nil	Nil	Nil
(-) Amount deposited in banks	Nil	Nil	Nil
Closing cash in hand as on 30.12.2016	Nil	Nil	Nil

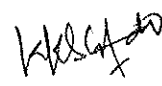
- 22) Figures of previous year have been regrouped / recast wherever considered necessary to make them comparable with that of current year.
- 23) Financial figures has been rounded off to the nearest rupee.

For and on behalf of  
Amit Joshi & Associates  
Chartered Accountants  
Registration No. 004898N

  
Sanjiv Joshi  
Partner  
Membership No.084687



For and on behalf of the Board of Directors

  
Krishan Kumar Sheera  
Director  
DIN 06802349

  
Vikas Krishan Sharma  
Director  
DIN 03410194

Place Gurgaon  
Dated : 10.05.2017

