

Independent Auditor's Report

To the Members of Lempo Buildwell Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Lempo Buildwell Private Limited** ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), 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 read with relevant rules issued thereunder.

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 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 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 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 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 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 31 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 of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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 statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
 - (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 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) 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; 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



- iv The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 23 to the Ind AS financial statements.

For K. K. JAIN & CO.
Chartered Accountants,
FRNo.002465N

Simmi Jain

(Simmi Jain)
Partner
M. No.86496

Place : Gurgaon
Dated: 11.5.17

A

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2017, 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.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- 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 2017 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 Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give 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.

Place : Gurgaon
Dated: 1.5.17



For K. K. JAIN & CO.
Chartered Accountants,
FRNo.002465N

Simmi Jain

(Simmi Jain)
Partner
M. No.86496

Annexure - B to the Auditors' Report

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 **Lempo Buildwell Private Limited** ("the Company") as of 31 March 2017 in conjunction with our audit of the Ind AS 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 ('ICAI'). 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 judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 31 March 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.

Place : Gurgaon
Dated: 11.5.17

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For K. K. JAIN & CO.
Chartered Accountants,
FRNo.002465N

Simmi Jain

(Simmi Jain)
Partner
M. No.86496

Lempo Buildwell Pvt Ltd.
Balance Sheet as at 31st March 2017

	Note	As at 31 March 2017 (₹)	As at 31 March 2016 (₹)	As at 1 April 2015
ASSETS				
Non-current assets				
a) Deferred tax assets (net)	3	141,145	130,973	96,376
b) Other non-current assets	4	799,997	799,997	799,997
		<u>941,142</u>	<u>930,970</u>	<u>896,373</u>
Current assets				
a) Inventories	5	234,114,102	234,114,102	234,109,608
b) Financial Assets				
Cash and cash equivalents	6	78,104	14,344	117,291
		<u>234,192,206</u>	<u>234,128,446</u>	<u>234,226,899</u>
		<u>235,133,348</u>	<u>235,059,416</u>	<u>235,123,272</u>
EQUITY AND LIABILITIES				
Equity				
a) Equity Share capital	7	100,000	100,000	100,000
b) Other Equity	8	(419,308)	(310,365)	(232,996)
		<u>(319,308)</u>	<u>(210,365)</u>	<u>(132,996)</u>
Current liabilities				
Financial Liabilities				
Trade Paybles	9	195,082,141	194,897,256	194,880,753
Other Financial Liabilities	10	40,370,515	40,370,515	40,370,515
Other Current Liabilities	11	-	2,010	5,000
		<u>235,452,656</u>	<u>235,269,781</u>	<u>235,256,268</u>
		<u>235,133,348</u>	<u>235,059,416</u>	<u>235,123,272</u>

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Summary of significant accounting policies

The accompanying notes 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 & Company
Chartered Accountants
FRN NO. 002465N

Simmi Jain

Simmi Jain
Partner
M. No. 086496



For and behalf on the Board of Directors

Rajeev Singh
Rajeev Singh
Director
02669832

Sanjay Bhardwa
Sanjay Bhardwa
Director
06487560

Place: Gurgaon
Date: 11.05.2017

Lempo Buildwell Pvt Ltd.

Statement of Profit and Loss for the Year ended 31st March 2017

	Note	Year ended 31 March 2017 (₹)	Year ended 31 March 2016 (₹)
EXPENSES			
Finance costs	12	-	229
Other expenses	13	119,115	111,737
		<u>119,115</u>	<u>111,966</u>
		(119,115)	(111,966)
Tax expense			
Deferred tax		10,172	34,597
(Loss) before Tax for the year/previous year		<u>(108,943)</u>	<u>(77,369)</u>
(Loss) for the year/previous year		(108,943)	(77,369)
Loss per share (₹) (Basic and diluted)	14	(10.89)	(7.74)
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

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

For K.K. Jain & Company
Chartered Accountants
FRN NO. 002465N

Simmi Jain
Partner
M. No. 086496



For and behalf on the Board of Directors

Rajeev Singh
Director
02669832

Sanjay Bhardwaj
Director
06487560

Place: Gurgaon
Date: 11.05.2017

Lempo Buildwell Pvt Ltd.
Cash Flow Statement for the year ended 31st March 2017

(Amount in Rs.)

Particulars	31.03.2017	March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net loss before tax	(119,115)	(111,966)
Add: Adjustment for non-cash and other items	-	-
Operating (loss) before working capital changes	<u>(119,115)</u>	<u>(111,966)</u>
Adjustment for working capital changes:		
(Increase) in inventory	-	(4,494)
Increase in trade payables	184,885	16,503
Cash Generated/(used) in operating activities	<u>65,770</u>	<u>(99,957)</u>
Direct taxes paid (net of refunds)	-	-
Net cash flow from/ (used in) operating activities	<u>65,770</u>	<u>(99,957)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of investment	-	-
Net cash used in investing activities	<u>-</u>	<u>-</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short term borrowings	-	-
Net cash flow from (used in) financing activities	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	<u>65,770</u>	<u>(99,957)</u>
Cash and cash equivalents at the beginning of the year/previous year	14,344	117,291
Cash and cash equivalents at the end of the year/previous year	<u>78,104</u>	<u>14,344</u>
	<u>63,760</u>	<u>(102,947)</u>

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

For and on behalf of
For K.K. Jain & Company
Chartered Accountants
FRN NO. 002465N

Simmi Jain

Simmi Jain
Partner
M. No. 086496



For and on behalf of the Board of Directors

Rajeev Singh

Rajeev Singh
Director
02669832

Sanjay Bhardwaj
Sanjay Bhardwaj
Director
06487560

Place: Gurgaon
Date: 11.05.2017

(Signature)

Lempo Buildwell Pvt Ltd.
Notes to the Financial Statement for the year ended March 31, 2017

1. Corporate Information

Lempo Buildwell Private Limited is a company incorporated under the provision Companies Act, 1956 read with relevant provision of Companies Act, 2013 on 03rd April 2007. 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 11.05.2017 .

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 Ins 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- 6.

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 -9 and 10.

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.



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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 and non-current financial assets. The company does not have any of the above assets and hence it is not exposed to any credit risk. In respect of cash and cash equivalents, the said amount is in current account with Scheduled Bank where chances of default are minimum. The maximum exposure to credit risk is equal to the carrying amount of the company's financial Assets.

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) **Tax Policy**

Provision for tax for the year comprises current income tax and deferred tax. Current income tax is determined in respect of taxable income with deferred tax being determined as the tax effect of timing differences representing the difference between taxable income and accounting income that originate in one year, and are capable of reversal in one or more subsequent year. Such deferred tax is quantified using rates and laws enacted or substantively enacted as at the end of the financial year.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

i) **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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Lempo Buildwell Pvt Ltd.

Summary of significant accounting policies and explanatory information for the year ended 31st March 2017

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
NON CURRENT ASSETS			
3. DEFERRED TAX ASSETS (NET)			
Deferred tax asset arising on account of:			
Business losses	141,145	130,973	96,376.00
	<u>141,145</u>	<u>130,973</u>	<u>96,376</u>
4. OTHER NON-CURRENT ASSETS			
Advances for land purchase	799,997	799,997	799,997
	<u>799,997</u>	<u>799,997</u>	<u>799,997</u>
CURRENT ASSETS			
5. INVENTORIES			
Land, plots, development and construction work in progress	234,114,102	234,114,102	234,109,608
	<u>234,114,102</u>	<u>234,114,102</u>	<u>234,109,608</u>
FINANCIAL ASSETS			
6. CASH AND CASH EQUIVALENTS			
Balances with Schedule bank			
-in current account	78,104	14,344	117,291
	<u>78,104</u>	<u>14,344</u>	<u>117,291</u>



Lempo Buildwell Pvt Ltd.

Summary of significant accounting policies and explanatory information for the year ended 31st March 2017

EQUITY 31 March 2017 31 March 2016 As at 1 April 2015

7. EQUITY SHARE CAPITAL

(A) Authorised, issued, subscribed and paid-up share capital and par value per share

	31 March 2017	31 March 2016	As at 1 April 2015
Authorised			
20,000 (previous year - 20,000) equity shares of ₹ 10 each fully paid	200,000	200,000	200,000
	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Issued, subscribed and paid-up share capital			
10,000 (previous year - 10,000) equity shares of ₹ 10 each fully paid	100,000	100,000	100,000
	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

(B) Reconciliation of numbers of equity shares outstanding at the beginning and at the end of the year/previous Year

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Equity shares						
At the beginning of the year/ Previous Year	10,000	100,000	10,000	100,000	10,000	100,000
Add : Change during the year/Previous Year	-	-	-	-	-	-
At the end of the year/ Year	<u>10,000</u>	<u>100,000</u>	<u>10,000</u>	<u>100,000</u>	<u>10,000</u>	<u>100,000</u>

(C) Rights, preferences and restrictions attached to equity shares :

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote

(D) Shareholding in the Company of the Holding Company, Ultimate Holding Company and their subsidiaries/ associates in aggregate:

Class of shares	Shareholder	Relation	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
			No. of shares	Amount	No. of shares
Equity Shares of face value of Rs.10 each	DLF Home Developers Limited*	Holding Company	10000	10000	10000

(E) Details of shareholders holding more than 5% shares in the company

Equity shares	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
DLF Home Developers Limited*	10,000	100%	10,000	100%	10,000	100%

* Note - Pursuant to sanction of Scheme of arrangement involving amalgamation of four companies and demerger of real estate undertaking of DLF Universal Limited with DLF Home Developers Limited vide Order dated 11.11.2016 of Hon'ble High Court of Delhi at New Delhi and Order dated 29.03.2016 of Punjab & Haryana at Chandigarh filed with ROC on 25th November, 2016. The Company has become Wholly-owned Subsidiary of DLF Home Developers Limited.

31 March 2017 31 March 2016 As at 1 April 2015

FINANCIAL LIABILITIES

9. TRADE PAYABLES

Provisions / expenses payables / other trade payables	2,012,141	2,006,366	2,010,753
Others	-	20,890	-
Due to related parties:			
Subsidiary/fellow subsidiaries and other entities	193,070,000	192,870,000	192,870,000
	<u>195,082,141</u>	<u>194,897,256</u>	<u>194,880,753</u>

10. OTHER FINANCIAL LIABILITIES

Deposit received under development agreement with related party	40,370,515	40,370,515	40,370,515
	<u>40,370,515</u>	<u>40,370,515</u>	<u>40,370,515</u>

11. OTHER CURRENT LIABILITIES

Statutory Dues	-	2,010	5,000
	<u>-</u>	<u>2,010</u>	<u>5,000</u>



Lembo Buildwell Pvt Ltd.
Statement of Changes in Equity for the year ended 31st March 2017

B. A. EQUITY SHARE CAPITAL

(Amount in ₹)

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


B. Other Equity

	Share application money pending allotment	Equity component of compound financial Instrument	Reserve and surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange difference on translating the financial statements of a foreign operation	Other items of other comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserve (specify nature)	Retained Earnings								
Balance as at April 01, 2015	-	-	-	-	-	(232,996)	-	-	-	-	-	-	-	(232,996)
Change in accounting policy or prior year errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year 2015-16	-	-	-	-	-	(77,369)	-	-	-	-	-	-	-	(77,369)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other changes (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2016	-	-	-	-	-	(310,365)	-	-	-	-	-	-	-	(310,365)
Change in accounting policy or prior year errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year 2016-17	-	-	-	-	-	(108,943)	-	-	-	-	-	-	-	(108,943)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other changes (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2017	-	-	-	-	-	(419,308)	-	-	-	-	-	-	-	(419,308)

As per our report of even date attached

For K.K. Jain & Company
Chartered Accountants
FRN NO. 002465N

Sirvi Jain
Simmi Jain
Partner
M. No. 086496



Place: Gurgaon
Date: 11.05.2017

For and on behalf of the Board of Directors

Rajeev Singh
Rajeev Singh
Director
02669832

Sanjay Bhardwaj
Director
06487560

(Signature)

Lempo Buildwell Pvt Ltd.

Summary of significant accounting policies and explanatory information for the year ended 31st March 2017

	Year ended 31 March 2017	Year ended 31 March 2016
12. FINANCE COSTS		
Guarantee and bank charges	-	229
	-	229
13. OTHER EXPENSES		
Rates and taxes	1,806	961
Legal and professional	92,002	91,351
Miscellaneous expenses	7	
Auditor's remuneration - Audit fees	23,500	17,000
Service tax	1,800	2,425
	119,115	111,737
14. EARNING PER SHARE		
(Loss) for the year / Previous year attributable to equity shareholders	(108,943)	(77,369)
Weighted average of equity shares outstanding	10,000	10,000
Nominal value of equity share (₹)	10.00	10.00
Basic and diluted loss per equity share (₹)	(10.89)	(7.74)

(This space has been intentionally left blank)



Lempo Buildwell Pvt Ltd.

Notes to financial statements for the year ended March 31, 2017

15 Earnings per share

	As at 31 March 2017	As at 31 March 2016
	₹	₹
Net (Loss) for calculation of basic earning per share		
- From continuing operations	(108,943)	(77,369)
Net (Loss) for calculation of diluted earning per share		
- From continuing operations	(108,943)	(77,369)
Weighted average number of equity shares in calculating basic	-	-
Add: weighted average number of potential equity shares	-	-
Weighted average number of equity shares in calculating	10,000	10,000
Earnings per share (₹)		
From continuing operations		
- Basic Loss per share	(10.89)	(7.74)
- Diluted Loss per share	(10.89)	(7.74)

16 Related party disclosures

I) 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 Ltd *

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/Previous year (with whom there were balances or transactions during the Year/Previous year):
Rational Builders & Developers

II) There were following transactions during the Year/Previous year carried out with related parties in the ordinary course of business. Balances of related parties at the end of Year/Previous year is as also provided below:

Description	Holding Company		Joint Ventures and Associates / Other related entity	
	DLF Home Developers Limited*		Rational Builders & Developers	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Transaction during the period/Year				
Amount payable for Land Cost	200,000			
Balance at the end of the period/Year				
Equity share capital- DLF Home Developers Limited	100,000	100,000	-	-
Trade Payable	193,070,000	192,870,000	-	40,370,515

* Note - Pursuant to sanction of Scheme of arrangement involving amalgamation of four companies and demerger of real estate undertaking of DLF Universal Limited with DLF Home Developers Limited vide Order dated 11.11.2016 of Hon'ble High Court of Delhi at New Delhi and Order dated 29.03.2016 of Punjab & Haryana at Chandigarh filed with ROC on 25th November, 2016. The Company has become Wholly-owned Subsidiary of DLF Home Developers Limited.

17 Contingent Liabilities : NIL (Previous Year : NIL)

18 There are no foreign currency exposures outstanding as at the year end (previous year NIL).



Lempo Buildwell Pvt Ltd.

Notes to financial statements for the year ended March 31, 2017

- 19 In the opinion of the Board of Directors, assets other than property, plant and equipment and non current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- 20 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.
- 21 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.
- 22 Figures of previous year have been regrouped / recasted wherever considered necessary to make them comparable with that of current year.
- 23 Detail of Specified Bank Notes (SBN) held and transacted during the period from 08th November, 2016 to 30th 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

- 24 Financial figures has been rounded off to the nearest rupee.

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

Simmi Jain

Simmi Jain
Partner
Membership No.: 086496

Place: Gurgaon
Date: 11.05.2017



Rajeev Singh
Rajeev Singh
Director
02669832

For and on behalf of the Board of Directors

Sanjay Bhardwaj
Sanjay Bhardwaj
Director
06487560

(Signature)

ANNEXURE A

Acknowledgement of Receipt of DLF Group Audit Instructions for the year ended March 31, 2017

Kind attention: Neeraj Sharma/Manish Agrawal
Walker Chandiook & Co LLP
21st floor, DLF Square, Jacaranda Marg,
DLF Phase II, Gurgaon 122002, India

I acknowledge receipt of the DLF Group Audit Instructions in respect of **Lempo Buildwell Pvt. Ltd.** and confirm that:

1. We will be able to comply with the nature and the timing of these instructions;
2. We are aware that Walker Chandiook & Co LLP ("WCC"), will place reliance on the audited financial statements of **Lempo Buildwell Pvt. Ltd.** when performing its audit of the DLF Limited consolidated financial statements.
3. We are aware of the relevant financial reporting requirements for the financial statements and schedules to be filed with the SEBI Securities and Exchange Board of India and other regulatory authorities.
4. We are independent under the requirements of the Code of Ethics of the Institute of Chartered Accountants of India. (if any non-compliance, please report in Annexure C)
5. We are aware that the financial statements of **Lempo Buildwell Pvt. Ltd.**, on which we will report, are to be included in the consolidated financial statements of DLF Limited on which you will report and that our report will be relied on and may be referred to in WCC's report. Further, for the purpose of these consolidated financial statements of DLF Limited, the management shall undertake adjustments on the financial statements of **Lempo Buildwell Pvt. Ltd.** to make them consistent with the requirements of the group accounting policies, if required.

In connection with the work that we will perform on the financial statements for the year ended March 31, 2017 of **Lempo Buildwell Pvt. Ltd.**, a subsidiary/associate/joint venture directly/indirectly held by DLF Limited Group, we confirm the following:

1. Our quality control system complies with Indian Standard on Quality Control, remedial action is taken promptly in relation to issues identified in the monitoring program, and there are no issues from recent monitoring reports that are likely to have a significant effect on the work that we will perform.
2. We have the appropriate professional qualifications and competence sufficient to fulfill our responsibilities in the context of the audit of the financial statements.
3. We have an understanding of and will comply with the requirements of the Code of Ethics for Professional Accountants issued by the Institute of Chartered Accountants of India ("ICAI") including the independence requirements, national ethical requirements applicable to the reporting on the Group's financial statements, and the quality control policies and procedures as defined in your referral instructions.



4. We have an understanding of Indian Standards on Auditing and the additional procedures outlined by you in your referral instructions that you have informed us. We will ensure compliance with Indian Standards on Auditing to fulfill our responsibilities in the context of the audit of the consolidated financial statements and will conduct our work on the financial statements of **Lempo Buildwell Pvt. Ltd.** For the year ended March 31, 2017 in accordance such standards.
5. We have an understanding of the Group Accounting Policies and the additional requirements outlined by you in your referral instructions that you have informed us. We will ensure compliance with the applicable financial reporting framework sufficient to fulfill our responsibilities in the context of the audit of the consolidated financial statements.

For your information, our personnel assigned to the audit of the above-named company are:

Vishnu Article clerk

Simmi Jain Partner

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

Simmi Jain

(Simmi Jain)
Partner
M. No.86496




Date : 11.5.2017

ANNEXURE C

Questionnaire for consolidated entities of DLF Limited for the year ended March 31, 2017

(To be completed and returned in hard copy-duly signed and authenticated)

REPORTING ENTITY COVERED BY THIS QUESTIONNAIRE	Lempo Buildwell Pvt. Ltd.
Year ended:	31.03.2017
Name and Address of the auditors completing the questionnaire	Simmi Jain 184A, Garud Apartments, Pocket IV, Mayur Vihar Phase-1, Delhi-110091
Partner Contact	42448514
Signature and Stamp	 <i>Simmi Jain</i>
Date of Completion	11.05.2017

MODIFIED REPORT

If you have modified your report on the accounts, or intend to do so, please give details and background for the reasons for the modification below.

Nature of Modification	Impact on Financials	Management Comments
NIL	NIL	NIL
NIL	NIL	NIL

Issues relating to fraud and compliance with laws and regulations as required in section 4.3

Indicate below any items identified relating to fraud and compliance with laws and regulations, including your response and any additional procedures performed.

--

Errors corrected/uncorrected exceeding the materiality thresholds (as detailed out in section 2.2) as required in section 4.4

Description of errors	Amount in Rs. Crore	Impact on statement of profit and loss	Impact on balance Sheet
NIL	NIL	NIL	NIL

Summary of significant matters as required in section 4.7



Description of significant matter	Amount involved	Management Response	Auditor's conclusion
NIL	NIL	NIL	NIL

Summary of significant matters as required in section 4.9

These risks should include those noted during planning (i.e., during the risk assessment process) and any further risks noted during testing (i.e., during the further procedures).

Significant Risk/Matter/Assertion	Account Balance(s) Class(es) of Transaction or Disclosure(s) Affected	Procedures Performed	Risk Addressed (Yes/No)
NIL	NIL	NIL	NIL

Changes in accounting policy

Description of the change	Impact on profit and loss Account	Impact on balance sheet
NIL	NIL	NIL

Independence conflicts

Name of the Partner / Staff /Relative holding the Security	Relationship with you	Type of Security held by the individual	Co. in which security is held	No of units/securities held	Date since held
NIL	NIL	NIL	NIL	NIL	NIL

A. SIGNIFICANT MATTERS NOT COVERED BY THE QUESTIONNAIRE

Please indicate all matters of significant nature, which arose during the course of your audit and which have not been addressed in the answers to the questions in Section C of this annexure (where available, receipt of a copy of your final audit notes would be appreciated). Please also include any other matters, which you consider should be brought to our attention as group auditors.

B. EXPLANATIONS FOR SIGNIFICANT VARIANCES

Significant variations in balance sheet and statement of profit and loss items as mentioned below. Indicate if any items have been significantly affected by non-recurring or exceptional amounts/nature.

Analytical Procedures – Obtain the comparative statements of financial statements from management and perform analytical procedures on the same and provide to us in the same below mentioned format:

S. No.	Statement of Profit and Loss line items	Year ended March 31, 2017	Year ended March 31, 2016	Variance	Reasons for variance
1	NIL	NIL	NIL	NIL	NIL
2	NIL	NIL	NIL	NIL	NIL



S. No.	Statement of Profit and Loss line items	Quarter ended March 31, 2017	Quarter ended December 31, 2016	Variance	Reasons for variance
1	NIL	NIL	NIL	NIL	NIL
2	NIL	NIL	NIL	NIL	NIL

S. No.	Statement of Profit and Loss line items	Quarter ended March 31, 2017	Quarter ended March 31, 2016	Variance	Reasons for variance
1	NIL	NIL	NIL	NIL	NIL
2	NIL	NIL	NIL	NIL	NIL

S. No.	Balance Sheet line item	As at March 31, 2017	As at March 31, 2016	Variance	Reasons for variance
1	NIL	NIL	NIL	NIL	NIL
2	NIL	NIL	NIL	NIL	NIL

Document responses for fluctuations that meet the scopes noted below within the financial statements (based on materiality provided in section 2.2, for documenting variances scope should be taken as tolerable error mentioned in section).

C. QUESTIONNAIRE

This list has been prepared specifically to assist the engagement team for performing inquiries from the management of the DLF group entities in connection with the audit of financial statements for the year ended March 31, 2017. The purpose of this document is to assist the engagement team to laser focus effort with respect to each entity of the DLF Group such that the audit and consolidation process can be achieved efficiently and effectively.

Instructions

1. Answer each question "yes" or "no" and, if appropriate, provide additional information
2. The questions cover the year ended March 31, 2017 and accordingly your responses should consider any forecasted/projected transactions/events.
3. Typically, all questions listed in this document are applicable and therefore would require a response. However, should any question not be applicable to the subsidiary, please indicate the same in the column provided with a brief explanation as to why the question is not applicable.



Yes No N/A

1. All financial records and related data are made available to the team for verification?
2. Were there any communications from regulatory agencies (including income tax, services tax, PF, ESI/DTCP/ROC, any other regulatory authority) concerning noncompliance with or deficiencies in financial reporting practices?
3. Were there any material transactions during the period that have not been properly recorded in the accounting records/ information provided?
4. Whether any new transactions have necessitated the application of a new accounting principle?
5. Was there any fraud involving management or employees who have significant roles in internal control, or fraud involving others that could have a material effect on the financial information presented in the trial balance/ financial information provided?
6. Are there any plans or intentions that may materially affect the carrying value or classification of assets and liabilities?
7. Did any officer, shareholder, director, or key employee have any material direct or indirect ownership (other than through investment in publicly traded securities) or profit participation in any outside business enterprise with which the Company had significant transactions during the period?
8. Did any related parties have any material direct or indirect interest in any transaction to which the Company was or is to be a party (including sales and purchases during the period and loans, transfers, leasing arrangements and written or oral guarantees)?
9. Were there any amounts receivables from or payable to related parties as of the balance sheet date? If Yes, the same has been adequately disclosed in the consolidation template provided to the team for audit.
10. Has the Company guaranteed (in writing or orally) the loans of others, pledged any assets to secure loans of others or agreed to maintain compensating balances for the benefit of others?
11. Are there any violations or possible violations of laws or regulations whose effects should be considered for disclosure in the consolidated financial statements or as a basis for recording a loss contingency?
12. Are there any unasserted claims or assessments that your lawyer has advised you are probable of assertion and must be disclosed in accordance with Indian Accounting Standards?



- | | <u>Yes</u> | <u>No</u> | <u>N/A</u> |
|--|--------------------------|-------------------------------------|-------------------------------------|
| 13. Are there any lawsuits, major disputes, etc., with customers, vendors or others, or other liabilities or gain or loss contingencies (including those relating to oral guarantees) that are required to be accrued or disclosed in accordance with Indian Accounting Standards? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 14. Whether there are any plans to dispose off major assets or business segments? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 15. Whether there were any significant changes in business activities of the Company during the year? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 16. Whether there were significant changes in the design or operation of internal control over financial reporting and preparation of interim financial information subsequent to the proceeding audit or review. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 17. Whether there were significant changes in the design or operation of internal control over financial reporting. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 18. Whether the fixed assets have suffered a material impairment in value? If yes, whether adequate provision has been made in respect thereof? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 19. Are there any owned assets for which the Company does not have satisfactory title or any liens or encumbrances on any assets? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 20. Whether any events or conditions exist that may cast significant doubt on the entity's ability to continue as a going concern? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 21. Significant transactions occurring or recognized in the last several days of the period end. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 22. Are any receivables, inventory or other assets pledged as collateral, or are any receivables discounted, factored or sold in whole or part? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 23. Are there any aspects of any contractual agreements with which the Company has not complied and with which noncompliance would have a material effect on the financial information presented in the trial balance/ financial information provided? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 24. Are there any restrictions on the withdrawal of funds from bank accounts? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 25. Has the method of pricing inventory changed during the period? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 26. Capital asset converted to stock in trade? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 27. NRV of any stock expected to be below cost based on management assessment? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 28. Are there any unrecorded property additions or retirements during the period? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 29. Whether the interim financial information contains any known uncorrected misstatements? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 30. Has the method of computing depreciation changed during the period? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |



- | | Yes | No | N/A |
|--|--------------------------|-------------------------------------|--------------------------|
| 31. Has the Company entered into any major purchase commitments for inventory, property or other assets? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 32. Has the Company entered into new lease agreements or renewed any lease? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 33. Did the Company enter into any new loan agreements or modify any present agreements? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 34. Have there been any defaults or noncompliance of the terms and covenants of new or existing loan agreements? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 35. Has any individual personally guaranteed a loan to or agreed to maintain a compensating balance for the benefit of the Company? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 36. Has the Company entered into any employment contracts or deferred compensation agreements? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 37. Has the Company entered into any agreements to purchase or sell Company capital stock or modified any existing agreement? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 38. Have there been any Tax authorities examinations, or are there any known or possible tax claims? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 39. Has there been any change in the share capital structure of the Company during the year? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 40. Were there any stock or cash dividends, or did the Company issue any warrants, stock options or stock appreciation rights? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 41. Were there any changes in accounting principles/ accounting policies or the method of their application for financial reporting during the period as compared to the previous year? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 42. Were there any meetings of directors or stockholders for which minutes are not in the minute book or any matters of significance which might affect the consolidated financial statements or disclosures that were discussed at such meeting but omitted from the minutes? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 43. Are there any transactions or events projected/ expected subsequent to the balance sheet date that would require adjustment to or disclosure in the consolidated financial statements? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |



Yes No N/A

44. Are there any other matters/ events that have occurred during the quarter or projected/ expected to occur that would require adjustment to or disclosure in the consolidated financial statements?
45. If answer to the above question is yes, please ensure that gross accounting is being done in respect of such barter transaction by carrying out the valuation of the land to be given to the collaborator.
46. In respect of assets which qualify the definition of "Qualifying Assets", have you ensured appropriate interest capitalization as per Indian Accounting Standards?
47. Has the revenue being recognized on achievement of conditions as specified in accounting policies for revenue recognition using percentage of completion method?
48. In case the company has recognized a deferred tax asset in respect of carry forward tax losses or unabsorbed depreciation, are you satisfied as to the assumptions of virtual certainty as demonstrated by the Company on the basis of which the company expects to generate sufficient taxable income in future years?
49. In case of investments held by the Company, does the Company has a clear title to the investments held?
50. Any investments where the management foresees the risk of other than temporary diminution in carrying amount?
51. Have adequate provisions for diminution in value of long term investments provided for in the financial statements? If not, please give details.
52. Whether all current investments are valued at lower of the cost or net realizable value?
53. Has appropriate provision for bad and doubtful debts being created in respect of the long and Outstanding debtors?
54. Any events after the period end date that would have a material effect on the financial information under audit and, in particular, whether:
- (a) Any substantial commitments or uncertainties have arisen subsequent to the period end date;
- (b) Any significant changes in the share capital, long-term debt or working capital have occurred up to the date of inquiry; and
- (c) Any unusual adjustments have been made during the period between the period end date and the date of inquiry.



C.	QUESTIONNAIRE	
S.No.	Procedure	Yes/No/NA
	GENERAL	
1.	Please confirm that no limitations were placed on the scope of your examination.	No limitations were Placed
2.	Has the audit been performed in accordance with Standards on Auditing covering the following areas:	Yes
	(a) planning, controlling and recording; (b) accounting systems; (c) audit evidence; (d) internal controls; and (e) audit of financial statements?	Yes
3.	Have the fundamental accounting concepts of going concern, accruals, consistency and prudence been adhered to? If not, please provide details of the departures.	Yes
4.	Did you obtain from company officials a letter of representation in respect of all significant matters where subjective management judgment was important?	Yes
5.	In your opinion, are company's system of internal control:	
	(a) adequate in the circumstances of the company; and (b) effectively operated?	Yes
6.	Are there any weaknesses in the Company's systems that are so significant that in your opinion they should be brought to our attention? (A 'Yes' answer should be supported by a detailed memo listing out the weakness)	No
7.	If the answer to the question outlined above is yes, have you been able to apply sufficient audit procedures to compensate for the above weaknesses?	N.A.
8.	Did you carry out a review of events after the balance sheet date? Did this confirm that no amendments were required to the accounts and in particular that the going concern basis was appropriate? Please give the date up to which your review was carried out.	Yes
9.	If the appropriateness of the going concern basis is dependent on support by other group companies, please give details	No
10.	Are the accounting policies adopted consistent with those of previous years? If not, indicate the nature of change and the impact thereof in financials, if not disclosed separately in financials. (Format given above)	Yes
11.	Are you satisfied that all extraordinary/exceptional items have been disclosed in a manner so as to clearly reflect their impact on current year financial statements? If not, indicate briefly the nature of such items.	Yes
12.	Are you satisfied that contingencies and Post Balance Sheet events have been identified and properly treated?	Yes



13.	Are you satisfied that there are no charges pending against the company for alleged violations of the constitution of the company or any regulations or laws which, if decided adversely, would have a material effect on the state of affairs or financial statements for the year?	Yes
14.	Have confirmations of the matters in 13 above been obtained from the company's legal advisers?	N.A.
15.	In evaluating the fair presentation of the accounts, are you satisfied that the aggregate uncorrected misstatements identified during the audit is not material?	Yes
16.	If the Company has entered into any unusual or exceptional transactions with its directors or the directors of any affiliated companies, or companies in which they have an interest, please give details of the same.	No
17.	<i>Has there been any unusual or exception transactions such as huge advances paid to third parties, received from third parties broker advances etc. Please verify the underlying agreements and terms and conditions with specific response to this question.</i>	No
18.	Are you satisfied that you have been given all relevant information in respect of all contracts of a material nature that were effective during the year under audit or could give rise to further losses?	Yes
19.	Are you satisfied that <u>ALL</u> Commitments as required by the revised schedule VI has been identified and disclosed appropriately?	Yes
INVESTMENTS		
1.	Are you satisfied that the client has proper title to investments? If the investments of the company are held other than in the name of the company, please give details thereof.	There were no Investments during the year
2.	Did you obtain confirmations from third parties for investments held by them on behalf of the entity If not; indicate the aggregate carrying value of such investments.	N.A.
3.	Are you satisfied that provisions for diminution in value of long term investments are adequate? If not, please give details. Further are you satisfied whether all current investments are valued at lower of the cost or net realizable value	N.A.
4.	Are any Investments pledged with third parties? If yes, indicate the nature of investments pledged and the reasons for the same by way of a note.	N.A.
5.	Are there any significant restrictions on the right of ownership, realisability of investments or remittance of income and proceeds of disposal? If yes, the details should be disclosed by way of a note.	N.A.



INVENTORIES		
1.	Were the company's cut off procedures, at the year end adequate to ensure that inventories were accurately taken?	Yes
2.	Are you satisfied that the valuation of Inventory is consistent with the policies and methods as applied in the previous year?	Yes
3.	Ensure that only the costs incurred in bringing inventories to their present location and condition, e.g. those on designing a specific product been included in determining the cost of inventories.	Yes
4.	Ensure that all inventories comprising of finished good and completed projects have been valued at the lower of cost and NRV.	Yes
5.	Ensure that in case the entity has a project with no corresponding active development activity, no interest is being capitalized on the same.	Yes
6.	Are there any collaboration agreements entered into with land owners whereby DLF would be giving portion of developed project in consideration for the lands purchased? If yes, please ensure that gross accounting is being done in respect of such barter transaction by carrying out the valuation of the land to be given to the collaborator.	N.A.
7.	Are there any rented buildings lying in stocks? If yes, please mention the latest plans of the management regarding the sale of such stocks.	No
8.	Whether there is any slow moving items identified? Whether the team reviewed the physical verification process conducted by the Company?	No
9.	Ensure that capitalization of borrowing costs suspended during the extended periods in which active development is interrupted.	Yes
10.	Whether there is any revision in the external/internal development cost? If yes, have you ensured that the same has been properly dealt in the project cost?	No
11.	Whether any project of the Company is under dispute? If yes, have you ensured the recoverability of the cost incurred on such project?	No
12.	Have you ensured that project cost includes cost of land, cost of development rights, estimated construction and development cost of such properties?	Yes
13.	Have you reviewed reasonableness and completeness of the estimates of project cost for the projects of the Company?	Yes
14.	Whether during the year there is any revision of the project cost? Have you verified the reasonableness of such revision of project estimates?	N.A.
15.	Have you ensured that all common costs incurred for entire project has been appropriately allocated to respective phase wise PoCM;s which have being prepared?	Yes



1.	TRADE & OTHER RECEIVABLES Have you obtained independent evidence of the amount of Trade Receivables, and other receivables where appropriate, by direct confirmation with the parties concerned? If yes, were confirmation statements satisfactory or alternative procedures adopted with satisfactory statements? If confirmations were not received, indicate briefly the nature of alternative procedures adopted.	No Trade Receivables
2.	Did your procedures cover the following Year end Sales/ bookings cut off Scrutiny of after year end date credit notes to ensure that the year-end provision for credit is adequate	N.A.
3.	Are you satisfied that the provision for bad and doubtful debts is fair in the given circumstances and neither inadequate nor excessive? If not, indicate the extent of under/over provisioning.	N.A.
4.	If the debtors/receivables are hypothecated, has appropriate disclosure been made of the same? If not, the nature and extent of the third party rights should be disclosed.	N.A.
5.	Ensure that appropriate adjustments/provision is made for the long outstanding billed debtors based upon the scrutiny of the ageing report of such billed debtors.	Yes
6.	Have you ensured that segregation of receivables into billed and unbilled has been done as per the payment plan of the Company?	N.A.

	PREPAID & OTHER CURRENT ASSETS	
1.	Are you satisfied that the Prepaid & Other Assets are appearing in books at a value which is not less than the minimum value which the company can reasonably expect to recover in the normal course of business?	Yes
2.	In your opinion has adequate provision been booked against loans and advances recoverable, wherever required?	Yes
3.	In case the company has granted loans and advances to affiliated parties during the year, are you satisfied that the rate of interest and terms of such loans are not prejudicial to the interest of the company?	N.A.
4.	In respect of loans given by the company to affiliated parties, are the recoveries of interest and principal amounts being made as stipulated? If not, the extent of delay and the steps taken by the company for recovery of the same should be briefly indicated.	N.A.

	BORROWINGS	
1.	Have you verified the amount and terms of loans and borrowings by confirmation directly from the lenders?	There were no loans during
2.	Have you verified by reference to the Articles of Association or other relevant instruments that any restrictions imposed on the client by lenders have been observed?	N.A.
3.	Have you ensured that the Company's borrowings are within the overall limits as laid down by Articles of Association or the shareholders, wherever applicable?	N.A.
4.	If the Company has taken any loans, secured or unsecured, from affiliated parties, are you satisfied that the terms of such loan and the rate of interest are not prejudicial to the interests of the Company?	N.A.



5.	Have detailed disclosure as required by revised schedule VI been made in respect of each item of the following specified heads: a) The nature of security charges? b) Rate of interest? c) Amount payable within 12 months? d) Interest accrued and due under the appropriate sub-head? c) Loans which have been guaranteed by the director and/ or manager, together with aggregate amount of loans?	N.A.
6.	Have disclosures as required by revised Schedule VI in respect of borrowings been made?	N.A.

CASH AND BANK BALANCES		
1.	Did you obtain confirmation of all bank balances direct from the bank?	Yes
2.	Please confirm that the bank confirmations did not contain any other information that should be brought to our attention (E.g. facility guaranteed by the parent company)	Yes
3.	Verify all the bank reconciliation statements and inquire about the nature of reconciling items appearing in the statement.	Yes
4.	Obtain the subsequent bank statements and verify the clearances of the outstanding items. Inquire the reasons for non-clearance of the items in the statement.	Yes

TRADE AND OTHER PAYABLES		
1.	Did you test creditors' ledger balances with suppliers' statements? If not, give details of how you satisfied yourselves as to trade creditors.	Yes
2.	Have all differences between suppliers' statements and the company's records been satisfactorily explained and correctly accounted for?	N.A.
3.	Were satisfactory explanations received for debit balances?	N.A.
4.	Consider obtaining confirmations from the key suppliers/contractors? If sent, were confirmation results satisfactory or alternative procedures adopted with satisfactory results? If confirmations were not received, indicate briefly the nature of alternative procedures adopted.	N.A.
5.	At the balance sheet date, had the company any: a) significant purchase commitments for quantities in excess of requirements or at prices in excess of market value at that date; b) agreement to repurchase items previously sold; or significant sales commitments at prices expected to result in a loss?	No
6.	Are you satisfied that no significant liabilities have been omitted from the financial statements?	Yes
7.	Are you satisfied that provisions and accruals are sufficient at the year end? If not, indicate the extent such of under accrual.	Yes
8.	Is there adequate disclosure in the accounts of the nature and amount of unusual and/or substantial provisions?	Yes



LOANS AND ADVANCES		
1	Did you obtain an age-wise analysis of loans and advances and carry out an examination of the relevant records to obtain assurance about the validity, accuracy and recoverability of the outstanding balances?	Yes
2	Have we ensured that all land advances are appropriately secured by underlying properties/guarantees/other assets?	N.A.
3	Are you satisfied that all the loans & advances are secured. If not, whether any provision is required to be created in respect of any of the advances? In case provisions have been made, are you satisfied with the assumptions adopted and methodology applied by the management?	Yes
4	Consider obtaining confirmations from the parties to whom significant amounts were advanced? If sent, were confirmation results satisfactory or alternative procedures adopted with satisfactory results? If confirmations were not received, indicate briefly the nature of alternative procedures adopted.	No increase in advance
5	Are you satisfied that all the loans & advances are given in the normal course of business operations	Yes
6	Are you satisfied that, all the loans & advances given to related parties are adequately disclosed in the financial statements?	No such advance

STATEMENT OF PROFIT AND LOSS		
REVENUE		
1.	Have you ensured that revenue from sale of constructed properties is recognized based on the percentage of completion method (PoCM)?	No such Revenue during the financial year
2.	Have you ensured that revenue from sale of constructed properties or sale of plot and land recognized as per the duly executed signed agreement to sell /application form which containing all the silent terms of the agreement to sell?	Yes
3.	Have you ensured that sales booking data as per AR (sales data) system is reconciled with the general ledger?	Yes
4.	Have you ensured that early payment rebate has been considered as per GL balance for PoCM purpose?	Yes
5.	Have you ensured that no cheque is bounced where the initial payment is received from the customer? If yes, the same has been reversed for the purpose of total sold area considered in PoCM computation?	Yes
6.	Whether the company has significant cancellation in any project during the year due to the restructuring of the project plan? If yes, have you ensured that cost incurred on the project has been valued at the lower of cost or NRV?	N A
7.	Have you ensures that revenue gets recognized only in case projects which have all the necessary approvals in place?	Yes
8.	Have you ensured that all the transactions are in the ordinary course of business at an arm's length price. Specially, transactions with related parties and these are adequately disclosed in the financial statements ?	Yes
9.	Have you ensured that the requisite conditions for resumption of revenue recognized as enumerated in Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable) (GN on Real Estate (Ind AS))?	Yes



10.	Have you ensured that the revenue from sale of land and plots/income from investments/interest income/profit from sale of assets has been recognized as per as per the Indian Accounting Standards?	N A
11.	Have you ensured that contract revenue is measured at the fair value of the consideration received or receivable as guidance note on real estate transactions under Ind AS?	Yes

EXPENSES		
1.	Interest Are you satisfied that the Company has made appropriate provision in respect of interest cost for the year? Are you satisfied that the Company has made adequate capitalisation of interest cost during the year?	N A
2.	Payroll Are you satisfied that the Company has made appropriate provision in respect of bonus for the year? Are you satisfied that the Company has made appropriate provision in respect of retirement benefits for the year?	N.A.
3.	Have you ensured that cost write off has been done based on the percentage of actual sales value against the budgeted sales (i.e as per the matching principle)	N A
4.	Have you ensured that the company has recognized the loss on the first day in case of projects where estimated project cost exceeds the estimated revenue of the project?	N.A.
5.	Administrative and selling costs Are you satisfied that the Company has made appropriate provision as per the entity's operations in respect of the following costs: Brokerage Advertisement and publicity Business promotion Legal and professional Repairs and maintenance Administration expenses Are you satisfied that the Company has not charged any revenue expenditure to capital or vice-versa?	Yes
6.	Did you obtain all the agreements related to advertisement and Publicity?	N.A.
7.	Whether brokerage cost has been accrued for all the project as per the policy of the Company?	N.A.
8.	Are you satisfied that brokerage cost has not been charged to the project cost of the Company?	N.A.
9.	Whether advertisement and publicity cost has been accounted for on accrual basis?	N.A.



10.	Whether any barter transaction mentioned in the agreements, if yes, whether it has been properly accounted for as per the terms and condition of the said agreements.	N.A.
11.	Did you scan the business promotion expense ledger and ensure that costs have been incurred for business purposes only and no personal expenses have been debited to business promotion account?	N.A.

TAXATION		
1.	Do you agree with the company's assessment of the amount of tax payable on the profit for the year? If not, indicate the nature of differences and impact thereof on the amount of tax provision.	Yes
2.	Has the company accounted for all current and deferred taxation liabilities arising from the accounts now under audit?	Yes
3.	Have you ensured that the deferred tax assets /liabilities have been accounted for based on the enacted tax laws & rates as at the Balance Sheet date?	Yes
4.	In case the company has recognized a deferred tax asset in respect of carry forward tax losses or unabsorbed depreciation, are you satisfied as to the assumptions of virtual certainty as demonstrated by the Company on the basis of which the company expects to generate sufficient taxable income in future years?	Yes
5.	Have you reconsidered the appropriateness of carry forward of deferred tax assets in the light of developments during the year under audit? Does the current year tax expense include any charge on this account?	Yes
6.	In case of any demands made by the revenue authorities, which are being disputed by the company, have you ensured that adequate disclosure has been made respect thereof in the financials? If not, please provide details.	Yes

LITIGATIONS & OTHER MATTERS		
1.	Where material unresolved litigation or claims have been identified or where you believe they may exist, did you confirm directly with the company's solicitors?	No such matters noticed
2.	Based on your review of the events occurring after the Balance Sheet date, have you come across any event which would confirms the existence/non existence of Contingent Liabilities as at the Balance Sheet date? If yes, has the same been appropriately disclosed?	N.A.
3.	Please give details of any collaterals/guarantees (if not already disclosed in the financials): Provided by the company in respect of other companies, indicating the reasons therefore Provided by other companies in respect of the company.	N.A.
4.	Have we obtained an independent assessment of the litigation to substantiate management's view of the litigation/ matter.	No



GENERAL	
The engagement team should at a minimum make the following inquiries to the CFO and accounting manager (or their equivalent). Please provide a detailed memo documenting local management's responses to the following:	
➤ Whether there were significant changes in the design or operation of internal control over financial reporting and preparation of financial statements subsequent to the preceding audit. If changes in control occurred, observe the operation of the changed control and enquire about its effectiveness.	No
➤ Whether substantial contingent liabilities or commitments exist on the date of inquiry.	No
➤ Unusual or complex situations that may have an effect on the financial statements.	Nil
➤ Significant transactions occurring or recognized in the last several days of the reporting period.	Nil
➤ Significant deficiencies, including material weaknesses, in the design and operation of internal controls. ➤ Communications from regulatory agencies. ➤ Specifically document significant events that have occurred in the business unit (such as business combinations, disposal of a segment of a business, litigation or the development of other contingencies, changes in major contracts or customers, changes in accounting principles or the methods of applying them, trends and developments affecting accounting estimates such as allowances for bad debts and excess/obsolete inventories, old work in progress, and unearned income.)	Nil Nil Nil
➤ Whether unusual or related party transactions (including receivable and payable balances) exist. ➤ Where material unresolved litigation or claims have been identified or where you believe they may exist?	No N.A.
<p>SUBSEQUENT EVENTS REVIEW</p> <p>Our opinion on DLF's consolidated financial statement is proposed to be issued by mid of May, 2017. If at any given moment in the period between the issuance of your opinion and signing of consolidated financials, major subsequent events occur, please inform Neeraj Sharma or Manish Agrawal immediately. In view of the size and decentralized structure of the Group, this information is very important.</p> <p>Even if no material subsequent events occur, you should give a final clearance as of May 15, 2017 using the template in Attachment II (Subsequent Events Review).</p>	



LITIGATION, CLAIMS AND ASSESSMENTS

Standards on Auditing in India requires the engagement team to obtain evidential matter relevant to:

The existence of a condition, situation, or set of circumstances indicating an uncertainty as to the possible loss to the entity.

The period in which the underlying cause for legal action occurred.

The degree of probability of an unfavorable outcome.

The amount or range of potential loss.

The engagement team's procedures should specifically include the following:

Obtain from management a description and evaluation of litigation, claims, and assessments.

Examine documents in the client's possession, including correspondence and invoices from lawyers.

Obtain assurance from management that it has disclosed all unasserted claims as advised by legal counsel.

In case the client's attorney does not respond to or declines to respond to your legal confirmation request, please evaluate the nature and extent of alternative procedures that may mitigate the risk of non-receipt of the legal confirmations. The legal confirmation should be within one week of the report sign off date.

The legal confirmation letter should acknowledge the attorney's responsibility for advising the client as to the accrual or disclosure of unasserted claims and assessments.



Ind AS Questionnaire

		Yes	No	N/A
1.	Whether that impairment assessment for trade receivables/other current assets and loans and advances has been carried out appropriately and impairment losses, if any have been recorded in the Statement of Profit and Loss as per Ind AS 36, Impairment of Assets?			N.A.
2.	Have the borrowings been appropriately restated using the effective interest rate method prescribed by Ind AS 109?			N.A.
3.	Ensure that contract revenue is measured at the fair value of the consideration received or receivable as per the Guidance in Ind AS 11, Construction Contract. Have the disclosure requirements in the above said Ind AS been complied with?			N.A.
4.	Have the financial assets been valued at fair value/amortized cost as per the guidance of Ind AS 109?	YES		
5.	Are the results prepared as per the formats prescribed in Schedule III of the Companies Act, 2013 for Indian Accounting Standards ("Ind AS")?	YES		
6.	In respect of assets which qualify the definition of "Qualifying Assets", have you ensured appropriate interest capitalization as per Ind AS 23 on Borrowing cost?			N.A.
7.	Are there any lawsuits, major disputes, etc., with customers, vendors or others, or other liabilities or gain or loss contingencies (including those relating to oral guarantees) that are required to be accrued or disclosed in accordance with Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets?		NO	
8.	Have you ensured that the revenue for all the projects or project has been recognized in accordance with the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable) (GN on Real Estate (Ind AS))? Have you ensured Fair value of consideration received or receivable?			N.A.
9.	Is the presentation and disclosure for financial instruments in accordance with Ind AS 32, Financial Instruments: Presentation Ind AS 107 Financial Instruments: Disclosures?	YES		
10.	Have you followed the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards and Ind AS 1, Presentation of Financial Statements, Ind AS 27 Separate Financial Statements while preparation of the financial statements?	YES		
11.	Are the inventories recognized and subsequently measured/valued as per the guidance in Ind AS 2, Inventories?	YES		



12.	Has Investment Property and PPE been correctly classified and measured as per the guidance available in Ind AS 40, Investment Properties and Ind AS 16, Property Plant and Equipment?			N.A.
13.	Whether accounting and disclosure for the purpose of leases is in accordance with Ind AS 17, Leases?			N.A.
14.	Whether accounting and disclosure for the purpose of employee benefits is in accordance with Ind AS 19, Employee Benefits?			N.A.
15.	Whether the disclosure of related party transactions is in accordance with Ind AS 24, Related Party Disclosures?	YES		
16.	Detailed disclosure requirement to be ensured for Ind AS 107 (presentation and disclosure of financial instruments) and Ind AS 113 (fair value measurements).	YES		

Key Questions

17.	Whether you have taken status of advances for land and recoverability thereof?			N.A.
18.	Whether you have performed Cost Vs NRV analysis of the projects. Please provide us a memo for the same?			N.A.
19.	Whether you have checked the Status of pending litigations?			N.A.
20.	Whether completeness of provision for project cost incurrence has been ensured?			N.A.
21.	Whether project cost budget and estimates have been revalidated for any revisions required?			N.A.
22.	Whether all the revenue transactions are recorded on an arm's length price?	YES		
23.	Whether there are any cases of unusual discounts and other terms in the buyer purchase agreements? Have you discussed these with management?		NO	
24.	Are the loans given to group companies/ third parties as per the policies of the Group?			N.A.



Neeraj Sharma/Manish Agrawal
Walker, Chandiook & Co. LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurgaon-122002, India

Subsequent Events Letter

We have audited the financial statements of Lempo Buildwell Private Limited for the year ended March 31, 2017 and have issued our report thereon dated 11.05.2017. In accordance with the DLF Instructions for the year ended March 31, 2017, we have performed subsequent events review procedures from April 1, 2017 to May 20, 2017.

Based on the results of such procedures, nothing came to our attention that we believe should be reported to you.

This report is intended solely for the information and use of Walker, Chandiook & Co. LLP

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

Place: New Delhi
Date: 21.5.2017



Simmi Jain

(Simmi Jain)
Partner
M.No.86496

Annexure to subsequent events letter

Sl. No.	Particulars	Remarks
1.	Enquire of executives having responsibility for financial and accounting matters as to whether there have been any significant changes in the following since the balance sheet date	
	(a) The company's financial condition, business activities/operations, current trading and economic conditions.	NO
	(b) The status of items accounted for in the financial statements on the basis of estimates or tentative, preliminary, or inconclusive data;	NO
	(c) Material contingent liabilities or commitments;	NO
	(d) Equity capital, long-term debt and working capital;	NO
	(e) Any unusual adjustments recorded;	NO
	(f) Any other matters of significance (litigation, effect of changed legislation etc.)	NO
2.	In order to corroborate discussion with management and to identify any other significant post balance sheet events, review the following:	
	(a) The status of contingent gains or losses and other problem areas which were known at the balance sheet date and determine whether, in the light of subsequent knowledge and developments, their treatment in the accounts requires amendment;	No Contingent Gains or Losses
	(b) Latest management accounts, budgets and cash flow forecasts for unusual items and trends:	NA
	(c) Minutes of meetings of shareholders, directors, etc.	Reviewed
	(d) Collections on accounts receivable and credit memoranda issued for sales returns and allowances. See whether	NA



there is an important time lag in issuing credits.

(e) Register of charges:

NA

(f) Material journal entries;

No such entry

(g) Cash book.

No cash entry

3. Consider the appropriateness of the presentation of the accounts on a going concern basis. Give consideration to the effect of currency movements of a permanent nature, if any.

The company is a going concern.

4. If steps 2 to 4 above produce response that affect the accounts, including disclosures, where appropriate:

(a) Consider the need to obtain confirmation of changed circumstances from independent sources (lenders, solicitors, etc.); and

NA

(b) Obtain updated management representations.

5. For consolidated accounts, evaluate post balance sheet events identified by auditors of subsidiary and associated companies.

NA

