

YUVRAJ ASNANI & ASSOCIATES

CHARTERED ACCOUNTANTS

OFFICE:

F-6 LAJPAT NAGAR - III

NEW DELHI -110024

TELE. : 29836070

RESIDENCE:

A-87, LAJPAT NAGAR -II

NEW DELHI -110024

TELE. : 29832996

INDEPENDENT AUDITOR'S REPORT

To the Members of **M/s NELLIS BUILDERS & DEVELOPERS PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s NELLIS BUILDERS & DEVELOPERS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified Under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other regularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances.



An audit also include evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state affairs of the Company as at 31 March, 2017, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the companies (Auditor's Report) Order, 2016 ("The Order"), issued by the Central Government of India in terms of sub section of sub section (11) of Section 143 Companies Act, 2013, We give in the Annexure a statements on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable. As required by section 143(3) of the Act, we further report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- e. On the basis of written representation received from the directors as on April 1, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on April 1, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f. Company has in place and adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
- g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long term contracts including derivative contracts; for which there were any material aforesaid losses.
 - (iii) There were no amounts which were required to be transferred to Investor Education & Protection fund by the Company.

Place: New Delhi
Date: 17/5/17



For Yuvraj Asnani & Associates
Chartered Accountants
FRN: 007550N

Yuvraj Asnani

Yuvraj Asnani
(Prop.)

Membership No. 086438

M/s NELLIS BUILDERS & DEVELOPERS PRIVATE LIMITED

Annexure to the Auditor's Report

The Annexure referred to in our report to the members of Nellis Builders & Developers Private Limited for the year ended on 31st March, 2017. We report that

| S. No. | Particular | Auditor Remark |
|--------|--|--------------------|
| (i) | (a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets; | --Not Applicable-- |
| | (b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of accounts; | --Not Applicable-- |
| | (c) Whether the title deeds of immovable properties are held in the name of company. If not provide the details thereof; | |
| (ii) | Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account; | --Not Applicable-- |
| (iii) | Whether the company has 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. If so, | --Not Applicable-- |
| | (a) Whether the term and conditions of the grant of such loans are not prejudicial to company's interest; | --Not Applicable-- |
| | (b) Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular; | --Not Applicable-- |
| | (c) If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest; | --Not Applicable-- |
| (iv) | In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the companies Act, 2013 have been complied with. If not, provide the details thereof. | -Not Applicable- |
| (v) | In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable, have been complied with? If not, The nature of contraventions should be stated; if an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not | --Not Applicable-- |
| (vi) | Where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained. | --Not Applicable-- |
| (vii) | (a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax duty of customs, duty of excise, value added tax cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they become payable, shall be indicated; | ---Yes--- |



| | | |
|--------|---|--------------------|
| | (b) Where due of income tax or sales tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where disputed is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as dispute). | --Not Applicable-- |
| (viii) | Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided). | --Not Applicable-- |
| (ix) | Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purpose for which those are raised. If not, the details together with delays or defaults and subsequent rectification, if any, as may be applicable be reported; | --Not Applicable-- |
| (x) | Whether any fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year; if yes, the nature and the amount involved is to be indicated; | --Not Applicable-- |
| (xi) | Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the company Act? If not, state the amount involved and steps taken by the company for securing refund of the same; | --Not Applicable-- |
| (xii) | Whether the Nidhi Company has complied with the net Owned funds to deposits in the ratio of 1:20 to meet out the liability and whether the Nidhi Company is maintaining ten percent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability; | --Not Applicable-- |
| (xiii) | Whether all transactions with the related parties are in compliance with sections 177 and 188 of companies Act, 2013 where applicable and the details have been disclosed in the financial statement etc., as required by the applicable accounting standards; | ---Yes--- |
| (xiv) | Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the companies Act, 2013 have been complied with and the amount raised have been used for the purpose for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance; | --Not Applicable-- |
| (xv) | Whether the company has entered into any non company transactions with directors or persons connected with him and if so, whether the provisions of section 192 of companies Act, 2013 have been complied with; | --Not Applicable-- |
| (xvi) | Whether the company is required to be registered under section 45-IA of the Reserve bank of India Act, 1934 and if so, whether the registration has been obtained. | --Not Applicable-- |

For Yuvraj Asnani & Associates
Chartered Accountants
FRN: 007550N



Yuvraj Asnani
(Prop.)

Place: New Delhi

Date: 17/5/17

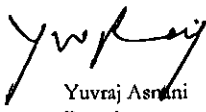
Nellis Builders & Developers Private Limited
Balance Sheet as at March 31, 2017

| | Note | As at March 31, 2017 (₹) | As at March 31, 2016 (₹) | As at April 1, 2015 (₹) |
|-----------------------------------|------|--------------------------------|--------------------------------|-------------------------------|
| ASSETS | | | | |
| Non current assets | | | | |
| (a) Non current investments | 3 | 1,00,000 | 1,00,000 | 1,00,000 |
| (b) Non current tax asset | 4 | 24,19,997 | 17,52,158 | 17,52,041 |
| | | <u>25,19,997</u> | <u>18,52,158</u> | <u>18,52,041</u> |
| Current assets | | | | |
| a) Financial Assets | | | | |
| (i) Short Term Loans and Advances | 5 | 7,21,35,789 | 7,22,67,786 | 6,62,35,249 |
| (ii) Cash and cash equivalents | 6 | 1,60,073 | 6,16,567 | 1,44,985 |
| | | <u>7,22,95,862</u> | <u>7,28,84,353</u> | <u>6,63,80,234</u> |
| | | <u>7,48,15,859</u> | <u>7,47,36,511</u> | <u>6,82,32,275</u> |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| a) Equity Share capital | 7 | 1,00,000 | 1,00,000 | 1,00,000 |
| b) Other Equity | | | | |
| Retained Earnings | 8 | (84,53,425) | (50,23,145) | (31,15,562) |
| | | <u>(83,53,425)</u> | <u>(49,23,145)</u> | <u>(30,15,562)</u> |
| Current liabilities | | | | |
| a) Financial liabilities | | | | |
| (i) Short-term borrowings | 9 | 8,04,66,348 | 6,94,26,348 | 6,13,26,348 |
| (ii) Trade payables | 10 | 11,500 | 22,54,810 | 22,33,505 |
| (iii) Other financial liabilities | 11 | 24,31,187 | 79,52,741 | 69,14,686 |
| b) Other current liabilities | 12 | 2,60,249 | 25,757 | 7,73,298 |
| | | <u>8,31,69,284</u> | <u>7,96,59,656</u> | <u>7,12,47,837</u> |
| | | <u>7,48,15,859</u> | <u>7,47,36,511</u> | <u>6,82,32,275</u> |

Significant accounting policies 2

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

For and on behalf
Yuvraj Asnani & Associates
Chartered Accountants
FRN NO. 007550N


Yuvraj Asnani
Proprietor



Place : New Delhi
Date : 17.05.2017

For and on behalf of the Board of Directors
Nellis Builders & Developers Pvt. Ltd.


Arvind Singh
Director
02254826


Satyam
Director
03197280



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

| | Note | Year ended 31-Mar-17 (₹) | Year ended 31-Mar-16 (₹) |
|--|------|--------------------------------|--------------------------------|
| Revenue | | | |
| Other income | 13 | 66,78,380 | 66,54,844 |
| | | <u>66,78,380</u> | <u>66,54,844</u> |
| Expenses | | | |
| Finance costs | 14 | 99,66,491 | 84,19,846 |
| Other expenses | 15 | 1,42,169 | 1,42,581 |
| | | <u>1,01,08,660</u> | <u>85,62,427</u> |
| Loss before tax | | <u>(34,30,280)</u> | <u>(19,07,583)</u> |
| Loss for the year | | <u>(34,30,280)</u> | <u>(19,07,583)</u> |
| Total Comprehensive Income for the period | | <u>(34,30,280)</u> | <u>(19,07,583)</u> |
| (Loss) per equity share | 16 | | |
| Basic Loss per share(₹) | | (343.03) | (190.76) |
| Diluted Loss per share(₹) | | (343.03) | (190.76) |


Significant accounting policies

2

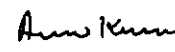
The accompanying notes are an integral part of the financial statements

For and on behalf
Yuvraj Asnani & Associates
Chartered Accountants
FRN NO. 007550

For and on behalf of the Board of Directors
Nellis Builders & Developers Pvt. Ltd.


Yuvraj Asnani
Proprietor




Arvind Singh
Director
02254826


Satyam
Director
03197280

Place : New Delhi
Date : 17.05.2017



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

| | Year ended March 31, 2017 (₹) | Year ended March'16 (₹) |
|---|-------------------------------------|-------------------------------|
| A. Cash flow from operating activities | | |
| Net loss before tax | (34,30,280) | (19,07,583) |
| Adjustment for: | | |
| Interest expense | 99,66,491 | 84,19,846 |
| Operating loss before working capital changes | <u>65,36,211</u> | <u>65,12,263</u> |
| Movement in working capital : | | |
| (Decrease) in current liabilities | (20,08,818) | (7,26,236) |
| (Increase) in other assets | (6,67,839) | (117) |
| Cash flow (Used in) from operations | <u>(26,76,657)</u> | <u>(7,26,353)</u> |
| Net cash flow from operating activities (A) | <u>38,59,554</u> | <u>57,85,910</u> |
| B. Cash flow from investing activities | | |
| Net cash flow from investing activities (B) | <u>-</u> | <u>-</u> |
| C. Cash flow from financing activities | | |
| Proceeds from short-term borrowings | 1,10,39,999 | 81,00,001 |
| Interest paid | (1,54,88,045) | (73,81,791) |
| Loans Refunded/ (Given) | 1,31,997 | (60,32,538) |
| Net cash flow (used in) financing activities (C) | <u>(43,16,049)</u> | <u>(53,14,328)</u> |
| Net (decrease)/increase in cash and cash equivalents (A+B+C) | <u>(4,56,494)</u> | <u>4,71,582</u> |
| Opening cash and cash equivalent | 6,16,567 | 1,44,985 |
| Closing cash and cash equivalent (refer note 6) | <u>1,60,073</u> | <u>6,16,567</u> |
| | <u>(4,56,494)</u> | <u>4,71,582</u> |

For and on behalf
Yuvraj Asnani & Associates
Chartered Accountants
FRN NO. 007558

Yuvraj Asnani
Yuvraj Asnani
Proprietor



Place : New Delhi
Date : 17.05.2017

For and on behalf of the Board of Directors
Nellis Builders & Developers Pvt. Ltd.

Arvind Singh
Arvind Singh
Director
02254826

Satyam
Satyam
Director
03197280

[Signature]

Nellis Builders & Developers Private Limited
Notes to financial statements for the year ended March 31, 2017

1. Corporate Information

Nellis Builders & Developers Private Limited is a company incorporated under the provision Companies Act, 1956 read with relevant provision of Companies Act, 2013 on 13th March 2006. The company is primarily engaged in the business of Construction, Development and sale of Real Estate Properties in India

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 May 17, 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, which generally matches the nominal 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 which normally corresponds to the amount received. Subsequent measurement is carried out at amortised cost using the effective interest rate method. These consist of borrowings, trade payables and deposit received against development agreement. For carrying amount Please refer note nos - 9, 10 & 11..



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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 and liquidity 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. 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.

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.

e) 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.

f) Inventories

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

g) 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".



Nellis Builders & Developers Private Limited

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

| | As at March 31, 2017 (₹) | As at March 31, 2016 (₹) | As at April 1, 2015 (₹) |
|---------------------------------------|--------------------------------|--------------------------------|-------------------------------|
| Non Current assets | | | |
| 3 Non-Current Investments | | | |
| Investment in subsidiaries: | | | |
| Urvasi Infratech Private Limited | 100,000 | 100,000 | 100,000.00 |
| | <u>100,000</u> | <u>100,000</u> | <u>100,000</u> |
| 4 Non current tax asset (net) | | | |
| Prepaid taxes | 2,419,997 | 1,752,158 | 1,752,041.00 |
| | <u>2,419,997</u> | <u>1,752,158</u> | <u>1,752,041</u> |
| Financial assets | | | |
| 5 SHORT TERM LOAN AND ADVANCES | | | |
| Dhoomketu Builders & Developers | 2,227,887 | 2,227,887 | 2,227,887.00 |
| DLF Homes Pune Pvt Ltd | 126,523 | 126,523 | 126,523.00 |
| To related parties | - | | |
| Urvasi Infratech Pvt. Ltd. | 69,781,379 | 69,913,376 | 63,880,839.00 |
| | <u>72,135,789</u> | <u>72,267,786</u> | <u>66,235,249</u> |
| Less: Provision for Doubtful Advances | - | - | |
| | <u>72,135,789</u> | <u>72,267,786</u> | <u>66,235,249</u> |
| 6 Cash and cash equivalents | | | |
| Balance with banks | | | |
| In current account | 160,073 | 616,567 | 144,984.74 |
| | <u>160,073</u> | <u>616,567</u> | <u>144,985</u> |

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Nellis Builders & Developers Private Limited

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

7 Equity Share capital

As at
March 31, 2017

As at
March 31, 2016

As at
April 1, 2015

| | Number | Rs. | Number | Rs. | Number | Rs. |
|--|--------|---------|--------|---------|--------|---------|
| Authorised share capital | | | | | | |
| 1000 (previous year 10,000) equity shares of ₹ 10 each | 10,000 | 100,000 | 10,000 | 100,000 | 10,000 | 100,000 |
| Issued, subscribed and paid-up | | | | | | |
| 10,000 (previous year 10,000) equity shares of ₹ 10 each fully paid up | 10,000 | 100,000 | 10,000 | 100,000 | 10,000 | 100,000 |
| | 10,000 | 100,000 | 10,000 | 100,000 | 10,000 | 100,000 |

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares

| | Number | Rs. | Number | Rs. | Number | Rs. |
|------------------------------------|--------|---------|--------|---------|--------|---------|
| At the beginning of the year | 10,000 | 100,000 | 10,000 | 100,000 | 10,000 | 100,000 |
| Issued during the year | - | - | - | - | - | - |
| Outstanding at the end of the year | 10,000 | 100,000 | 10,000 | 100,000 | 10,000 | 100,000 |

b. Terms/ rights 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 per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the board of directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the company

Equity shares of Rs. 10 each fully paid up

| | Number | % of Holding | Number | % of Holding | Number | % of Holding |
|--------------------------|--------|--------------|--------|--------------|--------|--------------|
| DLF Home Developers Ltd* | 10,000 | 100% | 10,000 | 100% | 10000 | 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.



Nellis Builders & Developers Private Limited
Statement of Changes in Equity for the year ended 31st March 2016

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 | 1,00,000 | - | 1,00,000 |

B. OTHER EQUITY

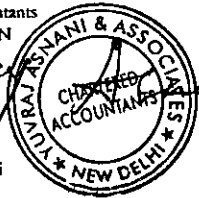
(Amount in ₹)

| | 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 | Reveluation Surplus | Exchange difference on translating the financial statements of a foreign | 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 | - | - | - | - | - | (31,15,562) | - | - | - | - | - | - | - | (31,15,562) |
| Change in accounting policy or prior period errors | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Restated balance at the beginning of the reporting year | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Comprehensive Income for the year 2015-16 | - | - | - | - | - | (19,07,583) | - | - | - | - | - | - | - | (19,07,583) |
| Dividends | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Any other changes (to be specified) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at March 31, 2016 | - | - | - | - | - | (50,23,145) | - | - | - | - | - | - | - | (50,23,145) |
| 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 | - | - | - | - | - | (34,30,280) | - | - | - | - | - | - | - | (34,30,280) |
| Dividends | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Any other changes (to be specified) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at March 31, 2017 | - | - | - | - | - | (84,53,425) | - | - | - | - | - | - | - | (84,53,425) |

For and on behalf
Yuvraj Asnani & Associates
Chartered Accountants
FRN No. 007550N

Yuvraj Asnani
Proprietor

Place : New Delhi
Date : 17.05.2017



For and on behalf of the Board of Directors
Nellis Builders & Developers Pvt. Ltd.

Arvind Singh
Arvind Singh
Director
02254826

Satyam
Satyam
Director
03197280

60

Nellis Builders & Developers Private Limited

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

| | As at March 31, 2017 (₹) | As at March 31, 2016 (₹) | As at April 1, 2015 (₹) |
|--|--------------------------------|--------------------------------|-------------------------------|
| Financial liabilities | | | |
| 9 Short-term borrowings | | | |
| Loans and advances from related parties | | | |
| Unsecured | | | |
| Loan from DLF Home Developers Limited, the holding | 79,366,348 | 68,526,348 | 60,426,348 |
| Loan from DLF Universal Limited, the fellow subsidiary | 1,100,000 | 900,000 | 900,000 |
| | <u>80,466,348</u> | <u>69,426,348</u> | <u>61,326,348</u> |
| *Repayable on demand and carries interest @ 13.5% per annum as at balance sheet date | | | |
| 10 Trade payables | | | |
| Trade payables | | | |
| Payable to subsidiary / Holding co | - | 2,227,887 | 2,227,887.00 |
| Provision / expenses payables / other trade payables | 11,500 | 26,922 | 5,618.00 |
| | <u>11,500</u> | <u>2,254,809</u> | <u>2,233,505</u> |
| 11 Other financial liabilities | | | |
| Interest accrued and due to related party | 2,431,187 | 7,952,741 | 6,914,686.00 |
| | <u>2,431,187</u> | <u>7,952,741</u> | <u>6,914,686</u> |
| 12 Other current liabilities | | | |
| Statutory dues | 260,249 | 25,757 | 773,298.00 |
| | <u>260,249</u> | <u>25,757</u> | <u>773,298</u> |

(A)



Nellis Builders & Developers Private Limited

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

| | Year ended March 31, 2017 (₹) | Year ended March 31, 2016 (₹) |
|---|-------------------------------------|-------------------------------------|
| 13 Other Income | | |
| Interest from Income Tax | - | 29,802 |
| Interest on Loan | 6,678,380 | 6,625,042 |
| | <u>6,678,380</u> | <u>6,654,844</u> |
| 14 Finance costs | | |
| Interest on borrowings | 9,966,491 | 8,419,846 |
| | <u>9,966,491</u> | <u>8,419,846</u> |
| 15 Other expenses | | |
| Bank charges | 230 | 124 |
| Rates and taxes | 150 | |
| Payment to auditors (refer details below) | 25,300 | 19,425 |
| Legal and professional expense | 114,778 | 121,153 |
| Filing Fees | 1,711 | 1,879 |
| Provision for Doubtful Advnaces | - | - |
| | <u>142,169</u> | <u>142,581</u> |
| Payment to auditors | | |
| As auditor: | | |
| Auditor Remuneration: | | |
| Audit Fees | 22,000 | 17,000 |
| Service Tax | 3,300 | 2,425 |
| | <u>25,300</u> | <u>19,425</u> |
| 16 (Loss) per equity share | | |
| Loss for the year | (3,430,280) | (1,907,583) |
| Weighted average number of equity shares | 10,000 | 10,000 |
| Face value per share (₹) | 10 | 10 |
| Basic per share(₹) | (343.03) | (190.76) |
| Diluted per share(₹) | (343.03) | (190.76) |

②

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NELLIS BUILDERS & DEVELOPERS PVT. LTD.

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

17 The net worth of the Company as at March 31, 2017 has been completely eroded. However, the ultimate holding company has assured continued financial support for the future operations of the Company. Based on this, the financial statements have been prepared on a going concern basis.

18 Related party disclosures

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

Holding company

DLF Home Developers Ltd

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

Ultimate holding company

DLF Limited

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

Subsidiaries

Urvashi Infratech Pvt ltd.

c. Related party transactions

| Description | Holding Company | | Fellow subsidiaries, subsidiary, jv & | |
|--|-----------------|-------------|---------------------------------------|-------------|
| | Mar-17 | Mar-16 | Mar-17 | Mar-16 |
| Transaction during the year/ previous year | | | | |
| Interest expense | 99,66,402 | 84,19,846 | | |
| Interest income | - | - | 66,78,380 | 66,25,042 |
| Loan Given | - | - | 4,70,000 | 70,000 |
| Loan Taken | 1,91,40,000 | 81,00,000 | | - |
| Balance at the end of the year/ previous year | | | | |
| Equity share capital | 1,00,000 | 1,00,000 | - | - |
| Unsecured Loan payable | 8,04,66,348 | 6,94,26,348 | | |
| Unsecured Loan receivable | - | - | 4,95,35,786 | 4,91,35,786 |
| Interest Accrued & due receivable | - | - | 20777590 | 1,48,15,053 |
| Interest Accrued & not due receivable | - | - | 60,10,540 | 59,62,537 |
| Interest Accrued & not due payable | 24,31,187 | 79,52,741 | | |

* 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.



NELLIS BUILDERS & DEVELOPERS PVT. LTD.

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

- 19 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 issued by the Institute of Chartered Accountants of India, 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.
- 20 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.
- 21 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.
- 22 Current Financial assets comprising Cash and Cash Equivalents and current financial liabilities comprising Trade payables, Other financial liabilities are stated at their nominal value.
- 23 Figures of previous year have been regrouped / recast wherever considered necessary to make them comparable with that of current year.
- 24 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 |

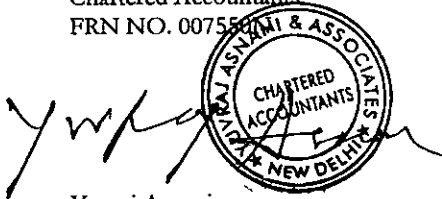


NELLIS BUILDERS & DEVELOPERS PVT. LTD.
Notes to financial statements for the year ended March 31, 2017
25 Financial figures has been rounded off to the nearest rupee.

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

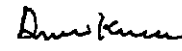
For and on behalf
Yuvraj Asnani & Associates
Chartered Accountants
FRN NO. 00755



Yuvraj Asnani
Proprietor

Place : New Delhi
Date : 17.05.2017

For and on behalf of the Board of Directors
Nellis Builders & Developers Pvt. Ltd.



Arvind Singh
Director
02254826



Satyam
Director
03197280

