

# DOOGAR & ASSOCIATES

Chartered Accountants

## Independent Auditor's Report

To the Members of Bhanu Infrabuild Private Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Bhanu Infrabuild Private Limited** ("the Holding Company"), and its subsidiaries (the holding company and its subsidiaries collectively referred to as "the Group") comprising of the consolidated Balance Sheet as at 31<sup>st</sup> March 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31 March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

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

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

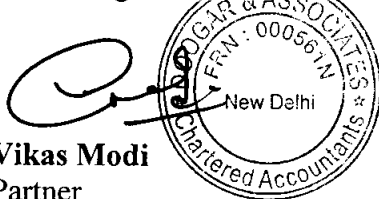


- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March,2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on 31<sup>st</sup> March,2016 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate Report in "Annexure" 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 Auditor's) Rules,2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer note no. 20 to the consolidated financial statements.
  - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Companies incorporated in India.

**For Doogar & Associates**

Chartered Accountants

Firm's Registration No. 000561N



**Vikas Modi**

Partner

Membership No: 505603

Place of Signature: New Delhi

Date: 18 MAY 2016

**Annexure to the Independent Auditors' Report - 31 March 2016 on the Consolidated Financial Statements (Referred to in our report of even date)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of **Bhanu Infrabuild Private Limited** ("the Holding Company") as of and for the year ended 31<sup>st</sup> March 2016, we have audited the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies, which are companies incorporated in India as of that date.

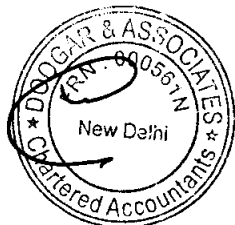
**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company, its subsidiary companies, its associate company and jointly controlled company, incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the company considering the essential components of internal controls 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 the respective 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 Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial controls 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 controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, 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 expressing our opinion, we have placed reliance on the study of proper Internal Financial Controls over Financial Reporting by the In-house Internal Audit Team of the Group. Based on the study, as aforesaid and on the basis of test checks performed by us, in our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting but requires more strengthening and such internal financial controls over financial reporting were operating effectively as at 31st March 2016 as stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## **For Doogar & Associates**

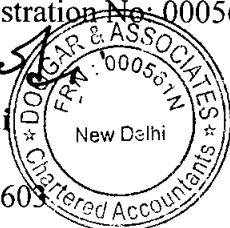
Chartered Accountants

Firm's Registration No: 000561N

  
Vikas Modi

Partner

M.No.: 505603



Place of Signature: New Delhi

Date: 18 MAY 2016

**Consolidated Balance Sheet as at March 31,2016**

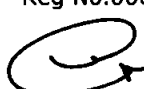
(Amount in Rupees)

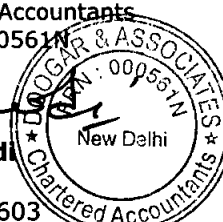
Particulars		Note No.	As at March 31,2016	As at March 31,2015
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Shareholders' funds</b>			
	Share capital	1	500,000.00	500,000.00
	Reserves and surplus	2	31,414,700.00	10,318,956.15
			31,914,700.00	10,818,956.15
	<b>Non-current liabilities</b>			
	Other long term liabilities	3	3,131,490.20	2,871,422.85
			3,131,490.20	2,871,422.85
	<b>Current liabilities</b>			
	Trade payables	4		
	a. total outstanding dues of micro enterprises and small enterprises		551,830.00	46,710.00
	b. total outstanding dues of creditors other than micro enterprises and small enterprises		32,892,005.43	24,360,332.43
	Other current liabilities	5	1,593,446,969.17	2,125,954,387.75
	Short-term provisions	6	5,793,964.00	864,008.00
			1,632,684,768.60	2,151,225,438.18
	<b>TOTAL</b>		<b>1,667,730,958.80</b>	<b>2,164,915,817.18</b>
<b>II</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
	Fixed assets			
	Tangible assets	7	610,243.54	979,319.52
	Deferred tax assets (net)	8	324,106.00	236,445.00
	Long-term loans and advances	9	17,238.12	290,570.05
			951,587.66	1,506,334.57
	<b>Current assets</b>			
	Inventories	10	912,160,753.36	1,099,842,905.35
	Trade receivables	11	19,009,663.81	5,481,408.41
	Cash and bank balance	12	10,912,579.75	8,267,339.32
	Short-term loans and advances	9	698,812,117.77	1,047,839,176.10
	Other current assets	13	25,884,256.45	1,978,653.43
			1,666,779,371.14	2,163,409,482.61
	<b>TOTAL</b>		<b>1,667,730,958.80</b>	<b>2,164,915,817.18</b>
	Significant accounting policies	A		
	Notes on financial statements	1-31		

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

As per our report of even date attached

For and on behalf of  
**Doogar & Associates**  
 Chartered Accountants  
 Reg No.0005614

  
**Vikas Modi**  
 Partner  
 M.No. 505603



For and on behalf of the Board of Directors

  
**Manish Goel**  
 (Director)  
 DIN:03560939

  
**Nisha Sareen**  
 (Director)  
 DIN: 06831140

Place: New Delhi  
 Date : 18 MAY 2016

**Consolidated Statement of Profit and loss for the year ended March 31, 2016**

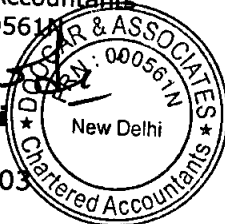
Particulars	Note No.	(Amount in Rupees)	
		Year ended March 31, 2016	Year ended March 31, 2015
<b>Revenue</b>			
Revenue from operations	14	757,810,778.35	119,759,337.17
Other Income	15	279,909.83	333,478.74
<b>Total Revenue</b>		<b>758,090,688.18</b>	<b>120,092,815.91</b>
<b>Expenses</b>			
Cost of material consumed, construction & other related project cost	16	528,767,245.90	539,148,903.57
Changes in inventories of project in progress	17	187,682,151.99	(453,148,308.04)
Finance cost	18	214,552.80	276,668.49
Depreciation and amortization expense	7	398,444.51	693,478.84
Other expenses	19	8,908,946.13	30,703,260.97
<b>Total Expenses</b>		<b>725,971,341.33</b>	<b>117,674,003.83</b>
<b>Profit before tax</b>		<b>32,119,346.85</b>	<b>2,418,812.08</b>
Tax expense:			
Current tax		10,975,606.00	910,601.00
Tax/Mat adjustment of earlier years		135,658.00	(6,360.00)
Deferred tax charge/(credit)		(87,661.00)	(153,731.00)
<b>Profit for the year</b>		<b>11,023,603.00</b>	<b>750,510.00</b>
		<b>21,095,743.85</b>	<b>1,668,302.08</b>
Earnings per equity share-Basic & diluted (Face value of Rs 10 each) (in Rupees)	26	421.91	33.37
Significant accounting policies	A		
Notes on financial statements	1-31		

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

As per our report of even date attached

For and on behalf of  
**Doogar & Associates**  
 Chartered Accountants  
 Reg No. 000561

**Vikas Modi**  
 Partner  
 M.No. 505603



For and on behalf of the Board of Directors

**Manish Goyal**  
 (Director)  
 DIN: 03560939

**Nisha Sareen**  
 (Director)  
 DIN: 06831140

Place: New Delhi  
 Date : 18 MAY 2016

**Consolidated Cash Flow Statement for the year ended March 31, 2015**

	(Amount in Rupees)	
	Year Ended March 31, 2016	Year Ended March 31, 2015
<b>A) Cash flow from operating activities</b>		
<b>Profit for the year before tax</b>	<b>32,119,346.85</b>	<b>2,418,812.08</b>
Adjustments for :		
Depreciation and amortisation expenses	413,513.48	701,542.28
Interest and finance charges paid	367,431,646.80	340,927,057.49
Liabilities no longer required written back (net)	(8.00)	(2,928.00)
<b>Operating profit before working capital changes</b>	<b>399,964,499.13</b>	<b>344,044,483.85</b>
<b>Adjustments for Working capital</b>		
Inventories		(453,148,308.04)
Other current assets	187,682,151.99	5,220,576.96
Trade receivables	(23,905,603.02)	(3,656,342.77)
Loans and advances	(13,528,255.40)	269,988,578.53
Trade payable and other liabilities	349,300,390.26	158,594,015.31
	(523,293,684.23)	
	<b>(23,745,000.40)</b>	<b>(23,001,480.01)</b>
<b>Cash generated from/(used in) operating activities</b>	<b>376,219,498.73</b>	<b>321,043,003.84</b>
Direct tax (paid)/refund	(6,181,308.00)	(2,499,918.00)
<b>Net cash (used in)/generated from operating activities</b>	<b>370,038,190.73</b>	<b>318,543,085.84</b>
<b>B) Cash flow from investing activities</b>		
Purchase of Fixed Assets	(44,437.50)	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(44,437.50)</b>	<b>-</b>
<b>C) Cash flow from financing activities</b>		
Interest and finance charges paid	(367,348,512.80)	(340,840,592.49)
<b>Net cash (used in)/generated from financing activities</b>	<b>(367,348,512.80)</b>	<b>(340,840,592.49)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>2,645,240.43</b>	<b>(22,297,506.65)</b>
<b>Opening balance of cash and cash equivalents</b>	8,267,339.32	30,564,845.97
<b>Closing balance of cash and cash equivalents</b>	<b>10,912,579.75</b>	<b>8,267,339.32</b>

Note 1: The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 'Cash Flow Statements'.

Note 2 : Depreciation includes amount charged to cost of material consumed, construction and other related project cost.

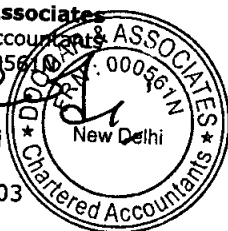
As per our report of even date attached

For and on behalf of  
**Doogar & Associates**

Chartered Accountants  
 Reg. No. 000561

**Vikas Modi**  
 Partner

M.No. 505603



Place: New Delhi  
 Date : 18 MAY 2016

For and on behalf of the Board of Directors

**Manish Sood**  
 (Director)  
 DIN: 00560939

**Nisha Sareen**  
 (Director)  
 DIN: 06831140



**Consolidated Notes to the financial statements for the year ended March 31, 2016**

**A. Significant accounting policies**

**a. Basis of preparation of financial statements**

The financial statements are prepared under historical cost convention in accordance with the Accounting Principles Generally Accepted in India ('Indian GAAP') and the provisions of Companies Act 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 to the extent applicable.

**b. Use of estimates**

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**c. Borrowing costs**

Borrowing cost that are directly attributable to the acquisition or construction of a qualifying asset (including real estate projects) are considered as part of the cost of the asset/project. All other borrowing costs are treated as period cost and charged to the statement of profit and loss in the year in which incurred.

**d. Impairment of assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

**e. Investments**

Non-current investments are stated at cost. Provision for diminution if any in the value of each long-term investment is made to recognize a decline other than of a temporary nature. Current investments are stated at lower of cost or market value.

**f. Revenue recognition**

**i. Real estate projects**

Revenue from real estate projects is recognized on the 'Percentage of Completion method' (POC) of accounting.

Effective from 1st April 2012, in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised) 2012" (referred to as "Guidance Note"), all projects commencing on or after the said date or projects where revenue is recognised for the first time on or after the said date, Revenue from real estate projects has been recognised on Percentage of Completion (POC) method provided the following conditions are met:-

1. All critical approvals necessary for commencement of the project have been obtained.
2. The expenditure incurred on construction and development is not less than 25% of the total estimated construction and development cost.
3. At least 25% of the saleable project area is secured by way of contracts or agreements with buyers.
4. At least 10% of the total revenue as per the agreement of sale or any other legally enforceable document are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the respective contracts.

The estimates of the projected revenues, projected profits, projected costs, cost to completion and the foreseeable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period in which such changes are determined.

Unbilled revenue represents revenue recognized based on percentage of completion method over and above amount due as per payment plan agreed with the customers. Amount received from customers which exceeds the cost and recognized profits to date on projects in progress, is disclosed as advance received from customers under other current liabilities. Any billed amount against which revenue is recognised but amount not collected is considered as trade receivable.

ii. Interest due on delayed payments by customers is accounted on accrual basis.

**g. Inventories**

- i. Building material and consumable stores are valued at cost which is determined on the basis of the 'First in First out' method.
- ii. Land is valued at cost which is determined on average method. Cost includes cost of acquisition and all other related costs incurred.
- iii. Completed real estate project for sale is valued at lower of cost or net realizable value. Cost includes cost of Land, materials, construction, services and other related overheads.

**h. Projects in progress**

Projects in progress are valued at cost. Cost includes cost of land, materials, construction, services, borrowing costs and other overheads relating to projects.

**i. Accounting for taxes on income**

- i. Provision for current tax is made based on the tax payable under the Income Tax Act 1961.
- ii. Deferred tax on timing differences between taxable and accounting income is accounted for using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date. Deferred tax Assets are recognized only when there is a reasonable certainty of their realization. Wherever there are unabsorbed depreciation or carried forward losses under Tax laws, Deferred Tax assets are recognized only to the extent that there is virtual certainty of their realization.

**j. Provisions contingent liabilities and contingent assets**

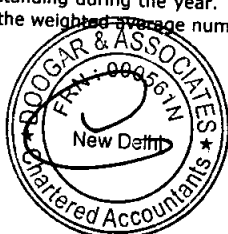
A provision is recognized when:

- i. the Company has a present obligation as a result of a past event;
- ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- iii. a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**k. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



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**I. Fixed assets**

Fixed assets are stated at historical cost less accumulated depreciation. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

**m. Depreciation**

Depreciation on fixed assets is provided on written down value method based on the useful life of the asset as specified in schedule II to the Companies Act, 2013. The management estimates the useful life of the assets as prescribed in schedule II to the Companies Act, 2013 except in the case of steel shuttering and scaffolding material, whose life is estimated as five years.

**n. Operating lease**

Lease arrangements where the risk and rewards incident to ownership of an assets substantially vest with the lessor are recognized as operating lease. Lease rent under operating lease are charged to statement of profit and loss on a straight line basis over the lease term.

**o. Principles of consolidation**

The consolidated financial statements relate to Bhanu Infrabuild Private Limited ('the Parent') and its subsidiaries (collectively referred to as 'the Group'). The consolidated financial statements have been prepared in accordance with the principles and procedures required for the preparation and presentation of financial statements as laid down under the Accounting Standards prescribed in Companies (Accounting Standard) Rules 2014. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and transactions and resulting unrealized gain/losses.

Where the cost of the investment is higher/lower than the share of equity in the subsidiary at the time of acquisition the resulting difference is treated as goodwill/capital reserve.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

The financial statements of the following subsidiaries entity have been consolidated as per the Accounting Standard 21 on 'Consolidated Financial Statements'

Name of Subsidiaries	As at	As at
	March 31, 2016	March 31, 2015
AarzoTechnobuild Private Limited		% of shareholding
Abheek Builders Private Limited	100.00	100.00
Radiance Housing & Properties Private Limited	100.00	100.00
		-100.00

**1. SHARE CAPITAL**

Particulars	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
<b>Authorised</b>		
50,000 (50,000) Equity Shares of Rs.10 each	500,000.00	500,000.00
	<b>500,000.00</b>	<b>500,000.00</b>
<b>Issued, Subscribed &amp; Paid up</b>		
50,000 (50,000) Equity Shares of Rs.10 each fully paid up	500,000.00	500,000.00
<b>Total</b>	<b>500,000.00</b>	<b>500,000.00</b>

Figures in brackets represent those of the previous year.

**1.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year**

Particulars	(Amount in Rupees)			
	As at March 31, 2016		As at March 31, 2015	
<b>Equity Shares of Rs 10 each fully paid up</b>	<b>Number</b>	<b>Amount</b>	<b>Number</b>	<b>Amount</b>
Shares outstanding at the beginning of the year	50,000	500,000	50,000	500,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>50,000</b>	<b>500,000</b>	<b>50,000</b>	<b>500,000</b>

**1.2 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 the 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 share holders.

**1.3 Shares held by holding / Ultimate holding company and / or their subsidiaries and associates**

Particulars	(Amount in Rupees)			
	As at March 31, 2016		As at March 31, 2015	
<b>Holding Company</b>	<b>Number</b>	<b>Amount</b>	<b>Number</b>	<b>Amount</b>
Omaxe Chandigarh Extension Developers Private Limited	50,000	500,000.00	50,000	500,000.00
	<b>50,000</b>	<b>500,000.00</b>	<b>50,000</b>	<b>500,000.00</b>

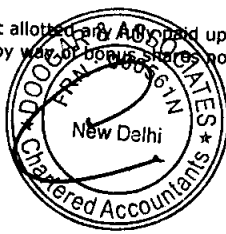
**1.4 Details of shareholders holding more than 5% shares in equity capital of the company**

Particulars	As at March 31, 2016			
	As at March 31, 2016		As at March 31, 2015	
	<b>No of Shares held</b>	<b>% Holding</b>	<b>No of Shares held</b>	<b>% Holding</b>
Omaxe Chandigarh Extension Developers Private Limited	50,000	100.00	50,000	100.00

The aforesaid disclosure is based upon percentages computed as at the balance sheet date. As per records of the company including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest the above shareholding represents both legal and beneficial ownerships of shares.

**1.5 The company has not reserved any shares for issue under options and contracts / commitments for the sale of shares / disinvestment.**

**1.6 The company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash. The Company neither has allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.**



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## 2. RESERVES & SURPLUS

Particulars	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
<b>Surplus as per Statement of Profit &amp; Loss</b>		
Balance at the beginning of the year		8,303,490.78
Add: Net profit for the year	9,971,792.86	1,668,302.08
	21,095,743.85	9,971,792.86
	31,067,536.71	
<b>Capital Reserve</b>		
Balance at the beginning of the year		347,163.29
Add: Addition during the year	347,163.29	
Balance at the end of the year		347,163.29
	347,163.29	
<b>Balance at the end of the year</b>	<b>31,414,700.00</b>	<b>10,318,956.15</b>

## 3. OTHER LONG TERM LIABILITIES

Particulars	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
Non current other liabilities (refer note no. 5)		
	3,131,490.20	2,871,422.85
	<b>3,131,490.20</b>	<b>2,871,422.85</b>

## 4. TRADE PAYABLES

Particulars	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
Total outstanding dues of micro enterprises and small enterprises		
- due to micro & small enterprises*		
<b>Total (a)</b>	551,830.00	46,710.00
Total outstanding dues of creditors other than micro enterprises and small enterprises	551,830.00	46,710.00
Other trade payables		
- Fellow subsidiary company of holding company #		
- others	25,826,598.43	16,200,039.43
<b>Total (b)</b>	7,065,407.00	8,160,293.00
# Due to Jagdamba Contractors and Builders Limited	32,892,005.43	24,360,332.43
	<b>33,443,835.43</b>	<b>24,407,042.43</b>

\*The information as required to be disclosed under the Micro Small and Medium Enterprises Development Act 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available.

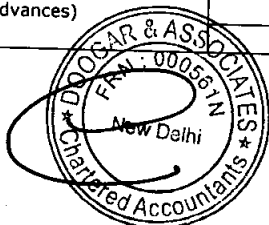
Particulars	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
Principal amount due to suppliers under MSMED Act, 2006		
	551,830.00	46,710.00
Interest accrued and due to supplier under MSMED Act, 2006 on above amount	107,212.00	24,078.00
Payment made to suppliers (other than interest) beyond appointed day during the year	-	145,991.00
Interest paid to suppliers under MSMED Act, 2006	-	-
Interest due and payable on payment made to suppliers beyond appointed date during the year	-	8,230.00
Interest accrued and remaining unpaid at the end of the accounting year	169,599.00	86,465.00
Interest charged to statement of profit and loss account during the year for the purpose of disallowance under section 23 of MSMED Act, 2006	83,134.00	43,034.00

## 5. OTHER LIABILITIES

Particulars	(Amount in Rupees)			
	As at March 31, 2016		As at March 31, 2015	
	Non Current	Current	Non Current	Current
Security deposit				
Book overdraft	3,131,490.20	-	2,871,422.85	-
Advance from customers and others		11,245,769.12		17,481,070.88
from holding of holding company				
from Others		44,690,374.06		756,000.00
Other Payables		1,531,979,823.20		2,103,706,227.96
Statutory dues payable		4,956,887.79		3,589,657.91
Interest on trade payable		169,599.00		86,465.00
Others		404,516.00		334,966.00
	<b>3,131,490.20</b>	<b>1,593,446,969.17</b>	<b>2,871,422.85</b>	<b>2,125,954,387.75</b>
Less: Amount disclosed under the head other long term liabilities (refer note no. 3)	3,131,490.20	-	2,871,422.85	-
	-	<b>1,593,446,969.17</b>	-	<b>2,125,954,387.75</b>

## 6. SHORT TERM PROVISIONS

Particulars	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
Provision for income tax (net of advances)	5,793,964.00	864,008.00
	<b>5,793,964.00</b>	<b>864,008.00</b>



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BHANU INFRABUILD PRIVATE LIMITED

Note 7

Fixed Assets

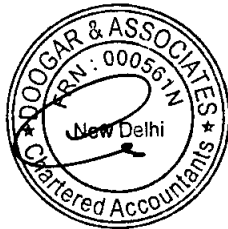
(Amount in Rupees)

Name of Assets	Gross Block(At Cost)				Depreciation / Amortisation				Net Block		
	As at April 1, 2015	Additions	Deletion / Adjustments	As at March 31, 2016	As at April 1, 2015	For the year / Adjustments	Deletion / Adjustments	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015	
Plant and machinery	54,600.00	44,437.50	-	99,037.50	24,864.22	15,068.97	-	39,733.19	59,304.31	29,935.78	
Office Equipment	434,179.70	-	-	434,179.70	229,770.53	99,869.89	-	329,440.42	104,739.28	204,408.17	
Furniture and fixture	2,170,403.22	-	-	2,170,403.22	1,425,428.65	298,774.62	-	1,724,203.27	448,199.95	744,974.57	
<b>Total</b>	<b>2,659,182.92</b>	<b>44,437.50</b>	<b>-</b>	<b>2,703,620.42</b>	<b>1,679,863.40</b>	<b>413,513.48</b>	<b>-</b>	<b>2,093,376.88</b>	<b>810,243.54</b>	<b>979,319.52</b>	
Previous year	2,659,182.92	-	-	2,859,182.92	978,321.12	701,542.28	-	1,679,863.40	979,319.52	1,680,861.80	

Note:

(Amount in Rupees)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Depreciation has been charged to -Cost of material consumed, construction & other related Project cost (refer note no. 16)	15,068.97	8,063.44
-Statement of Profit & Loss	398,444.51	683,478.84
	<b>413,513.48</b>	<b>701,542.28</b>



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**8. DEFERRED TAX ASSETS (NET)**

Particulars	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
<b>Deferred tax asset</b>		
Difference between book and tax base of fixed assets	324,106.00	236,445.00
	<b>324,106.00</b>	<b>236,445.00</b>

**9. LOANS & ADVANCES**

Particulars	(Amount in Rupees)			
	As at March 31, 2016		As at March 31, 2015	
	Non Current	Current	Non Current	Current
(Unsecured, considered good, unless otherwise stated)				
Loans and advances to related parties \$	-	658,712,565.05	-	1,016,494,320.14
Advances against goods services & others	-	24,844,936.95	-	20,055,446.83
Balance with Government / statutory authorities	-	15,252,009.83	-	11,284,659.71
Direct taxes refundable (net of provisions)	16,052.00	-	286,778.00	-
Prepaid Expenses	1,186.12	2,605.94	3,792.05	4,749.42
	<b>17,238.12</b>	<b>698,812,117.77</b>	<b>290,570.05</b>	<b>1,047,839,176.10</b>

\$ Particulars in respect of loans and advances to related parties is as under:

Particulars	Relationship	(Amount in Rupees)	
		As at March 31, 2016	As at March 31, 2015
Omaxe Chandigarh Extension Developers Private Limited	Holding company	8,712,565.05	1,016,494,320.14
Garv Buildtech Private Limited	Fellow subsidiary company of holding company	650,000,000.00	-
		<b>658,712,565.05</b>	<b>1,016,494,320.14</b>

**10. INVENTORIES**

Particulars	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
Project in progress	912,160,753.36	1,099,842,905.35
	<b>912,160,753.36</b>	<b>1,099,842,905.35</b>

**11. TRADE RECEIVABLE**

Particulars	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
(Unsecured, considered good unless otherwise stated)		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Others	19,009,663.81	5,481,408.41
	<b>19,009,663.81</b>	<b>5,481,408.41</b>

**12. CASH & BANK BALANCES**

Particulars	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
<b>Cash and cash equivalents</b>		
Balances with banks in current accounts	8,026,623.75	366,254.32
Cash on hand	2,885,956.00	7,901,085.00
	<b>10,912,579.75</b>	<b>8,267,339.32</b>

**13. OTHER CURRENT ASSETS**

Particulars	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
Unbilled receivables	25,884,256.45	1,978,653.43
	<b>25,884,256.45</b>	<b>1,978,653.43</b>

**14. REVENUE FROM OPERATIONS**

Particulars	(Amount in Rupees)	
	Year ended March 31, 2016	Year ended March 31, 2015
Income from real estate projects	757,810,778.35	119,759,337.17
	<b>757,810,778.35</b>	<b>119,759,337.17</b>



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**15. OTHER INCOME**

Particulars	(Amount in Rupees)	
	Year ended March 31, 2016	Year ended March 31, 2015
Liabilities no longer required written back (net)	8.00	2,928.00
Miscellaneous income	279,901.83	330,550.74
	<b>279,909.83</b>	<b>333,478.74</b>

**16. COST OF MATERIAL CONSUMED, CONSTRUCTION & OTHER RELATED PROJECT COST**

Particulars	(Amount in Rupees)	
	Year ended March 31, 2016	Year ended March 31, 2015
<b>Inventory at the beginning of the year</b>		
<b>Add: Incurred during the year</b>		
Land, development and other rights	-	19,121,930.00
Building materials purchases	43,934.75	248,605.00
Construction cost	156,467,715.00	174,335,945.00
Rates and taxes	-	397,165.00
Depreciation	15,068.97	8,063.44
Power, fuel and other electrical costs	3,583,069.00	1,657,757.00
Administrative expenses	1,440,364.18	2,729,049.13
Finance cost	367,217,094.00	340,650,389.00
	<b>528,767,245.90</b>	<b>539,148,903.57</b>
<b>Less: Inventory at the close of the year</b>		
	<b>528,767,245.90</b>	<b>539,148,903.57</b>

**17. CHANGES IN INVENTORIES OF PROJECT IN PROGRESS**

Particulars	(Amount in Rupees)	
	Year ended March 31, 2016	Year ended March 31, 2015
<b>Inventory at the beginning of the year</b>		
Projects in progress	1,099,842,905.35	646,694,597.31
	<b>1,099,842,905.35</b>	<b>646,694,597.31</b>
<b>Inventory at the close of the year</b>		
Projects in progress	912,160,753.36	1,099,842,905.35
	<b>912,160,753.36</b>	<b>1,099,842,905.35</b>
<b>Changes in inventories of projects in progress</b>	<b>187,682,151.99</b>	<b>(453,148,308.04)</b>

**18. FINANCE COSTS**

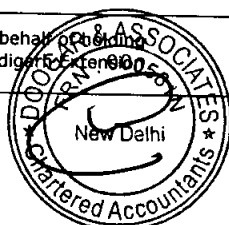
Particulars	(Amount in Rupees)	
	Year ended March 31, 2016	Year ended March 31, 2015
Interest	367,339,093.43	340,842,706.00
Bank charges	92,553.37	84,351.49
	<b>367,431,646.80</b>	<b>340,927,057.49</b>
Less: Allocated to projects	367,217,094.00	340,650,389.00
	<b>214,552.80</b>	<b>276,668.49</b>

**19. OTHER EXPENSES**

Particulars	(Amount in Rupees)	
	Year ended March 31, 2016	Year ended March 31, 2015
<b>a) Administrative expenses</b>		
Rent	75,815.00	36,000.00
Rates and taxes	24,533.00	84,510.85
Professional & consultancy charges	779,241.00	2,666,400.00
Printing and stationery	9,580.05	80,155.88
Auditors' remuneration	44,842.00	44,808.00
Miscellaneous expenses	795,664.03	91,877.37
	<b>1,729,675.08</b>	<b>3,003,752.10</b>
Less: Allocated to projects	1,440,364.18	2,729,049.13
<b>Total (a)</b>	<b>289,310.90</b>	<b>274,702.97</b>
<b>b) Selling Expenses</b>		
Commission	8,619,635.23	29,944,058.00
Advertisement and publicity	-	484,500.00
<b>Total (b)</b>	<b>8,619,635.23</b>	<b>30,428,558.00</b>
<b>Total (a+b)</b>	<b>8,908,946.13</b>	<b>30,703,260.97</b>

**20. Contingent Liabilities and commitments**

Particulars	(Amount in Rupees)	
	Year ended March 31, 2016	Year ended March 31, 2015
Bank guarantee given by holding company of holding company namely Omaxe Limited on behalf of the company	150,000.00	150,000.00
Corporate guarantee given on behalf of holding company namely Omaxe Chandigarh Extension Developers Private Limited	400,000,000.00	400,000,000.00



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21. Balances of trade receivables, trade payables, current / non-current advances given/ received are subject to reconciliation and confirmation from respective parties. The balance of said trade receivables, trade payables, current / non-current advances given/ received are taken as shown by the books of accounts. The ultimate outcome of such reconciliation and confirmation cannot presently be determined, therefore, no provision for any liability that may result out of such reconciliation and confirmation has been made in the financial statement, the financial impact of which is unascertainable due to the reasons as above stated.

22. Inventories, loans & advances, trade receivables and other current / non-current assets are in the opinion of the management do not have a value on realization in the ordinary course of business, less than the amount at which they are stated in the balance sheet.

23. Determination of revenues under 'Percentage of Completion method' necessarily involves making estimates by management for percentage of completion, cost to completion, revenues expected from projects, projected profits and foreseeable loss. These estimates being of a technical nature have been relied upon by the auditors.

#### 24. EARNING AND EXPENDITURE IN FOREIGN CURRENCY

Particulars	(Amount in Rupees)	
	Year ended March 31, 2016	Year ended March 31, 2015
Earning in foreign currency	-	-
Expenditure in foreign currency	-	-

#### 25. Segment Reporting

The Company is principally engaged in a single business segment viz. Real Estate and operates in one geographical segment as per accounting standard AS-17 on 'Segment Reporting'

#### 26. Lease

a. The Company has taken certain premises on non-cancellation operating lease.

The future minimum lease payments in respect of which as at March 31, 2016 are as follows:-

Particulars	(Amount in Rupees)	
	Year ended March 31, 2016	Year ended March 31, 2015
<b>Minimum lease payments</b>		
i) Payable not later than one year		
ii) Payable later than one year and not later than five years	14,011,515.00	83,564,759.00
iii) Payable later than five years	208,154,039.00	390,066,069.00
	31,613.00	-
	<b>222,197,167.00</b>	<b>473,630,828.00</b>

b. The lease agreements provide for an option to the Company to renew the lease period at the end of the non-cancellation period. There are no exceptional / restrictive covenants in the lease agreement

c. Lease rent expenses in respect of operating lease debited to statement of profit and loss Rs. 40,851.00 (P.Y. Rs. 36,000.00).

#### 27. Earnings per share

Particulars	(Amount in Rupees)	
	Year ended March 31, 2016	Year ended March 31, 2015
<b>Profit after tax</b>	21,095,743.85	1,668,302.08
Numerator used for calculating basic and diluted earnings per share	21,095,743.85	1,668,302.08
Equity shares outstanding as at the year end	50,000	50,000
Weighted average number of shares used as denominator for calculating basic & diluted earnings per share	50,000	50,000
Nominal value per share	10/-	10/-
<b>Basic &amp; diluted earnings per share</b>	<b>421.91</b>	<b>33.37</b>

#### 28. Auditors' Remuneration

Particulars	(Amount in Rupees)	
	Year ended March 31, 2016	Year ended March 31, 2015
Statutory audit fee	44,842.00	43,708.00
Certification fee	-	1,100.00
<b>Total</b>	<b>44,842.00</b>	<b>44,808.00</b>

#### 29. Related parties disclosures

##### A. Name of related parties:-

##### (i) Ultimate holding company

1. Guild Builders Private Limited

##### (ii) Holding company of holding company

1. Omaxe Limited

##### (iii) Holding company

1. Omaxe Chandigarh Extension Developers Private Limited

##### (iv) Fellow subsidiary company of holding company

1. Jagdamba Contractors and Builders Limited

2. Garv Buildtech Private Limited



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*[Signature]*

**B. Summary of related parties transactions are as under:**

(Amount in rupees)

Transaction	Omaxe Chandigarh Extension Developers Private Limited (Holding company)	Omaxe Limited (Holding company of holding company)	Jagdamba Contractors and Builders Limited (Fellow Subsidiary company of holding company)	Garv Buildtech Private Limited (Fellow Subsidiary company of holding company)	Total
<b>A. Transactions made during the year</b>					
Lease rent paid	NII	NII	NII	NII	NII
	(NII)	(36,000.00)	(NII)	(NII)	(36,000.00)
Corporate guarantees given	NII	NII	NII	NII	NII
	(400,000,000.00)	(NII)	(NII)	(NII)	(400,000,000.00)
Corporate guarantees matured	NII	NII	NII	NII	NII
	(NII)	(NII)	(NII)	(NII)	(NII)
Construction cost	NII	NII	151,829,150.00	NII	151,829,150.00
	(NII)	(NII)	(159,741,506.00)	(NII)	(159,741,506.00)
<b>B. Closing balances as at March 31, 2016</b>					
Balance payables	NII	44,690,374.06	25,826,598.43	NII	70,516,972.49
	(NII)	(756,000.00)	(16,200,039.43)	(NII)	(16,956,039.43)
Loans and advances receivable	8,712,565.05	NII	NII	650,000,000.00	658,712,565.05
	(1,016,494,320.14)	(NII)	(NII)	(NII)	(1,016,494,320.14)
Bank guarantees	NII	150,000.00	NII	NII	150,000.00
	(NII)	(150,000.00)	(NII)	(NII)	(150,000.00)
Corporate guarantees	400,000,000.00	NII	NII	NII	400,000,000.00
	(400,000,000.00)	(NII)	(NII)	(NII)	(400,000,000.00)

Figures in bracket represent those of the previous year.

**30. Additional information, as required under Schedule III of the Companies Act, 2013, of enterprises consolidated as Subsidiaries**

Name of Enterprises	Net Assets i.e total assets minus total liabilities as at March 31, 2016		Share in profit or loss for the year ended March 31, 2016	
	As % of consolidated net assets	Amount in Rupees	As % of consolidated profit or loss	Amount in Rupees
<b>Parent</b>				
Bhanu Infrabuild Private Limited	98.98	31,588,990.00	99.99	21,094,399.85
<b>Subsidiary companies</b>				
Aarzo Technobuild Private Limited	0.13	41,683.00	0.00	453.00
Abheek Builders Private Limited	0.47	150,392.00	0.00	441.00
Radiance Housing and Properties Private Limited	0.42	133,635.00	0.00	450.00

**Salient features of financial statements of subsidiary companies as per Companies Act, 2013 as per Annexure 'A'**



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Annexure-A

(Amount in Rupees)

Sl. No.	Name of Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total Liabilities (Non Current and Current Liability)	Investments	Turnover (including other income)	Profit/ (loss) before taxation	Provision for taxation	Profit/ (loss) after taxation	Proposed Dividend	% of shareholding
1	Aarzo Technobuild Private Limited	March 31, 2016	INR	500,000.00	41,883.00	553,337.00	11,854.00	-	36,900.00	650.00	208.00	453.00	-	100.00
2	Abheek Builders Private Limited	March 31, 2016	INR	500,000.00	150,302.00	662,040.00	11,848.00	-	17,000.00	641.00	200.00	441.00	-	100.00
3	Radianc Housing and Properties Private Limited	March 31, 2016	INR	500,000.00	133,835.00	645,289.00	11,854.00	-	36,100.00	650.00	209.00	450.00	-	100.00

31. The company has regrouped / reclassified previous year figures wherever necessary to conform to with current year's classification.

The note no 1-31 referred to above forms integral part of financial statements.

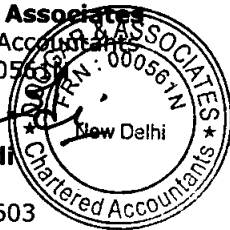
**As per our report of even date attached**

For and on behalf of

**Doogar & Associates**  
Chartered Accountants  
Reg No. 000563

**Vikas Modi**  
Partner  
M.No. 505603

Place: New Delhi  
Date : 18 MAY 2016



For and on behalf of the Board of Directors

**Manish Sareen**  
(Director)  
DIN: 03560939

**Nisha Sareen**  
(Director)  
DIN: 06831140