

A. R. & Co.
Chartered Accountants

C-1, RDC, Raj Nagar
Ghaziabad- 201002
Ph. 4135754

INDEPENDENT AUDITOR'S REPORT

To The Members of
Inesh Buildcon Private Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Inesh Buildcon Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit & Loss for the year then ended and Notes to Financial Statement including a summary of the significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, and loss, changes in equity for the year then ended.

Basis for Opinion

We conducted our audit of financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements section of our report*. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Management's Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using



the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid financial statements comply with the Indian 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 as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164(2) of the Act.



- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, 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 Company.

For and on behalf of

A.R. & Co.

Chartered Accountants

Firm's Registration No: 002744C


CA Surbhi Gaba
Partner



Membership No: 421881

UDIN: 20421881AAAAP6257

Place of Signature: New Delhi

Date: 27-Aug-2020

Inesh Buildcon Private Limited

Regd. Office: 7, Local Shopping Centre, Kalkaji, New Delhi-110019
Corporate Identity Number: U45200DL2008PTC176458

Balance Sheet as at March 31, 2020

(Amount in Rupees)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
I EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	100,000.00	100,000.00
Reserves and surplus	2	(53,736.01)	(27,511.01)
		46,263.99	72,488.99
Current liabilities			
Other current liabilities	3	9,990.00	3,500.00
		9,990.00	3,500.00
Total		56,253.99	75,988.99
II ASSETS			
Non-current assets			
Long term loans and advances	4	-	833.00
		-	833.00
Current assets			
Inventories	5	24,924.74	24,924.74
Cash and cash equivalents	6	31,329.25	50,231.25
		56,253.99	75,155.99
Total		56,253.99	75,988.99
Significant accounting policies Notes on financial statements	A 1-19		

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 the Board of Directors

For and on behalf of
M/s A. R. & CO.
Chartered Accountants
Reg. No.002744C



CA Surbhi Gaba
Partner
M.No. 421881

Virender Kumar
(Director)
DIN: 03563087

Sunil
(Director)
DIN:08709453

Place : New Delhi
Date : **27 AUG 2020**

Inesh Buildcon Private Limited

Regd. Office: 7, Local Shopping Centre, Kalkaji, New Delhi-110019
Corporate Identity Number: U45200DL2008PTC176458

Statement of Profit and Loss for the year ended March 31, 2020

(Amount in Rupees)


Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
Revenue			
Other income		9,500.00	-
Total Revenue		9,500.00	-
Expenses			
Changes in inventories of project in progress	7	-	-
Finance cost	8	354.00	926.30
Other expenses	9	34,538.00	22,454.00
Total Expenses		34,892.00	23,380.30
Profit/(Loss) before tax		(25,392.00)	(23,380.30)
Tax expense			
Current tax		-	-
Mat credit		833.00	-
		833.00	-
Profit/(Loss) for the year		(26,225.00)	(23,380.30)
Earnings per equity share			
Basic & diluted (Face value of Rs. 10 each)	10	(2.62)	(2.34)
Significant accounting policies	A		
Notes on financial statements	1-19		

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 the Board of Directors

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M/s A. R. & CO.
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Virender Kumar
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(Director)
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Place : New Delhi
Date : 27 AUG 2020

Inesh Buildcon Private Limited

Regd. Office: 7, Local Shopping Centre, Kalkaji, New Delhi-110019

Corporate Identity Number: U45200DL2008PTC176458

Notes to the financial statements for the year ended March 31, 2020

A. Significant accounting policies

a. Basis of preparation of financial statements

The financial statements are prepared under historical cost convention on the accrual basis of accounting in accordance with the Companies Act, 2013 ("the Act") and the Accounting Principles Generally Accepted in India ("Indian GAAP") and to comply with the Accounting Standards referred to in Section 133 of the 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. Revenue recognition

Revenue is recognized on accrual basis.

d. Inventories

i) Land is valued at cost, which is determined on average method. Cost includes cost of acquisition and all other costs incurred till the date of Possession.

ii) Project in progress is valued at cost. Cost includes cost of land, land rights, material, construction, services and other overheads relating to projects.

e. 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.

f. Provisions, contingent liabilities and contingent assets

A provision is recognized when:

- the Company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- 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.

g. 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 share.

h Significant management judgement in applying accounting policies and estimation of uncertainty

Significant management judgements

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

(a) Revenue

Revenue is recognised on accrual basis and comprises of aggregate amounts of sale price agreed with customer and is recognised on the basis of cost of rights so transferred.

(b) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

(c) Estimation of uncertainty related to Global Health Pandemic from COVID-19

The company has assessed the possible effect that may result from pandemic relating to COVID-19 on carrying amount of receivables, inventory, investments, advances and other assets & liabilities. In considering the assessment, the company has considered internal information and is highly dependent on estimates and circumstances as they evolve.



1. SHARE CAPITAL

(Amount in Rupees)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Authorised				
10,000 (10,000) Equity Shares of Rs.10 each		100,000.00		100,000.00
		100,000.00		100,000.00
Issued, subscribed & paid up				
10,000 (10,000) Equity Shares of Rs.10 each fully paid up		100,000.00		100,000.00
		100,000.00		100,000.00

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	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Equity Shares of Rs 10 each fully paid up				
Shares outstanding at the beginning of the year	10,000	100,000.00	10,000	100,000.00
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000.00	10,000	100,000.00

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 dividend 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 Detail of shareholders holding more than 5% shares in equity capital of the company

Name of Shareholder	As at March 31, 2020		As at March 31, 2019	
	No of Shares held	% Holding	No of Shares held	% Holding
VSG Builders Private limited	3400	34.00	3400	34.00
NJS Developers Private limited	3600	36.00	3600	36.00
Annay Realtors Private limited	2500	25.00	2500	25.00

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.

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

1.5 The company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash and has neither allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares since the date of its incorporation.

2. RESERVES & SURPLUS

(Amount in Rupees)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Surplus/(Deficit) as per statement of profit & loss				
Balance at the beginning of the year		(27,511.01)		(4,130.71)
Add: Net profit/(Loss) for the current year		(26,225.00)		(23,380.30)
Balance at the end of the year		(53,736.01)		(27,511.01)



3. OTHER CURRENT LIABILITIES

(Amount in Rupees)

Particulars	As at March 31, 2020	As at March 31, 2019
Audit fee payable	3,500.00	3,500.00
Others Payable	6,490.00	-
	9,990.00	3,500.00

4. LONG TERM LOANS & ADVANCES

(Amount in Rupees)

Particulars	As at March 31, 2020	As at March 31, 2019
(Unsecured, considered good unless otherwise stated)		
MAT credit entitlement	-	833.00
	-	833.00

5. INVENTORIES

(Amount in Rupees)

Particulars	As at March 31, 2020	As at March 31, 2019
Project in progress	24,924.74	24,924.74
	24,924.74	24,924.74

6. CASH & CASH EQUIVALENTS

(Amount in Rupees)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with bank in current account	30,230.25	30,584.25
Cash on hand	1,099.00	19,647.00
	31,329.25	50,231.25

7. CHANGES IN INVENTORIES OF PROJECT IN PROGRESS

(Amount in Rupees)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories of project in progress at the beginning of the year	24,924.74	24,924.74
Less: Inventories of project in progress at the close of the year	24,924.74	24,924.74
Changes in inventories of project in progress	-	-



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8. FINANCE COSTS

(Amount in Rupees)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Bank charges	354.00	926.30
	354.00	926.30

9. OTHER EXPENSES

(Amount in Rupees)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rates and taxes	1,500.00	900.00
Legal & professional charges	10,856.00	-
Rent paid	18,052.00	18,054.00
Statutory audit fee	4,130.00	3,500.00
	34,538.00	22,454.00

10. EARNINGS PER SHARE

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit/(Loss) after tax (in Rupees)	(26,225.00)	(23,380.30)
Numerator used for calculating basic and diluted earnings per share	(26,225.00)	(23,380.30)
Equity shares outstanding as at the year end	10,000	10,000
Weighted average number of shares used as denominator for calculating basic & diluted earnings per share	10,000	10,000
Nominal value per share (in Rupees)	10.00	10.00
Basic & diluted earnings per share (in Rupees)	(2.62)	(2.34)



11. RELATED PARTY DISCLOSURE

Entity which has significant influence over the company

1. Omaxe Limited

12. CONTINGENT LIABILITIES & COMMITMENTS

As at March 31, 2020

As at March 31, 2019

NIL

NIL

13. The Company is a small and medium sized company (SMC) as defined in the general instruction in respect of accounting standards notified under the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules 2014. Accordingly, the company has complied with the accounting standards as applicable to a SMC.

14. Inventories, loans & advances 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.

15. MICRO, SMALL SCALE BUSINESS ENTITIES

The Company has not entered into any transaction with any entity covered under the Micro, Small and Medium Enterprises Development Act, 2006; therefore, no disclosure as to amount due to them including interest has been made.

16. EARNING AND EXPENDITURE IN FOREIGN CURRENCY

	2019-20	2018-19
i) Earning in foreign currency	NIL	NIL
ii) Expenditure in foreign currency	NIL	NIL

17. The Company has exercised the option to adopt lower tax rate as per the provisions/conditions defined in the newly inserted Section 115BAA in the Income Tax Act, 1961. Accordingly, the Company has recognised provision for deferred tax for the year ended 31st March 2020 and also re-measured its deferred tax assets at rates as prescribed in the said section.

18. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The management of the Company have made its own assessment of impact of the outbreak of COVID-19 on business operations of the Company and have concluded that no adjustments are required to be made in the financial statement as it does not impact current financial year. However, the situation with COVID-19 is still evolving. Also the various preventive measures taken by Government of India are still in force leading to highly uncertain economic environment. Due to these circumstances, the management's assessment of the impact on the subsequent period is dependent upon the circumstances as they evolve. The Company continues to monitor the impact of COVID-19 on its business including its impact on customer, associates, contractors, vendors etc.

19. Previous year figures have been regrouped/reclassified where necessary to conform with current year's classification.

The note no 1-19 referred to above forms an integral part of financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For and on behalf of

M/s A. R. & CO.

Chartered Accountants

Reg. No.002744C

CA Surbhi Gaba

Partner

M.No. 421881



Virender Kumar

(Director)

DIN: 03563087

Sunil

(Director)

DIN:08709453

Place : New Delhi

Date : 27 AUG 2020