

# KAILASH CHAND JAIN & CO. (Regd.)

CHARTERED ACCOUNTANTS

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## Independent Auditor's Report

To the Members of Arihant Vatika Realty Private Limited

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Arihant Vatika Realty Private Limited** ('the Company'), which comprise the balance sheet as at March 31, 2017 the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 the 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 includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 of affairs of the Company as at March 31<sup>st</sup>, 2017 and its Profit and its cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone 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 as on March 31<sup>st</sup>, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31<sup>st</sup>, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

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

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) On the basis of written representation received from director as on March 31<sup>st</sup>, 2017 Company does not have any pending litigation which would impact its financial position.

(ii) The company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses. and;

(iii) There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

(iv) The Company has provided requisite disclosures in the standalone Financial Statements as to holding as well as dealing in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 37 to the Standalone Financial Statements.

**For Kailash Chand Jain & CO.**  
Chartered Accountants  
Firm Registration No. : 112318W

  
**Dipesh Mehta**

Partner

Membership No. : 134607

Place: Mumbai

Date : May 27, 2017

## **Annexure - A to the Independent Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2017 we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Fixed assets of the company have been physically verified by the management during the year. No material discrepancies have been identified on such verification. In our opinion the frequency of verification is reasonable.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) Physical verification of Inventory has been conducted at regular intervals by the management and no material discrepancies were noticed on such verification.

(iii) The Company has not granted loans to any body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3 (iii) of the order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the product of the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues though there has been a slight delay in few cases, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute.

(viii) According to the information and explanation given to us and based on our examination of the records, the company has not defaulted in the repayment of loans or borrowing to any financial institutions, banks, governments and debenture holders at balance sheet date.

(ix) In our opinion and according to information and explanation given to us the money raised by way of debentures have been applied, on an overall basis, for the purpose for which they were obtained.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly paragraph 3(xiv) of the order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Kailash Chand Jain & Co.**

Chartered Accountants

Firm Registration No. : 112318W

  
Dipesh Menta

Partner

Membership No. : 134607

Place: Mumbai

Date : May 27, 2017

## **Annexure - B to the Independent Auditors' Report**

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

We have audited the internal financial controls over financial reporting of **Arihant Vatika Realty Private Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal

financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31<sup>st</sup>, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Kailash Chand Jain & Co.**

Chartered Accountants

Firm Registration No. : 112318W

  
**Dipesh Mehta**

Partner

Membership No. : 134607

Place: Mumbai

Date : May 27, 2017



ARIHANT VATIKA REALTY PRIVATE LIMITED  
BALANCE SHEET  
CIN : U70102MH2008PTC187732

| Particulars   | Note No. | As at 31 March, 2017 | As at 31 March, 2016 |
|---|----------|----------------------|----------------------|
|   |          | ₹                    | ₹                    |
| <b>A EQUITY AND LIABILITIES</b>                                 |          |                      |                      |
| <b>1 Shareholders' funds</b>                                    |          |                      |                      |
| (a) Share capital   | 3        | 100,000              | 100,000              |
| (b) Reserves and surplus  | 4        | 114,351,495          | 100,793,137          |
|   |          | 114,451,495          | 100,893,137          |
| <b>2 Share application money pending allotment</b>              |          |                      |                      |
| <b>3 Non-current liabilities</b>                                |          |                      |                      |
| (a) Long-term borrowings  | 5        | 399,863,867          | 301,500,000          |
| (b) Deferred tax liabilities (net)                              | 26       | -                    | 38,251               |
|   |          | 399,863,867          | 301,538,251          |
| <b>4 Current liabilities</b>                                    |          |                      |                      |
| (a) Short-term borrowings                                       | 5        | 23,605,864           | 78,367,528           |
| (b) Trade payables  |          |                      |                      |
| (i) dues to micro and small enterprises                         | 6        | -                    | -                    |
| (ii) dues to others   |          | 73,795,395           | 35,677,088           |
| (c) Advance from customers                                      | 7        | 543,472,955          | 190,892,059          |
| (d) Other current liabilities                                   | 8        | 50,067,237           | 17,530,226           |
| (e) Short term provisions                                       | 9        | 14,747,255           | 8,906,010            |
|   |          | 705,688,706          | 331,372,911          |
| <b>Total</b>  |          | <b>1,220,004,068</b> | <b>733,804,299</b>   |
| <b>B ASSETS</b>   |          |                      |                      |
| <b>1 Non-current assets</b>                                     |          |                      |                      |
| (a) Fixed assets  |          |                      |                      |
| (i) Tangible assets   | 10.A     | 1,724,089            | 1,774,128            |
| (ii) Intangible assets  | 10.B     | 89,005               | 24,718               |
| (b) Non-current investment                                      | 11       | 60,000,000           | -                    |
| (c) Long term deposits  | 12       | 220,557,935          | 150,000,000          |
|   |          | 282,371,029          | 151,798,846          |
| <b>2 Current assets</b>   |          |                      |                      |
| (a) Inventories   |          |                      |                      |
| i) Finished Stock   |          | 15,230,599           | -                    |
| ii) Work In Progress  | 13       | 550,344,147          | 131,243,378          |
|   |          | 565,574,746          | 131,243,378          |
| (b) Trade receivables   | 14       | 57,038,842           | 11,157,793           |
| (c) Cash and cash equivalents                                   | 15       | 32,780,979           | 10,393,152           |
| (d) Short-term loans and advances                               | 16       | 25,560,841           | 20,633,627           |
| (e) Land  | 17       | 256,101,594          | 400,261,620          |
| (f) Other Current Assets  | 18       | 576,037              | 8,315,883            |
|   |          | 937,633,039          | 582,005,453          |
| <b>Total</b>  |          | <b>1,220,004,068</b> | <b>733,804,299</b>   |
| See accompanying notes forming part of the financial statements | 1 to 36  |                      |                      |

In terms of our report attached.

M/S KAILASH CHAND JAIN & CO.

Chartered Accountants

Firm Reg. No.: 112318W

Dipesh Mehta

Partner

M.No.: 134607

Place: Mumbai

Date: May 27, 2017

For and on behalf of the Board of Directors

Ashok B. Chhajjer

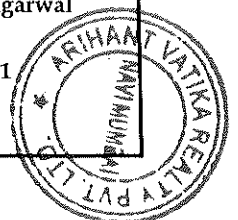
Director

DIN-01965094

Akshay A. Agarwal

Director

DIN-00664101



ARIHANT VATIKA REALTY PRIVATE LIMITED  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED  
CIN : U70102MH2008PTC187732

| Particulars   | Note No. | 31st March 2017 | 31st March 2016 |
|---|----------|-----------------|-----------------|
|   |          | ₹               | ₹               |
| 1 Revenue from operations   | 19       | 256,654,630     | 217,657,836     |
| 2 Other income  | 20       | 1,670,900       | 572,600         |
| 3 Total revenue (1+2)   |          | 258,325,530     | 218,230,436     |
| 4 Expenses  |          |                 |                 |
| (a) Cost of construction, land and development expenses                                       | 21.a     | 573,700,817     | 172,779,374     |
| (b) Changes in inventories of finished goods, work-in-Progress<br>progress and stock-in-trade | 21.b     | (434,331,368)   | (57,965,233)    |
| (c) Employee benefits expense   | 22       | 16,762,307      | 11,495,377      |
| (d) Finance costs   | 23       | 409,692         | -               |
| (e) Depreciation expense  | 10       | 574,947         | 567,898         |
| (f) Other expenses  | 24       | 81,468,831      | 39,739,978      |
| Total expenses  |          | 238,585,226     | 166,617,395     |
| 5 Profit / (Loss) before tax (3 - 4)  |          | 19,740,304      | 51,613,041      |
| 6 Tax expense:  |          |                 |                 |
| (a) Current tax expense   |          | 6,243,604       | 16,743,690      |
| (b) Deferred tax  |          | (61,658)        | (15,228)        |
|   |          | 6,181,946       | 16,728,462      |
| 7 Profit / (Loss) from continuing operations (5-6)  |          | 13,558,358      | 34,884,579      |
| 8 Earnings per share (of Rs.10/- each):   |          |                 |                 |
| (a) Basic   | 25       | 1,355.84        | 3,488.46        |
| (b) Diluted   | 25       | 1,355.84        | 3,488.46        |
| See accompanying notes forming part of the financial statements                               | 1 to 36  |                 |                 |

In terms of our report attached.

M/S KAILASH CHAND JAIN & CO.

Chartered Accountants

Firm Reg. No.: 112318W

Dipesh Mehta

Partner

M.No.: 134607

Place : Mumbai

Date : May 27, 2017

For and on behalf of the Board of Directors

Ashok B. Chhajer

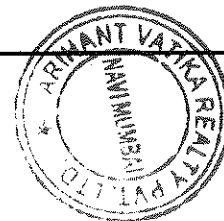
Director

DIN-01965094

Akshay A. Agarwal

Director

DIN-00664101



**ARIHANT VATIKA REALTY PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED**

| Particulars |  | 31st March 2017      | 31st March 2016      |
|-------------|--|----------------------|----------------------|
|             |  | ₹                    | ₹                    |
| <b>A.</b>   | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                           |                      |                      |
|             | Net Profit before Tax and before Extra ordinary Items :              | 19,740,304           | 51,613,041           |
|             | <b>Adjustment for Non Cash Items</b>                                 |                      |                      |
|             | Depreciation   | 574,947              | 567,898              |
|             | Interest Expenses  | 409,692              | -                    |
|             | Interest Received  | (1,599,415)          | (430,877)            |
|             |  | 19,125,528           | 51,750,062           |
|             | <b>Changes in Working Capital:-</b>                                  |                      |                      |
|             | (Increase)/ Decrease in Trade & Other Receivable                     | (269,714,252)        | (116,447,174)        |
|             | Increase/ (Decrease) in Current Liabilities & Provision              | 422,519,033          | 29,074,679           |
|             | Cash flow from operating activities before tax & extraordinary items | 171,930,308          | (35,622,433)         |
|             | Income tax paid  | (11,522,713)         | (3,556,480)          |
|             | Cash flow from operating activities before extraordinary items       | 160,407,595          | (39,178,913)         |
|             | Adjustment for Extraordinary Items                                   | -                    | -                    |
|             | <b>Cash Generated from Operating Activities</b>                      | <b>160,407,595</b>   | <b>(39,178,913)</b>  |
| <b>B.</b>   | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                           |                      |                      |
|             | Purchase of Fixed Assets ( Net )                                     | (589,195)            | (774,064)            |
|             | Interest Received  | 1,599,415            | 430,877              |
|             | Purchase of Investments  | (60,000,000)         | -                    |
|             | Long Term Deposit made   | (70,557,935)         | (150,000,000)        |
|             | <b>Cash Generated from Investment Activities</b>                     | <b>(129,547,715)</b> | <b>(150,343,187)</b> |
| <b>C.</b>   | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                           |                      |                      |
|             | Secured and unsecured Loan Taken                                     | 98,363,867           | 251,500,000          |
|             | Secured and unsecured Loan Repaid                                    | (54,761,664)         | (28,055,452)         |
|             | Interest Paid  | (409,692)            | (37,252,488)         |
|             | Interest capitalised into land                                       | (63,502,100)         | -                    |
|             | <b>Cash Generated from Financing Activities</b>                      | <b>(20,309,589)</b>  | <b>186,192,060</b>   |
|             | Net Increase in Cash & Cash Equivalents                              | 10,550,291           | (3,330,040)          |
|             | Opening Balance of Cash & Cash Equivalents(Net of O/D)               | (3,138,581)          | 191,459              |
|             | <b>Closing Balance of Cash &amp; Cash Equivalents</b>                | <b>7,411,710</b>     | <b>(3,138,581)</b>   |
|             | (i) Cash in hand   | 724,726              | 1,012,874            |
|             | (ii) Balance with bank (Net of Bank O/D)                             | 6,686,984            | (4,151,455)          |
|             | <b>Closing Balance of Cash &amp; Cash Equivalents</b>                | <b>7,411,710</b>     | <b>(3,138,581)</b>   |

In terms of our report attached.

**M/S KAILASH CHAND JAIN & CO.**

Chartered Accountants

Firm Reg. No.: 112318W

Dipesh Mehta

Partner

M.No.: 131607

Place : Mumbai

Date : May 27, 2017

For and on behalf of the Board of Directors

Ashok B. Chhajer

Director

DIN-01965094

Akshay A. Agarwal

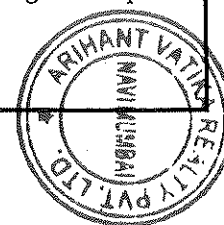
Director

DIN-00664101



**ARIHANT VATIKA REALTY PRIVATE LIMITED****Notes forming part of Audited financial statements**

| Note | Particulars   |
|------|---|
| 1    | <b>Corporate information</b><br>Arihant Vatika Realty Pvt. Ltd is registered under companies act, 1956 as private limited company. The company's registered office is located at 302, Persipolis Building Plot No. 74, Sector 17, Vashi, Navi Mumbai - 400703 and its registered office is situated in the state of Maharashtra, i.e. within the jurisdiction of the Registrar of Companies, Maharashtra, at Mumbai. The operation of the company span in all aspect of real estate development, from the identification and acquisition of land, planning, execution, construction and marketing of projects.  |
| 2    | <b>Significant accounting policies (Illustrative)</b>   |
| 2.1  | <b>Basis of accounting and preparation of financial statements</b><br>The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprise mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies have been consistantly applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.  |
| 2.2  | <b>Use of estimates</b><br>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.  |
| 2.3  | <b>Inventories</b><br>i) <b>Construction materials and consumables :</b><br>The construction materials and consumables purchased are treated as consumables and added in work in-progress.<br>ii) <b>Incomplete Project / Construction Work-In-Progress :</b><br>The Incomplete Project / construction work-in-progress is valued at lower of cost or net realisable value.<br>(a) <b>For projects where revenue is recognised :</b> "Cost includes cost of land, development rights, rates and taxes, construction cost, borrowing cost, other direct expenditure, allocated overheads and other incidental expenses".<br>(b) <b>For projects where revenue is not recognised :</b> "Cost includes direct expenses, construction cost, rates and taxes, other direct expenditure, incidental expenses except land & development rights which is treated as other assets".<br>(iii) Finished stock of completed projects and stock in trade of units is valued at lower of cost or market value.<br>(iv) Land and plots other than area transferred to construction work-in-progress of constructed properties at the commencement of construction are valued at lower of cost/approximate average as revalued on conversion to stock and net realisable value. Cost includes land (including development rights and land under agreements to purchase) acquisition cost, borrowing cost. |

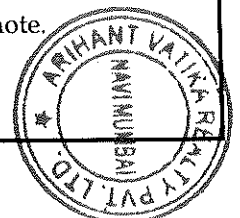


**ARIHANT VATIKA REALTY PRIVATE LIMITED****Notes forming part of Audited financial statements**

| Note | Particulars  |
|------|--|
| 2.4  | <b>Cash flow statement</b><br>Cash flows are reported using the indirect method as per AS-3, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.  |
| 2.5  | <b>Depreciation and amortisation</b><br>Depreciation is provided on straight line basis method over the useful life of asset as prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged.<br>Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the company for its use.<br>Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.   |
| 2.6  | <b>Revenue recognition</b><br>(i) Revenue from constructed properties for all projects commenced on or before March 31, 2012 and where revenue recognition commenced on or before the above date, is recognised in accordance with the provisions of Accounting Standard (AS) 9 on Revenue Recognition, read with Guidance Note on "Recognition of Revenue by Real Estate Developers". Revenue is computed based on the "percentage of completion method" and on the percentage of actual project costs incurred thereon to total estimated project cost, subject to such actual cost incurred being 30 percent or more of the total estimated project cost.<br><br>(ii) Revenue from constructed properties for all projects commenced on or after April 1, 2012 or project where the revenue is recognised for the first time on or after the above date, is recognised in accordance with the Revised Guidance Note issued by The Institute of Chartered Accountants of India (ICAI) on "Accounting for Real Estate transactions (Revised 2012)". As per this Guidance Note, the revenue have been recognised on percentage of completion method and on the percentage of actual project costs incurred thereon to total estimated project cost , provided all of the following conditions are met at the reporting date:<br><br>(a) required critical approvals for commencement of the project have been obtained;<br>(b) atleast 25% of estimated construction and development costs (excluding land costs) has been incurred;<br>(c) atleast 25% of the saleable project area is secured by the Agreements to sell/ application forms (containing salient terms of the agreement to sell); and<br>(d) atleast 10% of the total revenue as per agreement to sell are realized in respect of these agreements.<br><br>The estimates relating to saleable project area, sales value, estimated costs, etc., are revised and updated periodically by the management and necessary adjustments are made in the accounts in the year in which the estimates are revised.<br>Surrender of flats by buyers are valued at cost and accounted for as surrender of rights under 'Indirect Expenses', proceeds are treated as 'Sales'.<br>Interest Income is recognized on a time proportion basis taking into account the among outstanding and the applicable interest rate. Interest income is included under the head other income in the statement of profit and loss. |

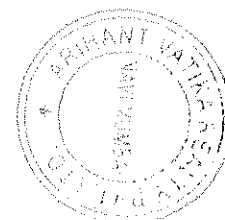
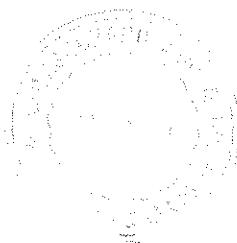
**ARIHANT VATIKA REALTY PRIVATE LIMITED**  
**Notes forming part of Audited financial statements**

| Note | Particulars  |
|------|--|
| 2.7  | <p><b>Tangible fixed assets</b><br/>           Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use.</p>   |
| 2.8  | <p><b>Intangible fixed assets</b><br/>           Intangible Assets are recognised on the basis of recognition criteria as set out in Accounting Standards (AS-26) "Intangible Assets". Bought out softwares are recognised at cost of purchase.</p>  |
| 2.9  | <p><b>Investments</b><br/>           Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. During the year the company has not made any investment.</p>   |
| 2.10 | <p><b>Borrowing costs</b><br/>           Borrowing costs as per AS-16 include interest, amortisation of ancillary costs incurred. Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing cost are charged to the statement of profit and loss in the period in which they are incurred.</p>   |
| 2.11 | <p><b>Taxes on income</b><br/>           Tax Expenses comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/ period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised only if there is virtual certainty that sufficient future taxable income will be available to realise the same.<br/>           Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantially enacted by the Balance Sheet date.</p> |
| 2.12 | <p><b>Earning Per Share</b><br/>           Basic earnings per share as per AS-20, are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.<br/>           For the purpose of calculating diluted earnings per share, the net profit or loss for the period 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.</p>  |
| 2.13 | <p><b>Provisions , Contigent Liabilities and Contigent Assets</b><br/>           Provision is recognised in the accounts when there is a present obligation as a result of past events and is probable that an outflow of resource will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimated are reviewed at each reporting date and adjusted to reflect the current best estimates.<br/>           Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.<br/>           Contingent assets are neither recognised nor disclosed in the financial statements.</p>   |



**ARIHANT VATIKA REALTY PRIVATE LIMITED**  
**Notes forming part of Audited financial statements**

| Note | Particulars   |
|------|---|
| 2.14 | <p><b>Impairment of Assets</b><br/>           Impairment is ascertained at each Balance Sheet date in respect of the Company's fixed assets. An impairment loss is recognised whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount.</p>  |
| 2.15 | <p><b>Foreign Currency Translation/Conversion</b><br/>           Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Gains/Losses arising due to fluctuations in the exchange rates are recognized in the Statement of Profit &amp; Loss in the period in which they arise. Gains/ Losses on foreign exchange rate fluctuations relating to translation of monetary items at the year-end are accounted for in the Statement of Profit &amp; Loss.</p> |
| 2.16 | <p><b>Segment Policies</b><br/>           The Company's reportable segments are identified based on activities/products, risk and reward structure, organization structure and internal reporting systems.</p>  |
| 2.17 | <p><b>Advances for Purchase of land</b><br/>           Advances given for acquiring land are initially classified as 'Advances for Purchase of Land' under Loans and Advances. On obtaining the license for a land, the full cost of the land is transferred to cost of land, an item of cost of construction, from 'Advance against Land'.</p>   |



**ARIHANT VATIKA REALTY PRIVATE LIMITED**  
Notes forming part of Audited financial statements

**Note 3 Share capital**

| Particulars  | As at 31 March, 2017 |                | As at 31 March, 2016 |                |
|--|----------------------|----------------|----------------------|----------------|
|  | Number of shares     | ₹              | Number of shares     | ₹              |
| (a) Authorised<br>Equity shares of ₹10 each with voting rights                   | 100,000              | 1,000,000      | 100,000              | 1,000,000      |
| (b) Issued<br>Equity shares of ₹10 each with voting rights                       | 10,000               | 100,000        | 10,000               | 100,000        |
| (c) Subscribed and fully paid up<br>Equity shares of ₹10 each with voting rights | 10,000               | 100,000        | 10,000               | 100,000        |
| <b>Total</b>   | <b>10,000</b>        | <b>100,000</b> | <b>10,000</b>        | <b>100,000</b> |

**Notes:**

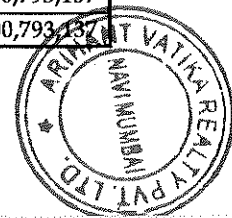
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

| Particulars                      | Opening Balance | Other changes (give details) | Closing Balance |
|----------------------------------|-----------------|------------------------------|-----------------|
| Equity shares with voting rights |                 |                              |                 |
| Year ended 31 March, 2017        |                 |                              |                 |
| - Number of shares               | 10,000          | -                            | 10,000          |
| - Amount (₹)                     | 100,000         | -                            | 100,000         |
| Year ended 31 March, 2016        |                 |                              |                 |
| - Number of shares               | 10,000          | -                            | 10,000          |
| - Amount (₹)                     | 100,000         | -                            | 100,000         |

| Class of shares / Name of shareholder (holding more than 5% shares) | As at 31 March, 2017  |                                   | As at 31 March, 2016  |                                   |
|---|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
|   | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Equity shares with voting rights                                    |                       |                                   |                       |                                   |
| Arihant Superstructures Ltd.  | 6,000                 | 60.00                             | 6,000                 | 60.00                             |
| Sujata Agarwal  | 1,570                 | 15.70                             | 1,570                 | 15.70                             |
| Akshay Agarwal  | 1,150                 | 11.50                             | 1,150                 | 11.50                             |

**Note 4 Reserves and surplus**

| Particulars                       | As at 31 March, 2017 | As at 31 March, 2016 |
|-----------------------------------|----------------------|----------------------|
|                                   | ₹                    | ₹                    |
| (a) Statement of Profit / (Loss)  |                      |                      |
| Opening balance                   | 100,793,137          | 65,908,558           |
| Add: Profit / (Loss) for the year | 13,558,358           | 34,884,579           |
| Closing balance                   | 114,351,495          | 100,793,137          |
| <b>Total</b>                      | <b>114,351,495</b>   | <b>100,793,137</b>   |





**ARIHANT VATIKA REALTY PRIVATE LIMITED**

Notes forming part of Audited financial statements

**Note 5 Borrowings**

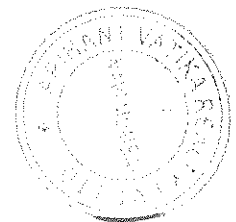
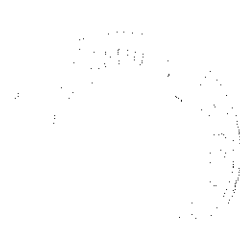
| Particulars                     | As at 31 March, 2017 |                   | As at 31 March, 2016 |                   |
|---------------------------------|----------------------|-------------------|----------------------|-------------------|
|                                 | Long-term            | Short-term        | Long-term            | Short-term        |
|                                 | ₹                    | ₹                 | ₹                    | ₹                 |
| (a) Other loans and advances    |                      |                   |                      |                   |
| (i) Secured                     |                      |                   |                      |                   |
| 17 % Non Convertible Debentures | 399,863,867          | -                 | 200,000,000          | -                 |
| (ii) Unsecured                  |                      |                   |                      |                   |
| Loan From Directors             | -                    | 7,839,907         | 50,000,000           | 33,720,413        |
| From Others                     | -                    | 15,765,957        | 51,500,000           | 44,647,115        |
| <b>Total</b>                    | <b>399,863,867</b>   | <b>23,605,864</b> | <b>301,500,000</b>   | <b>78,367,528</b> |

**Note 6 Trade payables**

| Particulars                             | As at 31<br>March, 2017 | As at 31<br>March, 2016 |
|---|-------------------------|-------------------------|
|   | ₹                       | ₹                       |
| (a) Trade payables:                     |                         |                         |
| (i) dues to micro and small enterprises | -                       | -                       |
| (ii) dues to others                     |                         |                         |
| Sundry Creditors                        | 63,581,461              | 30,092,191              |
| Retention                               | 10,213,934              | 5,584,897               |
| <b>Total</b>                            | <b>73,795,395</b>       | <b>35,677,088</b>       |

**Note 7 Advance from Customers**

| Particulars  | As at 31<br>March, 2017 | As at 31<br>March, 2016 |
|--------------|-------------------------|-------------------------|
|              | ₹                       | ₹                       |
| Bookings     | 543,472,955             | 190,892,059             |
| <b>Total</b> | <b>543,472,955</b>      | <b>190,892,059</b>      |



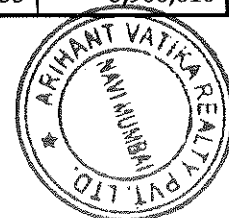
**ARIHANT VATIKA REALTY PRIVATE LIMITED**  
Notes forming part of Audited financial statements

**Note 8 Other current liabilities**

| Particulars                | As at 31<br>March, 2017 | As at 31<br>March, 2016 |
|----------------------------|-------------------------|-------------------------|
|                            | ₹                       | ₹                       |
| (a) Other payables         |                         |                         |
| (i) Book OD                | 25,369,269              | 13,531,733              |
| (ii) Statutory remittances |                         |                         |
| VAT Payable                | 1,039,654               | 306,580                 |
| Professional Tax Payable   | 7,900                   | 39,950                  |
| TDS Payable                | 2,681,095               | 2,538,534               |
| Service Tax Payable        | 2,595,833               | -                       |
| WCT (Sales Tax)            | -                       | 66,912                  |
| (iii) Others               |                         |                         |
| Security Charges payable   | -                       | 31,000                  |
| Salary Payable             | 1,595,986               | 950,517                 |
| Professional Payable       | 12,500                  | -                       |
| Arihant Anmol Maintenance  | 16,700,000              | -                       |
| Audit fees payable         | 65,000                  | 65,000                  |
| <b>Total</b>               | <b>50,067,237</b>       | <b>17,530,226</b>       |

**Note 9 Short term provisions**

| Particulars                                 | As at 31<br>March, 2017 | As at 31<br>March, 2016 |
|---|-------------------------|-------------------------|
|   | ₹                       | ₹                       |
| Provision for Income Tax ( Net of Tax Paid) | 29,495                  | 7,780,340               |
| Provision for Expenses                      | 14,636,308              | 1,044,218               |
| Provision for Gratuity Payable              | 81,452                  | 81,452                  |
| <b>Total</b>                                | <b>14,747,255</b>       | <b>8,906,010</b>        |





**ARIHANT VATIKA REALTY PRIVATE LIMITED**  
Notes forming part of Audited financial statements

**Note 11 Non Current Investment**

| Particulars                     | As at 31 March,<br>2017 | As at 31 March,<br>2016 |
|---------------------------------|-------------------------|-------------------------|
|                                 | ₹                       | ₹                       |
| Arihant Paradise Realty Pvt Ltd | 60,000,000              | -                       |
| <b>Total</b>                    | <b>60,000,000</b>       | <b>-</b>                |

**Note 12 Long Term Deposits**

| Particulars                               | As at 31 March,<br>2017 | As at 31 March,<br>2016 |
|---|-------------------------|-------------------------|
|   | ₹                       | ₹                       |
| Supreme Construction & Developers Pvt Ltd | 220,557,935             | 150,000,000             |
| <b>Total</b>                              | <b>220,557,935</b>      | <b>150,000,000</b>      |

**Note 13 Inventories**

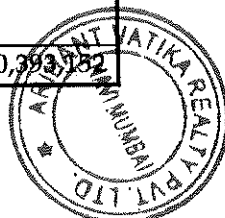
| Particulars          | As at 31 March,<br>2017 | As at 31 March,<br>2016 |
|----------------------|-------------------------|-------------------------|
|                      | ₹                       | ₹                       |
| (a) Raw Material     | 21,744,986              | 10,490,738              |
| (b) Work in Progress | 528,599,161             | 120,752,640             |
| <b>Total</b>         | <b>550,344,147</b>      | <b>131,243,378</b>      |

**Note 14 Trade receivables**

| Particulars   | As at 31 March,<br>2017 | As at 31 March,<br>2016 |
|---|-------------------------|-------------------------|
|   | ₹                       | ₹                       |
| Other Trade receivables<br>Unsecured, considered good | 57,038,842              | 11,157,793              |
| <b>Total</b>  | <b>57,038,842</b>       | <b>11,157,793</b>       |

**Note 15 Cash and cash equivalents**

| Particulars  | As at 31 March,<br>2017 | As at 31 March,<br>2016 |
|--|-------------------------|-------------------------|
|  | ₹                       | ₹                       |
| (a) Cash on hand   | 724,726                 | 1,012,874               |
| (b) Balances with banks  |                         |                         |
| (i) In current accounts  | 19,432,231              | 1,924,319               |
| (ii) In deposit accounts<br>Fixed deposit with Federal Bank (Auto Sweep)<br>(maturity within 3 months) | 12,624,022              | 7,455,959               |
| <b>Total</b>   | <b>32,780,979</b>       | <b>10,393,152</b>       |



**ARIHANT VATIKA REALTY PRIVATE LIMITED**  
**Notes forming part of Audited financial statements**

**Note 16 Short-term loans and advances**

| Particulars                                  | As at 31 March,<br>2017 | As at 31 March,<br>2016 |
|--|-------------------------|-------------------------|
|  | ₹                       | ₹                       |
| (a) Security deposits                        |                         |                         |
| Unsecured, considered good                   |                         |                         |
| Deposits-Kulgaon Badlapur Municipal Council) | 90,000                  | 90,000                  |
| MSEDCL Security Deposit                      | 1,272,383               | 172,383                 |
| Deposit Against Office with Sangeeta Chhajer | 600,000                 | -                       |
| Deposit with Surinder Singh                  | 25,000                  | -                       |
| Deposit with Mehar trailers Pvt Ltd          | 300,000                 | -                       |
| Others Deposits                              | 790,700                 | 350,000                 |
|  | <b>3,078,083</b>        | <b>612,383</b>          |
| (b) Loans and advances to employees          | 1,159,700               | 945,000                 |
|  | <b>1,159,700</b>        | <b>945,000</b>          |
| (c) Advances for Branding                    | -                       | 16,203,000              |
| (d) Advances to Creditors                    | 21,323,058              | 2,873,244               |
| <b>Total</b>                                 | <b>25,560,841</b>       | <b>20,633,627</b>       |

**Note 17 Land**

| Particulars           | As at 31 March,<br>2017 | As at 31 March,<br>2016 |
|-----------------------|-------------------------|-------------------------|
|                       | ₹                       | ₹                       |
| (a) Land for projects | 256,101,594             | 400,261,620             |
| <b>Total</b>          | <b>256,101,594</b>      | <b>400,261,620</b>      |

**Note 18 Other Current Assets**

| Particulars                   | As at 31 March,<br>2017 | As at 31 March,<br>2016 |
|-------------------------------|-------------------------|-------------------------|
|                               | ₹                       | ₹                       |
| (a) Service Tax (Net)         | -                       | 7,320,598               |
| (b) Prepaid expenses          | 518,286                 | 994,210                 |
| (c) Other Recoverables        | 34,344                  | 1,075                   |
| (d) Deferred tax assets (net) | 23,407                  | -                       |
| <b>Total</b>                  | <b>576,037</b>          | <b>8,315,883</b>        |



**ARIHANT VATIKA REALTY PRIVATE LIMITED**  
Notes forming part of Audited financial statements

**Note 19 Revenue from operations**

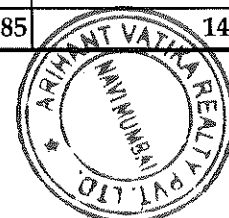
|     | Particulars                             | For the year ended<br>31 March, 2017 | For the year ended<br>31 March, 2016 |
|-----|---|--------------------------------------|--------------------------------------|
|     |   | ₹                                    | ₹                                    |
| (a) | Sale of products (Refer Note (i) below) | 256,654,630                          | 217,657,836                          |
|     | <b>Total</b>                            | <b>256,654,630</b>                   | <b>217,657,836</b>                   |

| Note | Particulars                                   | For the year ended<br>31 March, 2017 | For the year ended<br>31 March, 2016 |
|------|---|--------------------------------------|--------------------------------------|
|      |   | ₹                                    | ₹                                    |
| (i)  | Manufactured finished / unfinished goods sold |                                      |                                      |
|      | Arihant Anmol                                 | 153,089,873                          | 184,057,836                          |
|      | Arihant Anaika                                | 103,564,757                          |                                      |
|      | Sale of Land                                  | -                                    | 33,600,000                           |
|      | <b>Total - Sale of products</b>               | <b>256,654,630</b>                   | <b>217,657,836</b>                   |

**Note 20 Other income**

|     | Particulars                | For the year ended<br>31 March, 2017 | For the year ended<br>31 March, 2016 |
|-----|----------------------------|--------------------------------------|--------------------------------------|
|     |                            | ₹                                    | ₹                                    |
| (a) | Interest income            |                                      |                                      |
|     | From Banks                 | 1,599,415                            | 430,877                              |
|     | others                     | -                                    | -                                    |
| (b) | Other non-operating income | 71,485                               | 141,723                              |
|     | <b>Total</b>               | <b>1,670,900</b>                     | <b>572,600</b>                       |

| Note | Particulars                               | For the year ended<br>31 March, 2017 | For the year ended<br>31 March, 2016 |
|------|---|--------------------------------------|--------------------------------------|
|      |   | ₹                                    | ₹                                    |
| (i)  | Interest income comprises:                |                                      |                                      |
|      | Deposits                                  | 1,599,399                            | 419,477                              |
|      | Other balances                            | 16                                   | 11,400                               |
|      | <b>Total</b>                              | <b>1,599,415</b>                     | <b>430,877</b>                       |
| (ii) | Other non-operating income comprises:     |                                      |                                      |
|      | Miscellaneous Income                      | -                                    | 20                                   |
|      | Rate Difference & Discount                | 27,711                               | 75,491                               |
|      | Discount                                  | 106                                  | 21,711                               |
|      | Booking Cancellation Charges              | 43,668                               | 44,500                               |
|      | <b>Total - Other non-operating income</b> | <b>71,485</b>                        | <b>141,723</b>                       |



**ARIHANT VATIKA REALTY PRIVATE LIMITED**

Notes forming part of Audited financial statements

**Note 21.a Cost of construction, land and development expenses**

| Particulars                             | For the year ended 31<br>March, 2017 | For the year ended<br>31 March, 2016 |
|---|--------------------------------------|--------------------------------------|
|   | ₹                                    | ₹                                    |
| Purchases (Refer note (i) below)        | 201,307,899                          | 74,155,006                           |
| Land Cost                               | 207,692,126                          | 10,972,112                           |
| Direct Expenses (Refer note (ii) below) | 164,700,792                          | 87,652,256                           |
| <b>Total</b>                            | <b>573,700,817</b>                   | <b>172,779,374</b>                   |

Notes :

| Particulars         | For the year ended 31<br>March, 2017 | For the year ended<br>31 March, 2016 |
|---------------------|--------------------------------------|--------------------------------------|
|                     | ₹                                    | ₹                                    |
| i) Purchases        |                                      |                                      |
| Arihant Anmol       | 60,139,868                           | 56,742,251                           |
| Arihant Anaika      | 48,692,861                           | 17,412,755                           |
| Arihant Alishan     | 92,475,170                           | -                                    |
|                     | <b>201,307,899</b>                   | <b>74,155,006</b>                    |
| ii) Direct Expenses |                                      |                                      |
| Arihant Anmol       | 46,482,591                           | 63,642,931                           |
| Arihant Anaika      | 50,865,941                           | 19,116,122                           |
| Arihant Alishaan    | 67,352,260                           | 4,893,203                            |
| <b>Total</b>        | <b>164,700,792</b>                   | <b>87,652,256</b>                    |

**Note 21.b Changes in inventories**

| Particulars                                      | For the year ended 31<br>March, 2017 | For the year ended<br>31 March, 2016 |
|--|--------------------------------------|--------------------------------------|
|  | ₹                                    | ₹                                    |
| <u>Inventories at the end of the year:</u>       |                                      |                                      |
| Raw Material Stock                               |                                      |                                      |
| Arihant Anmol                                    | 7,277,382                            | 8,410,881                            |
| Arihant Anaika                                   | 4,167,227                            | 2,079,857                            |
| Arihant Aalishan                                 | 10,300,377                           | -                                    |
| Incomplete projects (WIP)                        |                                      |                                      |
| Arihant Anmol                                    | 40,851,775                           | 53,333,474                           |
| Arihant Anaika                                   | 279,337,354                          | 38,240,375                           |
| Arihant Alishaan                                 | 208,410,032                          | 29,178,791                           |
| Finished Stock                                   |                                      |                                      |
| Arihant Anmol                                    | 15,230,599                           | -                                    |
|  | <b>565,574,746</b>                   | <b>131,243,378</b>                   |
| <u>Inventories at the beginning of the year:</u> |                                      |                                      |
| Raw Material Stock                               | 10,490,738                           | 6,442,918                            |
| Incomplete projects (WIP)                        |                                      |                                      |
| Arihant Anmol                                    | 53,333,474                           | 63,091,747                           |
| Arihant Anaika                                   | 38,240,375                           | 3,743,480                            |
| Arihant Aalishan                                 | 29,178,791                           | -                                    |
|  | <b>131,243,378</b>                   | <b>73,278,145</b>                    |
| <b>Net (increase) / decrease</b>                 | <b>(434,331,368)</b>                 | <b>(57,965,233)</b>                  |



**ARIHANT VATIKA REALTY PRIVATE LIMITED**  
Notes forming part of Audited financial statements

**Note 22 Employee benefits expense**

| Particulars               | For the year ended<br>31 March, 2017 | For the year ended<br>31 March, 2016 |
|---------------------------|--------------------------------------|--------------------------------------|
|                           | ₹                                    | ₹                                    |
| Salaries, wages and bonus | 15,298,771                           | 9,728,084                            |
| Staff welfare expenses    | 1,463,536                            | 1,767,293                            |
| <b>Total</b>              | <b>16,762,307</b>                    | <b>11,495,377</b>                    |

**Note 23 Finance costs**

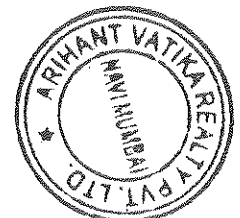
| Particulars                      | For the year ended<br>31 March, 2017 | For the year ended<br>31 March, 2016 |
|----------------------------------|--------------------------------------|--------------------------------------|
|                                  | ₹                                    | ₹                                    |
| (a) Interest expense on:         |                                      |                                      |
| (i) Secured Loans                | 1,075                                | -                                    |
| (ii) Unsecured Loans(Subvention) | 408,617                              | -                                    |
| <b>Total</b>                     | <b>409,692</b>                       | <b>-</b>                             |

**Note 24 Other expenses**

| Particulars               | For the year ended<br>31 March, 2017 | For the year ended<br>31 March, 2016 |
|---------------------------|--------------------------------------|--------------------------------------|
|                           | ₹                                    | ₹                                    |
| Selling & Distribution    | 57,997,615                           | 30,113,455                           |
| Professional & Legal Fees | 11,819,437                           | 905,639                              |
| Donation                  | 500,000                              | 551,000                              |
| Director Sitting Fees     | 90,000                               | 50,000                               |
| Rent, Rates and Taxes     | 6,379,043                            | 2,843,711                            |
| Administrative Expenses   | 3,582,266                            | 3,705,706                            |
| Audit Fee                 | 65,000                               | 65,000                               |
| ROC Fee                   | 20,100                               | 1,600                                |
| Compensation              | 935,250                              | 1,464,450                            |
| Others                    | 80,120                               | 39,417                               |
| <b>Total</b>              | <b>81,468,831</b>                    | <b>39,739,978</b>                    |

**Notes:**

| Particulars                             | For the year ended<br>31 March, 2017 | For the year ended<br>31 March, 2016 |
|---|--------------------------------------|--------------------------------------|
|   | ₹                                    | ₹                                    |
| (i) Payments to the auditors comprises: |                                      |                                      |
| Statutory audit                         | 65,000                               | 65,000                               |
| <b>Total</b>                            | <b>65,000</b>                        | <b>65,000</b>                        |





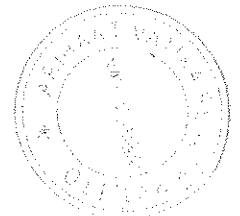
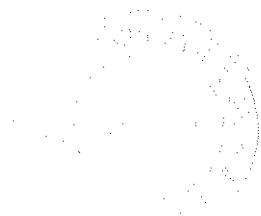
**ARIHANT VATIKA REALTY PRIVATE LIMITED**  
Notes forming part of Audited financial statements

**Note 25 Earning Per Share (Disclosures under Accounting Standards 20)**

| Particulars  | For the year ended<br>31 March, 2017 | For the year ended<br>31 March, 2016 |
|--|--------------------------------------|--------------------------------------|
|  | ₹                                    | ₹                                    |
| <b>Earnings per share</b>  |                                      |                                      |
| <u>Basic</u>   |                                      |                                      |
| <u>Continuing operations</u>   |                                      |                                      |
| Net profit / for the year from continuing operations attributable to the equity shareholders | 13,558,358                           | 34,884,579                           |
| Weighted average number of equity shares   | 10,000                               | 10,000                               |
| Par value per share  | 10                                   | 10                                   |
| Earnings per share from continuing operations - Basic  | 1,355.84                             | 3,488.46                             |

**Note 26 Deferred Tax (Liability)/Asset (Disclosures under Accounting Standards 22)**

| Particulars  | As at 31 March, 2017 | As at 31 March, 2016 |
|--|----------------------|----------------------|
|  | ₹                    | ₹                    |
| <b>Deferred tax (liability) / asset</b>                            |                      |                      |
| <u>Tax effect of items constituting deferred tax liability</u>     |                      |                      |
| On difference between book balance and tax balance of fixed assets | 38,251               | 53,479               |
| <u>Tax effect of items constituting deferred tax liability</u>     | 38,251               | 53,479               |
| <u>Tax effect of items constituting deferred tax assets</u>        |                      |                      |
| Others   | 15,228               | 15,228               |
| <u>Tax effect of items constituting deferred tax assets</u>        | 15,228               | 15,228               |
| <b>Net deferred tax (liability) / asset</b>                        | <b>(23,023)</b>      | <b>(38,251)</b>      |



**ARIHANT VATIKA REALTY PRIVATE LIMITED**  
**Notes forming part of Audited financial statements**

**Note 27 : Foreign currency transactions**

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted into Indian rupees at the year-end exchange rate.

**Note 28 : Employee benefits**

Expenses and liabilities in respect of employee benefits, are recorded in accordance with with the noticed Accounting Standard 15-Employee Benefits.

**Note 29 : Dues to Micro Enterprises and Small Enterprises**

There are no parties/compabies which have been identified as Micro and Small Enterprises. The auditor have accepted the representation of the management in this matter in the absence of databavse identifying the creditors which are Micro and Small Enterprises.As at March 31,2017, there are no outstanding dues to Micro and small enterprises. There are no interest dues or outstanding on the same.

**Note 30 : Contigent Liabilities and Commitments (to the extent not provided)**

There were no contingent liability and commitments in the hands of Company at the end of the year.

**Note 31 : CSR Expenditure**

As the Company does not possess the eligibility for CSR Expenditure, hence no CSR expenditure were made.

**Note 32 : Segment Reporting**

There are no reportable segments as per AS-17 on Segment Reporting.

**Note 33 : Previous Year Figure's regrouping**

The previous year's figures have been regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

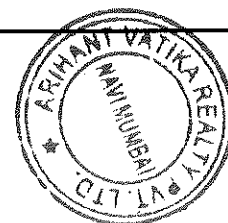
**Note 34 : Disclosures under Accounting Standards 18**

**Related party transactions**

**Details of related parties:**

| Description of relationship  | Names of related parties           |
|--|------------------------------------|
| Holding  | Arihant Superstructures Ltd.       |
| Key Management Personnel (KMP)   | Ashok B. Chhajer                   |
| Relatives of KMP   | Sangeeta Chhajer<br>Sujata Agarwal |
| Company in which KMP / Relatives of KMP can exercise significant influence | Arihant Paradise Realty Pvt. Ltd.  |

Note: Related parties have been identified by the Management.



**ARIHANT VATIKA REALTY PRIVATE LIMITED**

Notes forming part of Audited financial statements

Details of related party transactions during the year ended 31 March, 2017:

|  | Holding     | KMP         | Relatives Of<br>KMP | Entities in<br>which KMP /<br>relatives of<br>KMP have<br>significant<br>influence | Total       |
|--|-------------|-------------|---------------------|--|-------------|
| <b>I. Transactions During the year</b> |             |             |                     |  |             |
| <b>Loan Taken</b>                      |             |             |                     |  |             |
| Arihant Superstructures Ltd            | 113,542,727 | -           | -                   | -  | 113,542,727 |
| Ashok B. Chhajer                       | -           | 144,100,000 | -                   | -  | 144,100,000 |
| Sangeeta Chhajer                       | -           | 58,900,000  | -                   | -  | 58,900,000  |
| Sujata Agarwal                         | -           | -           | -                   | -  | -           |
| <b>Loan Repayment</b>                  |             |             |                     |  |             |
| Arihant Superstructures Ltd            | 153,957,503 | -           | -                   | -  | 153,957,503 |
| Ashok B. Chhajer                       | -           | 225,000,000 | -                   | -  | 225,000,000 |
| Sangeeta Chhajer                       | -           | 94,500,000  | -                   | -  | 94,500,000  |
| Sujata Agarwal                         | -           | 15,000,000  | -                   | -  | 15,000,000  |
| <b>Rent Paid</b>                       |             |             |                     |  |             |
| Ashok B. Chhajer                       | -           | 324,000     | -                   | -  | 324,000     |
| Sangeeta Chhajer                       | -           | -           | 2,400,000           | -  | 2,400,000   |
| <b>Booking Refund</b>                  |             |             |                     |  |             |
| Ashok B. Chhajer                       | -           | 100,000     | -                   | -  | 100,000     |
| <b>Interest Paid</b>                   |             |             |                     |  |             |
| Arihant Superstructures Ltd            | 1,867,639   | -           | -                   | -  | 1,867,639   |
| Ashok B. Chhajer                       | -           | 5,466,105   | -                   | -  | 5,466,105   |
| Sangeeta Chhajer                       | -           | -           | 7,831,147           | -  | 7,831,147   |
| Sujata Agarwal                         | -           | -           | 2,116,347           | -  | 2,116,347   |
| <b>Director Remuneration</b>           |             |             |                     |  |             |
| Akshay Agarwal                         | -           | 2,400,000   | -                   | -  | 2,400,000   |
| <b>Investment In Property</b>          |             |             |                     |  |             |
| Arihant Paradise Realty Pvt Ltd        | -           | -           | -                   | 60,000,000   | 60,000,000  |
| <b>Deposit Against Office</b>          |             |             |                     |  |             |
| Sangeeta Chhajer                       | -           | -           | 600,000             | -  | 600,000     |

Note: Related parties have been identified by the Management.



**ARIHANT VATIKA REALTY PRIVATE LIMITED**

Notes forming part of Audited financial statements

Details of related party balances outstanding as at 31 March, 2017:

|  | Holding      | KMP          | Relatives Of KMP | Entities in which KMP / relatives of KMP have significant influence | Total        |
|--|--------------|--------------|------------------|---|--------------|
| <b>II. Balances at the end of the year</b> |              |              |                  |   |              |
| Arihant Superstructures Ltd                |              |              |                  |   |              |
| Closing Balance                            | 3,404,541    | -            | -                | -   | 3,404,541    |
| Opening Balance                            | (42,138,442) | -            | -                | -   | (42,138,442) |
| Ashok B. Chhajer                           |              |              |                  |   |              |
| Closing Balance                            | -            | 7,839,907    | -                | -   | 7,839,907    |
| Opening Balance                            | -            | (83,820,413) | -                | -   | (83,820,413) |
| Sangeeta Chhajer                           |              |              |                  |   |              |
| Closing Balance                            | -            | -            | 9,909,372        | -   | 9,909,372    |
| Opening Balance                            | -            | -            | (38,461,340)     | -   | (38,461,340) |
| Sujata Agarwal                             |              |              |                  |   |              |
| Closing Balance                            | -            | -            | 2,452,044        | -   | -            |
| Opening Balance                            | -            | -            | (15,547,333)     | -   | (15,547,333) |

Note:- Figures in the bracket indicate Opening Balance

Note : 35 Holding and Dealing in Specified Bank Notes During the period November 8, 2016 to December 30, 2016

| Particulars                      | Specified Bank Notes | Other Denominations | Total   |
|----------------------------------|----------------------|---------------------|---------|
| Closing Balance as on 08-11-2016 | 484,000              | 63,351              | 547,351 |
| Permitted Receipts               | -                    | 399,000             | 399,000 |
| Permitted Payments               | 49,000               | 282,261             | 331,261 |
| Deposits                         | 435,000              | -                   | 435,000 |
| Closing Balance as on 30-12-2016 | -                    | 180,090             | 180,090 |

Note: 36 There is no other requirement of disclosure according to schedule III.

In terms of our report attached.

M/S KAILASH CHAND JAIN & CO.

Chartered Accountants

Firm Reg. No.: 112318W

Dipesh Adenta

Partner

M.No.: 134607

Place : Mumbai

Date : May 27, 2017

For and on behalf of the Board of Directors

Ashok B. Chhajer

Director

DIN-01965094

Akshay A. Agarwal

Director

DIN-00664101

