VINAYAKA REALTY (GUJ) PRIVATE LIMITED

ANNUAL REPORT 2016-17

CA VISHAL LOTIA
VISHAL LOTIA & CO.
Chartered Accountants
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150 Feet Ring Road, Rajkot-360001
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INDEPENDENT AUDITORS' REPORT

To
The Members of
M/s Vinayaka Realty (Guj) Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of ("the Company") which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance 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 of 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.

Auditors' Responsibility

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

H.M.Khajuria

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 auditors' 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 auditors consider internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017 and of the profit 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 terms of sub-section (11) of section 143 of the Act, is not applicable.

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 purpose 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, and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;

H.M. Khajuria

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 written representations received from the directors as on 31st March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms section 164(2) of the Act;

f) The company being a specific private company vide notification dated 13th June, 2017, hence reporting u/s 143(3)(i) in respect of internal financial control is not applicable.

g) With respect to the other matters to be included in the Auditors' 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 explanation given to us:

   i. The Company does not have any pending litigations which would impact its financial position;

   ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes (SBNs) during the period from 8th November 2016 to 30th December 2016. In absence of any external evidences, based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the management.

For Vishal Lotia & CO.
Chartered Accountants
FRN: 328722E

VISHAL LOTIA & CO. FRN 328722E RAJKOT Chartered Accountants

VISHAL LOTIA
Proprietor
Membership No. 301643

Rajkot
September 01, 2017

H.M.Khojini

VINAYAKA REALTY (GUJ) PRIVATE LIMITED

Balance Sheet for the year ended 31.03.2017

	Note No.	31.03.2017	(Amount in Rs.) 31.03.2016
EQUITY AND LIABILITIES			
Shareholders Fund			
Share capital	2	100,000.00	100,000.00
Reserves and surplus	3	790,264.62	787,563.01
		890,264.62	887,563.01
Current Liabilities			
Short Term Borrowings	4	-	42,409.91
		-	42,409.91
TOTAL		*890,264.62*	*929,972.92*
ASSETS			
Non-Current Assets			
Fixed Assets	5		
-Tangible Assets		17,384.00	22,644.00
Non Current Investmensts	6	512,335.00	652,706.46
Deferred Tax Assets	7	206.00	732.00
		529,925.00	676,082.46
Current Assets			
Cash And Cash Equivalents	8	354,219.62	186,901.46
Other Current Assets	9	6,120.00	66,989.00
		360,339.62	253,890.46
TOTAL		*890,264.62*	*929,972.92*

Accompanying notes 1 to 23 forming part of the financial statements

In Terms Of Our Report of Even Date Attached Herewith

For VISHAL LOTIA & CO.

Chartered Accountants

FRN - 328722E

VISHAL LOTIA & CO. FRN 328722E RAJKOT Chartered Accountants

(Vishal Lotia)

Proprietor

M. No. 301643

Place : Rajkot

Date : 01/09/2017

DIRECTOR

DIRECTOR

VINAYAKA REALTY (GUJ) PRIVATE LIMITED

Statement of Profit & Loss Account for the year ended 31.03.2017

(Amount in Rs.)

	Note No.	31.03.2017	31.03.2016
INCOME			
Revenue from operations (net)	10	-	1,676,038.00
Other Income	11	61,468.51	55,012.00
Total Revenue		61,468.51	1,731,050.00
EXPENSES			
Employee Benefit Expenses	12	17,000.00	485,792.00
Finance Cost	13	3,821.00	6,830.00
Depreciation and Amortisation Expense	5	5,260.00	5,477.00
Other Expenses	14	32,159.43	1,219,941.69
Total Expenses		58,240.43	1,718,040.69
Profit / (Loss) before tax		3,228.08	13,009.31
Tax expense			
- Current tax expense		-	-
- Deferred tax		(526.00)	345.00
- MAT Credit		-	-
Profit / Loss For the Year		2,702.08	13,354.31
Earnings per equity share of face value of Rs 10/- each: Basic & Diluted (in Rs.)	15	0.03	0.13

Accompanying notes 1 to 23 forming part of the financial statements

In Terms Of Our Report cf Even Date Attached Herewith

For VISHAL LOTIA & CO.
Chartered Accountants
FRN - 328722E

VISHAL LOTIA & CO. FRN 328722E RAJKOT Chartered Accountants

(Vishal Lotia)
Proprietor
M. No. 301643

Place : Rajkot
Date : 01/09/2017

DIRECTOR

DIRECTOR

Note – 1

A. Significant Accounting Policies

1. Basis of Preparation of Financial Statements

a. The financial statements are prepared in accordance with Historical Cost Convention and Accrual Basis of accounting except for certain fixed assets which are revalued, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013.

b. These are presented in accordance with Generally Accepted Accounting Principles in India, provisions of the companies Act, 2013, Accounting Standards notified by the Central Government.

c. Accounting Policies not specifically referred to otherwise or consistent with generally accepted accounting principles followed by the company.

2. Own Estimates

The preparation of financial statements requires the management to make estimates and assumptions which are considered to arrive at the reported amounts of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the reported income and expenses during the reporting year. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to the accounting estimates are recognized prospectively in the current and future years.

3. Revenue Recognition

a. The company generally follows the mercantile system of accounting and recognized income and expenditure on accrual basis expect those with significant uncertainties.

b. Sales are recognized at the point of dispatch of goods to the customer which coincides with transfer of significant risk and rewards of ownership. Sales are net of trade discount.

c. Purchases are inclusive of VAT and net of discount and claims.

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4. **Fixed Assets**

   a. Fixed Assets are shown at their historical cost less accumulated depreciation at the prescribed rates. Cost comprises purchase price and any attributable and proportionate cost of those expenses that are incurred for bringing the assets to the working condition for the intended use.

   b. Intangible Assets are recorded at their cost of acquisition

5. **Inventories**

   Inventories of Trading Goods are valued at lower of cost or net realizable value.

6. **Employee Benefits**

   Short term Employees Benefits
   Short term Employees Benefits based on expected obligation on undiscounted basis are recognized as expenses in the Profit and Loss account of the period in which the related service is rendered.

   Defined Contribution Plan
   Company's contribution towards provident fund and Employees state insurance with respect to employees paid / payable during the period to the respective authority are charged to the Profit and Loss account.

   Defined Benefit Plan
   As per the company policy, the liability towards post employment benefit with respect to employees will be charged to revenue account on actual basis.

7. **Earnings per share**

   The basic earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

8. **Borrowing Cost**

   Borrowing Costs, up to the date of asset is put to use, is debited to respective asset account. Other borrowing costs are debited to profit and loss account.

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9. **Taxes on Income**

   a. Current Tax is the amount of tax payable on the taxable income for the year is determined in accordance with the provisions of the Income Tax Act, 1961.

   b. Deferred tax is recognized on timing differences; being the differences between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

10. **Contingent Liability**

Provision are recognized when the company has a legal and constructive obligation as a result of past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount for the obligation.

Contingent liabilities are disclosed by way of notes to the accounts, when the company has a possible obligation or a present obligation and whose future outcome cannot be ascertain with reasonable certainty.

11. **Prior Period Items**

Prior Period Items which have material impact on the financial statements of the company are disclosed separately

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VINAYAKA REALTY (GUJ) PRIVATE LIMITED

Notes forming part of the financial statements for the year ending 31st March, 2017

		31.03.2017	31.03.2016
			(Amount in Rs.)
02.	**SHARE CAPITAL**		
	Authorised		
	2,00,000 equity shares of Rs.10/- each	2,000,000.00	2,000,000.00
	(Previous year 2,00,000 equity shares of Rs.10/- each)		
	Issued, Subscribed & Paid up		
	10,000 equity shares of Rs.10/- each fully paid up in cash	100,000.00	100,000.00
	(Previous year 10,000 equity shares of Rs.10/- each fully paid up in cash)		
		100,000.00	100,000.00

2.1 Reconciliation of Equity Shares outstanding

The reconciliation of the number of equity shares outstanding and the corresponding amount thereof, as at the Balance Sheet date is set out below:

	31.03.2017	31.03.2016
Number of shares:		
At the beginning of the Financial year	10,000	10,000
Fresh issue	-	-
At the end of the Financial year	10,000	10,000
Amount		
At the beginning of the Financial year	100,000.00	100,000.00
Fresh issue	-	-
At the end of the Financial year	100,000.00	100,000.00

2.2 Rights, preferences and restrictions in respect of each class of Shares

The Company's authorised capital consists of one class of shares, referred to as equity shares, having par value of Rs 10/- each . Each holder of equity shares is entitled to one vote per share.

2.3 Details of shares held by each shareholder holding more than 5% shares:

Name of the Shareholder	31.03.2017	31.03.2016
Seema H Khajuriya		
No of Shares Held	5,000	5,000
%age of holding	50.00%	50.00%
Himanshu M Khajuriya		
No of Shares Held	5,000	5,000
%age of holding	50.00%	50.00%

VISHAL LOTIA & CO. FRN 328722E RAJKOT Chartered Accountants

(Director) (Director)

VINAYAKA REALTY (GUJ) PRIVATE LIMITED

Notes forming part of the financial statements for the year ending 31st March, 2017

(Amount in Rs.)

		31.03.2017	31.03.2016
03.	**RESERVE & SURPLUS**		
	Surplus / (Deficit) in Statement of Profit and Loss	790,264.62	787,563.01
		790,264.62	787,563.01
3.1	Movement in Reserve and Surplus is as under:		
3.1.1	Surplus / (Deficit) in Statement of Profit and Loss :		
	Opening balance	787,563.01	774,209.00
	Add: Profit / (Loss) for the year	2,701.91	13,354.31
		790,264.62	787,563.01
04.	**SHORT TERM BORROWINGS**		
	Secured		
	Bank of India	-	42,409.91
		-	42,409.91
06.	**NON CURRENT INVESTMENTS**		
	Fixed Deposits	162,335.00	302,706.46
	Narmada Nigam Bond	350,000.00	350,000.00
		512,335.00	652,706.46
07.	**DEFERRED TAX ASSETS**		
	Opening Balance	732.00	387.00
	Add: Current Year	(526.00)	345.00
		206.00	732.00
08.	**CASH AND CASH EQUIVALENTS**		
	Balances with Bank		
	- In current Account	267,599.03	21,075.40
	Cash in Hand (as certified by the management)	86,620.59	165,826.06
		354,219.62	186,901.46
09.	**SHORT TERM LOANS AND ADVANCES**		
	TDS Net of Provisions	6,120.00	64,489.00
	Others	-	2,500.00
		6,120.00	66,989.00

VISHAL LOTIA & CO. FRN 328722E RAJKOT Chartered Accountants

(Director) (Director)

VINAYAKA REALTY (GUJ) PRIVATE LIMITED

Schedule forming part of the Balance Sheet

Details of Fixed Assets As on 31.03.17

Note-'5'

(Amount In Rs)

Particulars	Gross Block			Depreciation				NET BLOCK	
	As on 01.04.2016	Addition/ (Deduction)	As on 31.03.2017	As on 01.04.2016	for the year	Written Back	As on 31.03.2017	As on 31.03.2017	As on 31.03.2016
TANIGIBLE ASSETS									
Computers	9,842.00	-	9,842.00	8,764.00	680.00	-	9,444.00	398.00	1,078.00
Mixer	31,109.00	-	31,109.00	16,044.00	2,727.00	-	18,771.00	12,338.00	15,065.00
Mobile	4,936.00	-	4,936.00	2,428.00	1,130.00	-	3,558.00	1,378.00	2,508.00
Vibrator	8,247.00	-	8,247.00	4,254.00	723.00	-	4,977.00	3,270.00	3,993.00
Total	54,134.00	-	54,134.00	31,490.00	5,260.00	-	36,750.00	17,384.00	22,644.00

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VINAYAKA REALTY (GUJ) PRIVATE LIMITED

Notes forming part of the financial statements for the year ending 31st March, 2017

		31.03.2017	31.03.2016
			(Amount in Rs.)
10.	**REVENUE FROM OPERATIONS**		
	Other Operative Income	-	1,676,038.00
		-	1,676,038.00
11.	**OTHER INCOME**		
	Interest Income	59,230.51	55,012.00
	Interest on TDS Refund	2,238.00	-
		61,468.51	55,012.00
12.	**EMPLOYEE BENEFITS EXPENSES**		
	Salary & Allowances	17,000.00	173,650.00
	Labour Expenses	-	312,142.00
		17,000.00	485,792.00
13.	**FINANCE COST**		
	Bank Interest	3,821.00	6,830.00
		3,821.00	6,830.00
14.	**OTHER EXPENSES**		
	Bank Commission Expenses	154.43	10,265.69
	Legal Fees Expenses	6,800.00	6,500.00
	Tender Fees Expenses	-	9,950.00
	Accounting Fees Expenses	-	15,000.00
	Cement Expenses	-	437,790.00
	Grid Expenses	-	332,530.00
	JCB Job Work Expenses	-	57,300.00
	Sand Expenses	-	195,280.00
	Water Expenses	-	45,890.00
	Tractor Trip Expenses	-	85,850.00
	Telephone Expenses	-	23,586.00
	Travelling Expenses	18,705.00	
	Auditors Remuneration	6,500.00	-
		32,159.43	1,219,941.69
14.1	Payment to Auditors		
	Payments to the Auditors Comprises:		
	As Statutory Auditors	6,500.00	-
	As Tax Auditors	-	-
		6,500.00	-
15.	**Earnings Per Share**		
	Profit/(loss) after Tax as per statement of Profit & Loss	2,702.08	13,354.31
	Number of Shares Considered as weighted average shares for calculation of Basic & Diluted Earnings Per Share.	100,000	100,000
	Earnings per share (of Rs.10/- each): Basic/ Diluted	0.03	0.13

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(Director) (Director)

H. M. Khojin

16. Contingent Liabilities:- NIL

17. In the opinion of the management, Current Assets, Loans & Advances have a value on realization at least equal to the amount at which they are stated in the balance sheet.

18. The Balances of Sundry Creditors, Sundry Debtors, Loans & Advances are subject to confirmation.

19. Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rate and laws that are enacted or substantively enacted as on balance sheet date. The Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

20. Related Party Disclosures:

a. List of Related parties over which control of the company exists-

---- None ----

b. Related parties and relationship:

i. Key Managerial Personnel and their relatives

Mr. Himanshu M Khajuriya	Director
Mr. Seema H Khajuriya	Director

(ii) Enterprises over which Key Managerial Personnel have control

--NIL--

c. Transactions with related parties:

Parties referred to in point 20(b)(i)

--NIL--

Parties referred to in point 20(b)(ii)

--NIL--

VISHAL LOTIA & CO. FRN 328722E RAJKOT Chartered Accountants

H.M.Khajuria

21. Earnings & expenses in Foreign Currency:

a. Earnings in foreign currencies:

Particulars b	31.03.2017 (Rs.)	31.03.2016 (Rs.)
NIL		

b. Expenses in foreign currencies:

Particulars	31.03.2017 (Rs.)	31.03.2016 (Rs.)
NIL		

22. Previous year's figure has been regrouped/re-arranged, wherever considered necessary. Bracket figures indicate negative amount.

23. With respect to dealing in specified Bank Notes(SBNs) during the period from 8th November 2016 to 30th December 2016, the details are as follows :

Particulars	SBNS	Other Denomination Notes	Total
Closing Balance as at 08.11.2016	--	4,325.59	4,325.59
Add : Withdrawal from Bank Accounts	--	1,24,000.00	1,24,000.00
Add : Receipts for permitted transactions	--	--	--
Add : Receipts for Non Permitted Transactions	--	--	--
Less : Paid for permitted transactions	--	--	--
Less : Deposited in Bank Accounts	--	--	--
Closing Balance as at 30.12.2016	--	1,28,325.59	1,28,325.59

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