G J K & ASSOCIATES
CHARTERED ACCOUNTANTS

307, 3rd Floor, Abhishek Complex,
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Gandhinagar - 382 011. (INDIA)
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INDEPENDENT AUDITORS' REPORT

TO,

THE MEMBERS OF
LABH INFRASTRUCTURE PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **LABH INFRASTRUCTURE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at **31/03/2017**, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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.

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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls

G J K & ASSOCIATES F. R. No. 108276W CHARTERED ACCOUNTANTS system over financial reporting and the operating effectiveness of such controls. 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 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 **31/03/2017**, and its **Loss** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

This report doesn't include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India, in terms of sub section 11 of section 143 of the companies Act, 2013 since in Our opinion and according to the information and explanation given to us, the said order is not applicable to the company.

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 dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid 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 **31/03/2017** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2017** 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 A"**.

(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. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

G K & ASSOCIATES
F. R. No. 103276W
CHARTERED ACCOUNTANTS

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, 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 during the period from 8th November, 2016 to 30th December, 2016. 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.

Date : 30/08/2017
Place : Gandhinagar

FOR G J K & ASSOCIATES
(Chartered Accountants)
Reg No. :108276W

G J K & ASSOCIATES
F. R. No.
108276W
CHARTERED ACCOUNTANTS

Jayesh J. Patel
Partner
M.No. : 109983

"Annexure A" to the Independent Auditor's Report of even date on the Standalone Financial Statements of LABH INFRASTRUCTURE PRIVATE LIMITED Company limited

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 LABH INFRASTRUCTURE PRIVATE LIMITED Company 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. 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 amount the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon 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

JK & ASSOCIATES F.R. No. 108276W CHARTERED ACCOUNTANTS transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In 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, 2016, 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 issues by the Institute of Chartered Accountants of India.

Date : 30/08/2017
Place : Gandhinagar

FOR G J K & ASSOCIATES
(Chartered Accountants)
Reg No. :108276W

G J K & ASSOCIATES CHARTERED ACCOUNTANTS F. R. No. 108276W

Jayesh J. Patel
Partner
M.No. : 109983

PART I

Labh Infrastructure Pivate Limited

212/213, 2nd Floor, Pratik Mall, Gandhinagar Koba Road, Kudasan Gandhinagar-382421

Balance Sheet as at 31-03-2017

(Amount In ₹)

	Particulars			Note No.	As at March 31, 2017	As at March 31, 2016
	1			2	3	4
I.	**EQUITY AND LIABILITIES**					
1	**Shareholders' funds**					
	(a)	Share capital		1	100,000	100,000
	(b)	Reserves and surplus		2	(4,101,443)	(2,993,451)
	(c)	Money received against share warrants			-	-
2	**Share application money pending allotment**				-	-
3	**Non-current liabilities**					
	(a)	Long-term borrowings		3	10,308,000	10,895,000
	(b)	Deferred tax liabilities (Net)			-	
	(c)	Other Long term liabilities			-	-
	(d)	Long-term provisions			-	-
4	**Current liabilities**					
	(a)	Short-term borrowings			-	-
	(b)	Trade payables		4	2,032,064	1,055,126
	(c)	Other current liabilities		5	32,944,868	28,853,083
	(d)	Short-term provisions		6	-	-
					41,283,490	**37,909,758**
II.	**ASSETS**					
	Non-current assets					
1	(a)	Fixed assets				
		(i)	Tangible assets			
		(ii)	Intangible assets			
		(iii)	Capital work-in-progress			
		(iv)	Intangible assets under development			
	(b)	Non-current investments				
	(c)	Deferred tax assets (net)				-
	(d)	Long-term loans and advances		7	1,323,012	1,067,437
	(e)	Other non-current assets		8	12,000	12,000
2	**Current assets**					
	(a)	Current investments			-	-
	(b)	Inventories			39,308,413	23,554,425
	(c)	Trade receivables			-	-
	(d)	Cash and cash equivalents		9	493,065	12,988,896
	(e)	Short-term loans and advances		10	122,000	262,000
	(f)	Other current assets		11	25,000	25,000
					41,283,490	**37,909,758**
See accompanying notes forming parts of Financial Statement				**18**	0.00	0.00

Subject to our report of even date attached herewith.

For G J K & Associates
Chartered Accountants
Firm Reg. No. - 108276W

Jayesh J. Patel
Partner
M.No:109983

Date : 30-08-2017
Place: Gandhinagar

G J K & ASSOCIATES F. R. No. 108276W

For and on behalf of the Board

For, Labh Infrastructure Pvt. Ltd.

Director

Director   Director

PART II

Labh Infrastructure Pivate Limited

212/213, 2nd Floor, Pratik Mall, Gandhinagar Koba Road, Kudasan Gandhinagar-382421

Profit and Loss Account for the year ended on 31-03-2017

(Amount In ₹)

	Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
	1	2	3	4
I.	Revenue from operations	12	-	-
II.	Other income		150	150
III.	**Total Revenue (I + II)**		**150**	**150**
IV.	Expenses:			
	Cost of Material		2358788	13,267,334
	Changes in Inventories	13	(15,753,988)	(17,192,812)
	Employee benefits expense	14	13,778,600	4,842,774
	Finance costs	15	-	194,616
	Depreciation and amortization expense	16	-	-
	Other expenses	17	724,741	471,583
	Total expenses		**1,108,141**	**1,583,495**
V.	**Profit before exceptional and extraordinary items and tax (III-IV)**		**(1,107,991)**	**(1,583,345)**
VI.	Exceptional items		-	-
VII.	**Profit before extraordinary items and tax (V - VI)**		**(1,107,991)**	**(1,583,345)**
VIII	Extraordinary Items		-	-
IX.	**Profit before tax (VII- VIII)**		**(1,107,991)**	**(1,583,345)**
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
XI	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**(1,107,991)**	**(1,583,345)**
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	**Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)**		-	-
	Profit (Loss) for the period (XI + XIV)		**(1,107,991)**	**(1,583,345)**
XVI	Earnings per equity share:			
	(1) Basic		-110.80	-158.33
	(2) Diluted		-110.80	-158.33

Subject to our report of even date attached herewith.

For G J K & Associates
Chartered Accountants
Firm Reg. No. - 108276W

F. R. No. 108276W

Jayesh J. Patel
Partner
M.No:109983
Date : 30-08-2017
Place: Gandhinagar

For and on behalf of the Board

For, Labh Infrastructure Pvt. Ltd.

Director

Director

Director

Labh Infrastructure Pivate Limited

Note No. "1" - Share Capital

(A) Details of authorised, issued and paidup share capital

Particulars	As at 31-03-2017		As at 31-03-2016	
	Number	₹	Number	₹
Authorised				
(i) _% preference shares of `__ each	0	-	0	-
(ii)Equity Shares of `Rs 10 each	10000	100,000	10000	100,000
Issued				
(i)_% preference shares of `__ each	0	-	0	-
(ii)Equity Shares of ` Rs 10 each	10000	100,000	10000	100,000
Subscribed & Paid up				
(i)_% preference shares of `__ each	0	-	0	-
(ii)Equity Shares of ` Rs.10 each fully paid	10000	100,000	10000	100,000
Subscribed but not fully Paid up				
(i) __ % preference shares of `__each, not fully paid up	0	-	0	-
(ii) Equity Shares of ` __ each, not fully paid up	0	-	0	-
Total	**10,000**	**100,000**	**10,000**	**100,000**

(B) Detais of Shares issued and outstanding during the year

Particulars	Equity Shares		Preference Shares	
	Number	₹	Number	₹
Shares outstanding at beginning of the year	10000	100,000		-
Shares Issued during the year	0	-	0	-
Shares bought back during the year	0	-	0	-
Shares outstanding at the end of the year	10,000	100,000	-	-

(C) Details of shareholders holding more than 5% of total shares

Name of Shareholder	As at 31-03-2017		As at 31-03-2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bhagyesh Prajapati	5000	50%	5000	50%
Bharatbhai Raval	5000	50%	5000	50%

(D) Details of shares outstanding for last 5 years

Particulars	2016-2017	2014-2016	2013-2014	2012-2013	2011-2012
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	0	0	0	0	0
Fully paid up by way of bonus shares	0	0	0	0	0
Shares bought back	0	0	0	0	0
Preference Shares :	0	0	0	0	0
Fully paid up pursuant to contract(s) without payment being received in cash	0	0	0	0	0
Fully paid up by way of bonus shares	0	0	0	0	0
Shares bought back	0	0	0	0	0

For, Labh Infrastructure Pvt. Ltd.

Director

F. R. No. 108276W

Note No. "2" - Reserves & Surplus

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
a. Shares Premium Account		
Opening Balance	-	-
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised for various reasons	-	-
Premium on Redemption of Debentures	-	-
For Issuing Bonus Shares	-	-
Closing Balance	-	-
e. Surplus		
Opening balance	(2,993,451)	(1,410,106)
(+) Net Profit/(Net Loss) For the current year	(1,107,992)	(1,583,345)
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	(4,101,443)	(2,993,451)
Total	**(4,101,443)**	**(2,993,451)**

Note No. "3" - Long Term Borrowings

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
Unsecured		
(a) Term loans		
from banks	-	-
from Directors	10,208,000	10,195,000
From Friends and Relatives	100,000	700,000
(of the above, `NIL is guaranteed by Directors and / or others)		
Terms of Repayment is not spicified years		
	10,308,000	10,895,000
In case of continuing default as on the balance sheet date in repayment of loans and interest.		
1. Period of default	-	-
2. Amount	-	-
Total	**10,308,000**	**10,895,000**

Note No. "4" - Trade Payables

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
(a) Micro, Small and Medium Enterprise	1,924,064	983,126
(b) Trade Payables to Others		
(c) Creditors For Expenses	108,000	72,000
Total	**2,032,064**	**1,055,126**

For, Labh Infrastructure Pvt. Ltd.

Director

J K & ASSOCIATES F. R. No. 103276W

Note No. "5" - Other Current Liabilities

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
(a) Booking Deposits	32,821,995	28,363,956
(b) Debit balance in bank current ac	-	-
	32,821,995	28,363,956
(c) Payable To Government		
TDS Payable	122,873	39,127
Other Payable	-	450,000
Total	**32,944,868**	**28,853,083**

Note No. "6" - Short Term Provisions

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
(a) Provision for Income Tax		
Total	**-**	**-**

Note No. "7" - Longterm Loan and Advances

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
[A] Balance with Revenue Authorities		
(a) Deposit with VAT department	10,000	10,000
(b) Advance Service Tax	1,175,150	919,575
[B] Other Loan and Advances- Unsecured Considered Good		
(a) Deposit with UGVCL	137,862	137,862
(b) Advance vat Tax	-	
Total	**1,323,012**	**1,067,437**

Note No. "8" - Other Non Current Assets

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
(a). Preliminary Exp not written off	12,000	12,000
Total	**12,000**	**12,000**

Note No. "9" - Cash and cash equivalents

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
a. Balances with banks	-	-
(i) In Current Accounts		
Bank of Baroda	27,039	177,810
b. Cheques, drafts on hand	-	-
c. Cash on hand	466,026	12,811,086
Total	**493,065**	**12,988,896**

For, Labh Infrastructure Pvt. Ltd.

Director

J K & ASSOCIATES F. R. No. 108276W CHARTERED ACCOUNTANTS

Note No. "10" - Short Term loans and Advances

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
Secured,Considered Good	-	-
Unsecured,Considered Good		
Doubtful		
Less: Provision for Doubtful Loans & Advances	-	-
B.Others		
Secured,Considered Good		
Unsecured,Considered Good	122,000	262,000
Doubtful		
Less: Provision for Doubtful Loans & Advances		
Total	**122,000**	**262,000**

Note No. "11" - Other Current Assets

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
[A] Balance with Revenue Authorities		
a. Advance Sales Tax paid	25,000	25,000
Total	25,000	25,000
[B] Advance to Creditors	-	-
	-	-
Total	**25,000**	**25,000**

Note No. "12" - Revenue from operations

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
[A] a. Sale of Products		
b. Sale of Services	-	-
Total	-	-
[B] a. Revenue in foreign currency from export	-	-
b. Revenue from domestic market	-	-
Total	**-**	**-**

Note No. "13" - Changes in Inventories / stock

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
Opening Balance	23,554,425	6,361,613
Less:		
Closing Balance	39,308,413	23,554,425
Total Changes in Inventories	**(15,753,988)**	**(17,192,812)**

Note No. "14" - Employee benefit Exp

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
Labour and Wages Exp	13,778,600	4,820,669
Directors Remuneration	-	-
Staff Welfare Exp	-	22,105
Total	**13,778,600**	**4,842,774**

For, Labh Infrastructure Pvt. Ltd.

Director

108276W

Note No. "15" - Finance Cost

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
Interest Exp	-	194,616
Interest on late payment of taxes	-	-
Total	**-**	**194,616**

Note No. "16" - Depreciation and Amortization

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
Depreciation Exp		
Prelimnary Exp written off		
Total	**-**	**-**

Note No. "17" - Other Exp

Particulars	As at 31-03-2017 ₹	As at 31-03-2016 ₹
Payment to auditors		
As Auditor	10,000	10,000
for other services		-
for ROC Filling Fees		
	10,000	**10,000**
Power and Fual		
Electricity Exp	172,567	16,710
	172,567	**16,710**
Other Office Expenses		
Professional Fees	26,200	32,820
Bank Charges	5,508	2,647
GUDA Fees	-	-
Garden Exp	-	8,400
Stationary Exp	-	1,290
Advertisement	55,000	141,432
Office exp	2,606	-
Refreshment Exp	26,460	-
Late Payment Charges	-	47,400
Penalty on Service Tax	-	135,000
Misc Exp	-	850
Transportation	361,400	49,370
Zerox	-	16,025
Security Exp	65,000	-
Rounding	-	189
Water Exp	-	9,450
	542,174	**444,873**
Total	**724,741**	**471,583**

For, Labh Infrastructure Pvt. Ltd.

Director

G J K & ASSOCIATES
F. R. No.
108276W
CHARTERED ACCOUNTANTS

Note No. "7" - Fixed Assets

	Fixed Assets	Gross Block					Accumulated Depreciation					Net Block	
		Balance as at 1 April 2014	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at 31 March 2015	Balance as at 1 April 2014	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2015	Balance as at 1 April 2014	Balance as at 31 March 2015
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
a	Tangible Assets												
	Computers & Softwere	0	0	0	0	0	0	0	0	0	0	0	0
	Cars & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0
	Mobile Purchase		0	0	0	0			0	0	0	0	0
	Furniture and Fixtures		0	0	0	0			0	0	0	0	0
	Total	0	0	0	0	0	0	0	0	0	0	0	0
b	Intangible Assets												
	Total	-	-	-	-	-	-	-	-	-	-	-	-
c	Capital Work In Progress												
	Total	-	-	-	-	-	-	-	-	-	-	-	-
d	Intangible assets under Development												
	Total	-	-	-	-	-	-	-	-	-	-	-	-

For, Labh Infrastructure Pvt. Ltd.

Director

G. K. & ASSOCIATES
F. R. No. 108276W
CHARTERED ACCOUNTANTS

Note 18 **SIGNIFICANT ACCOUNTING POLICY**

[1] Basis of Preparation of Financial Statements:

The Company has applied provisions of the Companies Act, 2013 for preparation of its financial statements. The financial Statements are prepared and presented under the historical cost convention on accrual basis of accounting, in accordance with the accounting principals generally accepted in india and comply with the mendatory Accounting standards issued by the Institute of Chartered Accountants of India. Accounting policies have been followed consistently except stated specifically.

[2] Use of Estimates:

The Preparation of financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/materialized.

[3] Revenue Recognition:

(I) Revenue (income) is recognised when no significant uncertainty as to the measurability of collectability exists.

(II) All expenses are accounted for on accrual basis unless specifially stated to be otherwise.

(III) Allocation of expenses in to capital/revenue account is done on the basis of technical evaluation by the Management.

(IV) Material items of prior period expenses, non recurring and extra ordinary expenses are disclosed separately.

[4] Inventories :

Stock is valued at its cost price

[5] Fixed Assets:

Fixed assets are stated at historical cost less accumulated depreciation. Advances given to suppliers for identified capital project / expenditure are included in Capital Work in Progress. Certain computer software cost are capitalised and recognised as intengible assets based on materiality, accounting prudence and significant benefits there from expected to flow for a period longer than one year.

[6] Impairment of Fixed Assets:

Fixed Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carring amount may not be recoverable. An impairment loss is recognised for the amount by which the carring amount of the assets exceeds its recoverable amount, which is the higher of an assets' net selling price and value in use.

[7] Borrowing Cost

Borrowing cost charges comprising interest, finances charges etc to the extent relateed/attributed to the qualifying assets, such as new projects and /or specific assets created in the existing business, are capitalised up to the date of completion and ready for their intended use. Other borrowing costs are charged to the profit and loss account in the period of their accrual.

[8] Depreciation and Amortisation:

The depreciation for the year is provided on additions/ deductions of the assets during the period from /up to the month in which the asset is added / deleted. The depreciation for the year has been provided on WDV at the rates prescribed under Schedule XIV to the Companies Act, 1956.

[9] Taxation:

Provision for current tax is made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions of the Income Tax Act, 1961. Deferred tax resulting form "timing difference" between accounting and taxable profit for the period is accounted for using the tax rates and laws that have been enacted or substantively enacted as at the balance sheet date.

For, Labh Infrastructure Pvt. Ltd.

Director

F. R. No. 108276W

[10] Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Liabilities which are of contingent nature are not provided but are disclosed at their estimated amount in the Notes to the accounts. Contingent assets are neither recognised nor disclosed in financial statements.

[11] Grouping of Profit and Loss and Balance Sheet items.

Items of Profit and Loss account and balance sheet in respect of pervious period had been regrouped whenever found necessay to comply with the revised schedule 6 Norms.

[12] Transaction in Foreign Currency

Transactions denominated in foreign currencies are normally recorded at he exchange rate prevailing at the time of the transaction.

Any income or expense on account of exchange difference either on settlement or on transaction is recognised in the profit and loss account.

[13] Related Party Disclosure as required by accounting standard 18.

[a] Relationships

Category II	Labh Infrastructure (Partnership Firm)
Category III	Directors, Key Management Personnel & their Relatives.
Bharatbhai Laxmanbhai Raval	Director
Bhagyesh Amrutbhai Prajapati	Director

[B] The following transactions were carried out with related parties:

Particular	Category	31/03/2017	31/03/2016
Unsecured Loan From			
Labh Infrastructure	II	100000	200000
Bharatbhai L. Raval	III	6583000	6570000
Bhagyesh A. Prajapati	III	3625000	3625000

[14] Disclosure about deposit of Specified Notes.

Company was having cash on hand and made cash deposit of specified notes during the period as defined in the MCA notification GSR 308(E) dated 31st march 2017

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash on 8th Nov,2016	0	5645168	5645168
(+) Permited Receipts	0	0	0
(-) Permited Payments	0	1925510	1925510
(-) Amount Deposited in Banks	0	0	0
Closing Cash on Hand on 30th Dec	0	3719658	3719658

GJK & ASSOCIATES CHARTERED ACCOUNTANTS F.R. No. 108276W

FOR LABH INFRASTRUCTURE PRIVATE LIMITED

For, Labh Infrastructure Pvt. Ltd.

DIRECTOR

Director