

B. J. SHAH & BROS.

CHARTERED ACCOUNTANTS

'A' Block, 5th Floor, A-1 & A-2, Safal Profitaire, Near Hotel Ramada, Opp. Prahlad Nagar Garden,
Prahlad Nagar, Ahmedabad-380 015 Tele:(079) 40064694, 40064695, 40061203 ♦E-mail: bjshahca@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Omshanti Estates Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **OMSHANTI ESTATES PVT. LTD.** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement 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 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 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.



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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 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 31st March, 2017, its profit and cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

- a) Note-27 to the financial statements which describes non compliance of accounting Standard-15 related to Employee Benefit consisting of gratuity and leave encashment which is accounted on cash basis.

Our opinion is not modified in respect of these matters.



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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 Annexure "A", a statement on the matters specified in paragraphs 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except *Accounting Standard-15 for Employee Benefit consisting of gratuity and leave encashment which is accounted on cash basis (See Note- 27 of financial statement)*.
 - e. The matter described in sub paragraph (a) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - f. On the basis of written representations received from the directors as on 31st March, 2017, 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 of Section 164 (2) of the Act.
 - g. This report does not include a report with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls in view of the exemption granted to private companies vide Notification No. G.S.R. 583(E), dated the 13th June, 2017 issued by Ministry of Corporate Affairs (MCA).
 - h. 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 does not have pending litigations on its financial position in its financial statements.



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- ii. The Company did not have any long-term contracts including derivative 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 its 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 the audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management (Refer Note : 33).



Place of Signature: Ahmedabad
Date: 05-09-2017

For, B. J. Shah & Bros.
Chartered Accountants
(Firm Reg. No. 109501W)

(T. G. Thakur)
(Partner)
(Mem. No. 101656)

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF OMSHANTI ESTATES PVT. LTD.

(Referred to in paragraph 1 of our above Report on Other Legal and Regulatory Requirements)

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable interval. We were explained that no material discrepancies noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, the company has not held any immovable properties in their name during the year.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between physical stocks and book records were not material.
- iii. The company has not granted unsecured loans to any party covered in the register maintained under section 189 of the Companies Act, 2013 therefore, paragraph 3(iii)(a), (b) and (c) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any Loans, Investments, Guarantees, Security which requires the compliance of the provisions of section 185 and 186 of the Act, and hence this clause is not applicable to company.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted deposits within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. In our opinion and according to the information and explanations given to us, maintenance of cost records has not been specified by the Central Government under Section 148 (1) of the Companies Act.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it.



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According to the information and explanations given to us and on the basis of our examination of the books of account, no undisputed statutory dues as above were outstanding as on 31st March, 2017 for period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute.
- viii. The company has not defaulted in repayment of loans or borrowing to financial institution, bank, government or dues to debenture holders.
- ix. The Company has raised moneys by way of term loans during the year and according to the information and explanations given to us, prima facie, term loans have been applied for the purpose for which they were raised.
- x. According to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi. Since company is a private limited company, the provisions of section 197 read with Schedule V to the Act are not applicable to the company.
- 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 under review.
- 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.



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



For, B. J. Shah & Bros.
Chartered Accountants
(Firm Reg. No. 109501W)

Place of Signature: Ahmedabad
Date: 05-09-2017

(T.G. Thakur)
(Partner)
(Mem. No. 101656)