Gandhinagar : 300, 3rd Floor, Prarambh Plaza, Plot No - 1528, Bh. Police Station, Main Shopping, Sector-6, Gandhinagar-382006
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P. S. PATEL & Co.
CHARTERED ACCOUNTANTS

AUDITOR'S REPORT

To
The Members of
ISCON PROCON PVT. LTD.
GANDHINAGAR

Report on the Financial Statements

1. We have audited the accompanying financial statements of Iscon Procon Private Limited, which comprise the Balance Sheet as at 31st March, 2019, 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

2. 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, 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

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. 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.

P. S. Patel & Co. F. R. No. 126757W Chartered Accountants

5. 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.
6. 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.
7. 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

8. 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, 2019, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by "The Companies (Auditor's Report) Order 2015" issued by the Central Government of India in term of sub section (11) of section 143 of the Act (hereinafter referred to as the "Order") and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us we give in an annexure the statement on the matter specified in the paragraph 3 and 4 of the order.

10. 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.

P. S. Patel & Co. Chartered Accountants F. R. No. 126567W

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 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

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

For, P.S.PATEL & CO.
Chartered Accountants

P. S. Patel & Co. F. R. No. 126557W Chartered Accountants

CA Pankaj Patel
Partner
Mem. No 118005
UDIN:- 19118005AAAADY3956

Place : Gandhinagar
Date : 21.09.2019

PART I - Form of BALANCE SHEET

ISCON PROCON PRIVATE LIMITED

Balance Sheet as at 31st March,2019

		Particulars	Note No.	As at 31 March 2019	As at 31 March 2018
I.		**EQUITY AND LIABILITIES**			
	1	**Shareholders' funds**			
		(a) Share capital	1	1,00,000	1,00,000
		(b) Reserves and surplus	2	-24,58,533	(16,00,032)
				-23,58,533	(15,00,032)
	2	Share application money pending allotment		-	-
	3	**Non-current liabilities**			
		(a) Long-term borrowings	3	6,18,500	33,500
		(b) Deferred tax liabilities (Net)		-	-
				6,18,500	33,500
	4	**Current liabilities**			
		(a) Short-term borrowings		-	-
		(b) Trade payables	4	46,60,424	34,07,187
		(c) Other current liabilities	5	2,48,75,846	2,30,13,244
		(d) Short-term provisions	6	6,000	6,000
				2,95,42,270	2,64,26,431
		TOTAL		2,78,02,238	2,49,59,899
II.		**ASSETS**			
		Non-current assets			
	1	(a) Fixed assets			
		(b) Non-current investments		-	-
		(c) Long-term loans and advances		-	-
				-	-
				-	-
	2	**Current assets**			
		(a) Inventories	7	2,28,76,384	1,69,96,941
		(b) Trade receivables	8	2,47,142	2,47,142
		(c) Cash and cash equivalents	9	9,29,715	48,55,256
		(d) Short-term loans and advances	10	7,02,187	13,13,750
		(e) Other Current Assets	11	30,46,810	15,46,810
				2,78,02,238	2,49,59,899
		TOTAL		2,78,02,238	2,49,59,899

Significant Accounting Policies

Notes forming part of accounts "19"

As per our report of even date

For, P. S. Patel & Co
Chartered Accountants
FRN: 126557W

CA PANKAJ PATEL
Partner
M.No. 118005
UDIN : 19118005AAAADY3956
Date:21.09.2019
Place : Gandhinagar

P. S. Patel & Co. Chartered Accountants F. R. No. 126557W

For and on behalf of the Board

ISCON PROCON PVT.LTD.

Director

DIRECTOR
Director

PART II - Form of STATEMENT OF PROFIT AND LOSS

ISCON PROCON PRIVATE LIMITED

Profit and loss statement for the year ended 31.03.2019

	Particulars	Note No.	As at 31 March 2019	As at 31 March 2018
I.	Revenue from operations	12	25,37,397.27	1,70,42,235.96
II.	Other income	13	93,947.00	267.00
III.	**Total Revenue (I + II)**		26,31,344.27	1,70,42,502.96
IV.	Expenses:			
	Purchases of Stock-in-Trade	14	82,12,500.00	-
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	15	58,79,443.00	(1,22,59,000.36)
	Employee benefits expense	16	6,40,000.00	12,50,000.00
	Finance costs	17	1,788.20	732.70
	Depreciation and amortization expense		-	-
	Other expenses	18	5,15,000.00	39,08,507.16
	Total expenses (13-14 +15+16+6+17)		34,89,845.20	1,74,18,240.22
V.	**Profit before exceptional and extraordinary**		(8,58,500.93)	(3,75,737.26)
VI.	**Exceptional items**		-	-
VII.	**Profit before extraordinary items and tax (V - VI)**		(8,58,500.93)	(3,75,737.26)
VIII.	Extraordinary Items		-	-
IX.	**Profit before tax (VII- VIII)**		(8,58,500.93)	(3,75,737.26)
X.	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
XI.	**Profit (Loss) for the period from continuing**		(8,58,500.93)	(3,75,737.26)
XII.	**Profit/(loss) from discontinuing operations**		-	-
XIII.	Tax expense of discontinuing operations		-	-
XIV.	**Profit/(loss) from Discontinuing operations**		-	-
XV.	**Profit (Loss) for the period (XI + XIV)**		-	-
XVI.	Earnings per equity share:			
	(1) Basic & Diluted		(85.85)	(37.57)

Significant Accounting Policies

Notes forming part of accounts "19"

As per our report of even date

For, P. S. Patel & Co
Chartered Accountants
FRN: 126557W

P. S. Patel & Co. F. R. No. 126557W Chartered Accountants

CA PANKAJ PATEL
Partner
M.No. 118005
UDIN : 19118005AAAADY3956
Date: 21.09.2019
Place : Gandhinagar

For and on behalf of the Board

ISCON PROCON PVT.LTD.

DIRECTOR

Director **Director**

ISCON PROCON PRIVATE LIMITED

13 & 14 M, VIJAY SHOPPING CENTER, SECTOR - 11, GANDHINAGAR

Significant Accounting Policies

Basis of accounting and preparation of financial statements

Use of estimates

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.

Inventories

Inventories, if any, are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. However Company does not have inventory on hand at the end of the year

Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Depreciation and amortisation

Depreciation has been provided on the written down value method as per the rates and method prescribed in the Income Tax Act, 1961. Assets costing less than Rs. 5,000 each are fully depreciated in the year of capitalisation.

Revenue recognition

Income from services

Revenue is recognised when there is reasonable certainty of its ultimate realisation/collection. Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is

P. S. Patel & Co. Chartered Accountants F. R. No. 126557W

Investments

Long-term investments (excluding investment properties), 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.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.

Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on

Taxes on income

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

P. S. Patel & Co. Chartered Accountants F.R. No. 107557W

Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

NOTE 1

Share Capital	As at 31 March 2019	As at 31 March 2018
	₹	₹
Authorised		
10000 Equity Shares of ₹10' each (P.Y. 10000 Equity Shares of ₹10 each)	1,00,000.00	1,00,000.00
Issued		
10000 Equity Shares of ₹10' each (P.Y. 10000 Equity Shares of ₹10 each)	1,00,000.00	1,00,000.00
Subscribed & Paid up		
10000 Equity Shares of ₹10' each (P.Y. 10000 Equity Shares of ₹10 each)	1,00,000.00	1,00,000.00
Subscribed but not fully Paid up		
Nil Equity Shares (P.Y. Nil Equity Shares)	-	-
Total	1,00,000.00	1,00,000.00

NOTE 1 A

Particulars	Equity Shares	
	Number	₹
Shares outstanding at the beginning of the year	10,000	1,00,000.00
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	10,000	1,00,000.00

NOTE 1 B

SR NO	Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Mukeshkumar K Patel	4000	40.0%	4000	40.0%
2	Bhavin M Patel	3000	30.0%	3000	30.0%
3	Jigar R Patel	3000	30.0%	3000	30.0%
	TOTAL	10000	100.00%	10000	100.00%

NOTE 2

Reserves & Surplus	As at 31 March 2019	As at 31 March 2018
	₹	₹
Reserve & Surplus		
Opening balance	(16,00,031.73)	(12,24,294.47)
(+) Net Profit/(Net Loss) For the current year	(8,58,500.93)	(3,75,737.26)
(+) Transfer to Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer from Reserves	-	
Closing Balance	(24,58,532.66)	(16,00,031.73)
Total	**(24,58,532.66)**	**(16,00,031.73)**

S. Patel & Co. F.R. No. 126557W Chartered Accountants

NOTE 3

Long Term Borrowings	As at 31 March 2019	As at 31 March 2018
Unsecured Loans	₹	₹
Mukeshbhai Patel	2,83,500.00	33,500.00
Bhavinbhai patel	3,35,000	
Total	**6,18,500.00**	**33,500.00**

NOTE 4

Trade Payables	As at 31 March 2019	As at 31 March 2018
Trade Payables	₹	₹
	46,60,424.00	34,07,187.00
	-	-
Total	**46,60,424.00**	**34,07,187.00**

NOTE 5

Other Current Liability	As at 31 March 2019	As at 31 March 2018
Advance for Bunglows	-	-
Remuneration payable	1,98,75,000.00	1,98,75,000.00
Ratnamauli Developers	4,00,000.00	-
	46,00,846.26	31,38,243.53
Total	**2,48,75,846.26**	**2,30,13,243.53**

NOTE 6

Short Term Provisions	As at 31 March 2019	As at 31 March 2018
Audit Fees Payable	₹	₹
Consultancy Fees Payble	6,000.00	6,000.00
Rent Payable-Bhavinbhai	-	-
Rent Payable-Mukehsbhai	-	-
	-	-
Total	**6,000.00**	**6,000.00**

NOTE 7

Inventories	As at 31 March 2019	As at 31 March 2018
Closing Stock	₹	₹
	2,28,76,383.64	1,69,96,940.64
Grand Total	**2,28,76,383.64**	**1,69,96,940.64**

NOTE 8

Trade Receivables	As at 31 March 2019	As at 31 March 2018
	₹	₹
Trade receivables outstanding for a period less than six months from the date they are due for payment	-	-
Trade receivables outstanding for a period more than six months from the date they are due for payment	2,47,142.00	2,47,142.00
Total	**2,47,142.00**	**2,47,142.00**

P. S. Patel & Co. F. R. No. 124557W Chartered Accountants

NOTE 9

Cash and cash equivalents	As at 31 March 2019	As at 31 March 2018
	₹	₹
Cash on hand	8,87,501.00	8,92,501.00
Bank:		
Bank Account	42,213.96	14,62,755.16
FD Canara Bank	-	25,00,000.00
Total	9,29,714.96	48,55,256.16

NOTE 10

Short-term loans and advances	As at 31 March 2019	As at 31 March 2018
	₹	₹
Loans & Advances	7,00,000.00	13,13,750.00
TDS Receivable	2,187.00	-
Grand Total	**7,02,187.00**	**13,13,750.00**

NOTE 11

Other Current Assets	As at 31 March 2019	As at 31 March 2018
	₹	₹
Vat Deposite	10,000.00	10,000.00
Vat Credit	36,810.00	36,810.00
Income Tax Paid AY 2014-15	30,00,000.00	15,00,000.00
Total	**30,46,810.00**	**15,46,810.00**

P. S. Patel & Co. Chartered Accountants

NOTE 12

Particulars	As at 31 March 2019	As at 31 March 2018
	₹	₹
Sale of Goods	25,37,397.27	1,70,42,235.96
Sale Of Services		-
Total	**25,37,397.27**	**1,70,42,235.96**

NOTE 13

Other Income	As at 31 March 2019	As at 31 March 2018
	₹	₹
Intrest on bank FD	93,947.00	-
Other Income	-	267.00
Total	**93,947.00**	**267.00**

NOTE 14

Particulars	As at 31 March 2019	As at 31 March 2018
	₹	₹
Purchases	82,12,500.00	-
Total	**82,12,500.00**	-

NOTE 15

Particulars	As at 31 March 2019	As at 31 March 2018
	₹	₹
Inventories at the end of the year:		
Finished goods	2,28,76,383.64	1,69,96,940.64
Inventories at the beginning of the year:		
Finished goods	1,69,96,940.64	2,92,55,941.00
Total	**58,79,443.00**	**(1,22,59,000.36)**

NOTE 16

Employee Benefits Expense	As at 31 March 2019	As at 31 March 2018
	₹	₹
Salaries and incentives	2,40,000.00	-
Director Remuneration	4,00,000.00	12,50,000.00
Total	**6,40,000.00**	**12,50,000.00**

P. S. Patel & Co. Chartered Accountants F. R. No. 126557W

NOTE 17

Finance costs	As at 31 March 2019	As at 31 March 2018
	₹	₹
Bank Charges	1,788.20	732.70
Interest	-	-
Total	1,788.20	732.70

NOTE 18

Other expenses	As at 31 March 2019	As at 31 March 2018
	₹	₹
Consultancy	-	7,500.00
Freight	-	-
Office Exp.	-	11,298.00
Payment to Govt.	-	38,18,609.16
Rent Exp.	5,15,000.00	65,000.00
Total	5,15,000.00	39,02,407.16

SR No	Audit fees	As at 31 March 2019	As at 31 March 2018
		₹	₹
	Payments to the auditor as	-	-
	a. for taxation matters,	-	-
	b. for company law matters,	-	-
	c. for management services,	-	-
	d. for stock audit charges	-	-
	e. for other services,	-	-
	f. for reimbursement of expenses;	-	-
	g. for statutory audit	-	6,100.00
Total		-	6,100.00

P. S. Patel & Co. Chartered Accountants F. R. No. 126557W

ISCON PROCON PRIVATE LIMITED

SCHEDULE 19 FY. 2018-19

NOTES FORMING PART OF THE ACCOUNTS

1. Estimated amounts of contracts remaining to be executed on capital account and not provided for as on 31 st March, 2019 is NIL (Previous year NIL).

Remuneration paid/payable to the auditors are as under :

Particulars	2018-19	2017-18
Audit Fees	6000	6000
Taxation Matters	0	0
E-TDS Matters	0	0
Total	6000	6000

2 Details required under Accounting Statnard 18 is as under:

A List of Related persons

1) Mr. Mukesh Patel
2) Mr. Bhavin Patel
3) Mr. Jigar Patel

B Remuneration paid/payable to the Directors are as under :

Name	Nature of Relation	Nature of Payment	Amount 2018-19	Amount 2017-18
1) Mr. Mukesh Patel	Director	Remuneration	0	250000
2) Mr. Bhavin Patel	Director	Remuneration	400000	1000000
2) Mr. Jogar Patel	Director	Remuneration	0	0

3 As per AS-22 Deffered tax liabilty is provided as under.

Nature	2018-19	2017-18
Timimng Difference	0	0

4 Debit/Credit balances of Debtors, Creditors, Loans, Advances, Deposits and parties are subject to reconciliation, confirmation and necessary adjustments.

6 Additional information in the form of 'Balance Sheet Abstract and Companys' General

Business Profile' are given in enclosed Schedule -16, also forming part of the accounts.

7 Earning Per Share

Signature for Schedule 01 to 18

For, P. S. Patel & Co
Chartered Accountants

CA PANKAJ PATEL
Partner
M.No. 118005

ISCON PROCON PRIVATE LIMITED
ISCON PROCON PVT.LTD

Director
Date:
Place : Gandhinagar

DIRECTOR Director

P. S. Patel & Co. Chartered Accountants F. R. No. 126557W