# NIRMAN HOTELS PRIVATE LIMITED

## Balance Sheet as at 31st March 2016

| | Notes | 31st March 2016 | 31st March 2015 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Shareholders' funds** | | | |
| Share capital | 3 | 2,47,55,500 | 2,47,55,500 |
| Reserves and surplus | 4 | (7,66,749) | (7,88,189) |
| **Non-Current liabilities** | | | |
| Deferred Tax Liability | | | - |
| Long Term Borrowings | 5 | 14,27,38,850 | 6,89,27,850 |
| **Current liabilities** | | | |
| Other current liabilities | 6 | 2,35,03,638 | 66,83,762 |
| Trade payables | | 82,30,741 | 24,64,077 |
| **TOTAL** | | **19,84,61,979** | **10,20,43,000** |
| **ASSETS** | | | |
| **Non-Current assets** | | | |
| Fixed Assets | 7 | 3,57,308 | 5,63,756 |
| **Current assets** | | | |
| Inventories | 8 | 19,28,10,427 | 10,06,83,161 |
| Cash and bank balances | 9 | 32,53,180 | 2,10,870 |
| Other current assets | 10 | 20,41,064 | 5,85,213 |
| **TOTAL** | | **19,84,61,979** | **10,20,43,000** |
| **Notes to Financial statements** | | | |
| The Notes referred to above form an integral part of the financial statements. | 1 to 19 | | |

As per our attached report of even date

**For V.C. Shah & Co.**
Chartered Accountants
Firm Registration No. 109818W

V.C. SHAH & CO. CHARTERED ACCOUNTANTS

V.C.Shah
Partner
Membership No. 10360
Place: Mumbai
Date: 01/09/2016

**For and on behalf of the Board of Directors**

Shantilal C.Sheth
Director
Din:00409377

Bhavesh S. Sheth
Director
Din:00409451

NIRMAN HOTELS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31st March 2016

| | 31st March 2016 | 31st March 2015 |
|---|---|---|
| **3 Share Capital** | | |
| **Authorised** | | |
| 25,00,000 Equity Shares of ` 10 each | 2,50,00,000 | 2,50,00,000 |
| **Issued, Subscribed and fully Paid up** | | |
| 24,75,550 Equity Shares of ` 10 each | 2,47,55,500 | 2,47,55,500 |
| **Total** | **2,47,55,500** | **2,47,55,500** |

| | No of Shares 31st March 2016 | No of Shares 31st March 2015 | 31st March 2016 | 31st March 2015 |
|---|---|---|---|---|
| **a Reconcilation of Number of Equity Shares** | | | | |
| Shares outstanding at the beginning of the year | 24,75,550 | 24,75,550 | 2,47,55,500 | 24,75,55,000 |
| Movement during the year | - | - | - | |
| Shares outstanding at the end of the year | 24,75,550 | 24,75,550 | 2,47,55,500 | 24,75,55,000 |

**b Rights, Preferences and restrictions attached to Shares**

Equity Shares: The Company has only one class of equity shares having a par value of ` 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**c Details of shares held by shareholders holding more than 5% of the aggregate shares in the company**

| | 31st March 2016 | | 31st March 2015 | |
|---|---|---|---|---|
| | No of Shares | % of Holding | No of Shares | % of Holding |
| **Equity Shares** | | | | |
| Bhavesh Sheth | 12,24,273 | 49 | 12,24,273 | 49 |
| Hardik Sheth | 11,76,277 | 48 | 11,76,277 | 48 |

**4 Reserves and Surplus**

| | 31st March 2016 | 31st March 2015 |
|---|---|---|
| **A. Surplus in Statement of Profit and Loss** | | |
| Balance as at the beginning of the year | (7,88,189) | (7,88,189) |
| Add: Profit / (Loss) for the year transferred from Statement of Profit and Loss during the year | 21,440 | - |
| **Balance as at the end of the year** | **(7,66,749)** | **(7,88,189)** |
| **Total** | (7,66,749) | (7,88,189) |

V. C. SHAH & CO. CHARTERED ACCOUNTANTS

NIRMAN HOTELS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31st March 2016

5 **Long-term Borrowings**

| | 31st March 2016 | 31st March 2015 |
|---|---|---|
| Loans & Advances from Related Party | 12,81,29,925 | 6,39,27,850 |
| Others | 1,46,08,925 | 50,00,000 |
| | 14,27,38,850 | 6,89,27,850 |

6 **Other current liabilities**

| | 31st March 2016 | 31st March 2015 |
|---|---|---|
| V.C.Shah & Co. | 56,000 | - |
| Statutory Liabilities | 51,79,048 | 64,112 |
| Provision for Income Tax | 9,645 | 645 |
| Advance from Customers | 1,78,68,995 | 64,83,748 |
| Others | 94,608 | 1,35,257 |
| Bank OD - State Bank of India | 2,95,342 | - |
| **Total** | 2,35,03,638 | 66,83,762 |

8 **Inventories**

| | | |
|---|---|---|
| Opening Balance | 10,06,83,161 | 6,53,03,795 |
| Add: Movement during the year | 9,21,27,266 | 3,53,79,366 |
| Closing Balance | 19,28,10,427 | 10,06,83,161 |

9 **Cash and bank balances**

| | | |
|---|---|---|
| Cash on Hand | 94,311 | 83,738 |
| Balances with Banks | | |
| HDFC Bank | 1,55,870 | 43,602 |
| State Bank of India - Sweep A/c. | 30,03,000 | 83,530 |
| **Total** | 32,53,180 | 2,10,870 |

10 **Other current assets**

| | | |
|---|---|---|
| Prepaid expenses | 9,805 | 58,481 |
| Service Tax Credit - Cenvat | 17,84,824 | 2,09,450 |
| Service Tax Credit - Edu.Cess | 3,356 | 4,188 |
| Service Tax Credit - SHEC | 1,678 | 2,094 |
| TDS Receivable - FY15-16 | 33,512 | - |
| VAT Deposit | 10,000 | 10,000 |
| Advance to Creditors | 1,86,395 | 2,95,000 |
| Advance to Staff | - | 6,000 |
| Accured int on Sweep | 11,494 | - |
| **Total** | 20,41,064 | 5,85,213 |

V. C. SHAH & CO. CHARTERED ACCOUNTANTS

NIRMAN HOTELS PVT LTD

## Notes forming part of the Financial Statements (F.Y.2015-16)

### Note 1

### 1) Corporate Information

The Company was incorporated on 12th June, 2OO7. The company is engaged in business of Construction of Residential Commercial Complex. The company is small and medium sized company (SMC) as defined in general instructions in respect of Accounting Standards notified under Companies Act, 2013. Accordingly, the company has complied with the Accounting Standards as applicable to a Small and Medium - Sized Company.

### 2) Significant Accounting Policies:

#### a) Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### b) Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions in the reported amounts of assets and liabilities (including contingent liabilities) as at the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates.

#### c) Fixed Assets and Depreciation

Fixed assets are stated at cost of acquisition less depreciation.The cost comprises of purchase price & other attributable costs. Depreciation on tangible assets is provided on Written down value Method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 so as to write off the cost of assets over the useful lifes of assets.

#### d) Inventories:

Closing Stock of Work-in-Progress is valued at Cost.

#### e) Taxes on Income:

*Current Tax*

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961

*Deferred Tax*

The Deferred Tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantively enacted as of the Balance Sheet date.

V. C. SHAH & CO. CHARTERED ACCOUNTANTS

## f) Contingent liabilities and Provisions

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
Contingent Liabilities are disclosed by way of notes to the Balance Sheet.
Provision is made in the accounts in respect of those liabilities which are materialized after the year end, till the finalization of accounts and have material effect on the position stated in the balance sheet.

## g) Earning Per Share

Basis EPS is computed using the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the results would be anti dilutive. The number of equity shares is adjusted for any share splits and bonus shares issued effected prior to the approval of the financial statements by the Board of Directors.

## i) Impairement of Fixed Asset

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which as asset is identified as impaired. The impairment loss recognized in prior accounting period, is reversed if there has been a change in the estimate of recoverable amount.

## j) Foreign Currency Transactions

(i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of transaction.
(ii) Monetary items denominated in foreign currencies at the year end are reinstated at the year end rates.
(iii) Any Income or Expense on account of Exchange difference either on settlement or on translation is recognised in the Statement Profit and Loss .

For V.C. Shah & Co.
Chartered Accountants
Firm Registration No. 109818W

V.C.Shah
Partner
Membership No. 10360

For and on behalf of the Board of Directors

Shantilal C Sheth
Director
Din:00409377

Bhavesh S Sheth
Director
Din:00409451

Place: Mumbai
Date: 01/09/2016

NIRMAN HOTELS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31st March 2016

13. Related Party Disclosures :

(a) Name of the enterprises having same Key Management Personnel and/or their relatives as the Reporting Enterprise :

| |
|---|
| (i) Shantilal C. Sheth - Director |
| (ii) Bhavesh S. Sheth - Director |

(b) Relative of Key Managemant Personnel :

| Name of Person | Relationship |
|---|---|
| Hardik S. Sheth | Director's Brother and son of other Director. |

(c) During the period following transactions were carried out with the related parties in the ordinary course of business :

| Transaction / nature Relationship | Enterprises having Common Key Management Personnel | Relative of Key Management Personnel | Total |
|---|---|---|---|
| **Loan Taken** | | | |
| Shree Shantilal C. Sheth | 4,12,61,000<br>(NIL) | | 4,12,61,000<br>(NIL) |
| Shree Bhavesh S Sheth | 2,70,50,000<br>(68350000) | | 8,68,68,925<br>(6,33,18,925) |
| **Outstanding Loan Taken** | | | |
| Shree Shantilal C. Sheth | NIL | | 4,12,61,000<br>(NIL) |
| Shree Bhavesh S Sheth | 6,33,18,925 | | 8,68,68,925<br>(6,33,18,925) |
| Shree Hardik S Sheth | - | 41,50,000 | 6,08,925<br>(35,41,075) |

Amount in brackets represents previous year figures.
Related party relationship have been identified by the management and relied upon by the auditors.

14 Auditors Remuneration

| Particulars | 31st March,2016 | 31st March,2015 |
|---|---|---|
| Audit Fees | 35,000 | 25,000 |
| Tax Audit Fees | 15,000 | 10,000 |
| Other Matters | 6,000 | - |
| Service Tax | - | - |
| **Total** | **56,000** | **35,000** |

15 The Company does not owe any sum to any micro, small and medium enterprises. (as per information available with the Company)

V. C. SHAH & CO. CHARTERED ACCOUNTANTS

**NIRMAN HOTELS PRIVATE LIMITED**

**Notes to Financial Statements for the year ended 31st March 2016**

**16 Earnings per equity share**

| Particulars | As at 31st March, 2016 | As at 31st March, 2015 |
|---|---|---|
| Profit/(Loss) after tax | 21,440 | - |
| Weighted Average Number of Shares | 25,00,000 | 25,00,000 |
| Basic EPS (`) | 0.01 | - |
| | | |

**17 Foreign currency transaction :-**

Expenditure and earnings in foreign currency during the year is nil. ( P. Y. – Nil)

18 Previous year figures have been regrouped/reclassified whenever necessary to confirm to current year's classification.

19 Previous year figures have been regrouped/reclassified whenever necessary to confirm to current year's classification.

For V.C.Shah & Co.
Chartered Accountants
Firm Registration No. 109818W

V. C. Shah
Partner
Membership No. 10360
Place : Mumbai
Date : 01/09/2016

V. C. SHAH & CO. CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Shantilal C Sheth
Director
Din:00409377

Bhavesh S Sheth
Director
Din:00409451

## NIRMAN HOTELS PRIVATE LIMITED

Note 7
Fixed Assets

| Sr. No. | Particulars of Assets | GROSS BLOCK [AT COST] | | | | DEPRECIATION | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Opening Bal.as on 01-04-15 | Addition during the Year | Deduction during the year | Total as on 31.03.2016 | Balance as on 01-04-15 | For the Year | Total as on 31.03.2016 | As on 31.03.2016 | As on 31-03-15 |
| | TANGIBLE ASSETS | | | | | | | | | |
| 1 | Computer | 56,650 | - | - | 56,650 | 37,922 | 11,437 | 49,359 | 7,291 | 18,728 |
| 2 | Furniture | 5,14,450 | - | - | 5,14,450 | 93,347 | 1,63,656 | 2,57,003 | 2,57,447 | 4,21,103 |
| 3 | Office Equipments | 64,045 | - | - | 64,045 | 9,607.00 | 14,858 | 24,465 | 39,580 | 54,438 |
| 4 | Air Conditioner | 34,000 | - | - | 34,000 | 5,100.00 | 4,050 | 9,150 | 24,850 | 28,900 |
| 5 | Pumps | 47,750 | - | - | 47,750 | 7,163.00 | 12,447 | 19,610 | 28,140 | 40,587 |
| | TOTAL | 7,16,895 | - | - | 7,16,895 | 1,53,139 | 2,06,448 | 3,59,587 | 3,57,308 | 5,63,756 |
| | PREVIOUS YEAR (Assets) | 5,63,600 | 1,53,295 | - | 7,16,895 | 56,388 | 96,751 | 1,53,139 | 5,63,756 | 5,07,212 |

V. C. SHAH & CO. CHARTERED ACCOUNTANTS

NIRMAN HOTELS PRIVATE LIMITED

SUB-SHEDULE TO BALANCE SHEET

| | | 31st March 2016 | 31st March 2015 |
|---|---|---|---|
| 5 | **Long Term Borrowing** | | |
| | **Loans & Advances from Related Party** | | |
| | **From Directors :** | | |
| | Shantilal C. Sheth | 4,12,61,000 | - |
| | Bhavesh S. Sheth | 8,68,68,925 | 6,33,18,925 |
| | | 12,81,29,925 | 6,33,18,925 |
| | **From Others** | | |
| | Hardik S.Sheth | 6,08,925 | 6,08,925 |
| | Lodha Developers Pvt.Ltd | 50,00,000 | 50,00,000 |
| | Nitco Limited | 50,00,000 | - |
| | Tamanna Multitrade P.Ltd | 40,00,000 | - |
| | | 1,46,08,925 | 56,08,925 |
| | **Total** | 14,27,38,850 | 6,89,27,850 |
| 6 | **Other current liabilities** | | |
| | **Statutory Liabilities (Incuding Current Year Tax Provision)** | | |
| | TDS Contractor | 42,677 | 1,335 |
| | TDS Brokerage | 7,135 | 967 |
| | TDS Interest | 1,02,226 | 9,667 |
| | TDS Salary | 2,320 | - |
| | TDS Professional Fees | - | 7,600 |
| | VAT payable | 24,690 | 44,543 |
| | Security Deposit from Prime Properties Developers | 50,00,000 | - |
| | | 51,79,048 | 64,112 |
| | **Advance from Customers** | | |
| | Fulchand Patel | 3,51,000 | 3,51,000 |
| | 104 Dhaval Gajendra Shah / Nilam D.Shah | 9,00,000 | - |
| | 105 Nilam Dhaval Shah / Dhaval G.Shah | 9,00,000 | - |
| | 1106 Darshan Jitendra Parekh | 31,00,000 | - |
| | 304 Arifa A. Shaikh | 25,14,999 | - |
| | 205-Rahilhusain Sabirhusain Shaikh | 8,98,200 | 6,00,000 |
| | 403 Reema Riken Doshi | 14,57,748 | 14,57,748 |
| | 404- Vishal Sunil Jhaveri HUF | 15,25,000 | 15,25,000 |
| | 503 Shrenik K Shah | 7,65,536 | - |
| | 504-Hemal Prakashbhai Shah / Bhartiben P. Shah | 15,25,000 | 15,25,000 |
| | 603 Mahadev Prasad Lohia | 24,09,512 | - |
| | 604-Kamlesh Rasiklal Jarodia | 15,22,000 | 10,25,000 |
| | | 1,78,68,995 | 64,83,748 |
| | **Others** | | |
| | **Outstanding Expenses** | | |
| | Electricity Expenses - Site | - | 13,647 |
| | Salary Payable | 94,608 | 1,21,610 |
| | | 94,608 | 1,35,257 |

NIRMAN HOTELS PRIVATE LIMITED

SUB-SHEDULE TO BALANCE SHEET

| | 31st March 2016 | 31st March 2015 |
|---|---|---|
| **6 Current liabilities** | | |
| **Trade payables** | | |
| Achal Parikh | 1,04,500.00 | - |
| ADS Architect Pvt. Ltd. | 85,142.00 | - |
| Airtel Account No 7010714272 | 384.00 | 7,363.15 |
| Anjana Enterprise | - | 1,300.00 |
| AO (CASH) BSNL PGMTD-079-26408809 | - | 44.00 |
| Bijay Construction | 8,65,300.00 | 8,65,300.00 |
| Bright Impressions Pvt. Ltd. | 20,955.00 | 20,955.00 |
| GUJARAT REFRIGERATION SERVICES | - | 4,000.00 |
| Hiten B. Patel | - | 5,901.00 |
| Jay Ambe Transport Co. | 57,600.00 | - |
| Jayesh I Shah | - | 40,637.00 |
| MEKAIL | - | 26,721.00 |
| Naitik Construction | 42,88,125.70 | - |
| Nishit Dharu | 7,900.00 | - |
| Noble Traders | 40,745.00 | - |
| Satguru Transport | 28,500.00 | - |
| Shree Adinath Transport | 1,10,069.00 | 43,100.00 |
| Shree Mallinath Traders | - | 1,049.00 |
| Shree Manibhadra Transport | 2,35,792.00 | - |
| Siddhi Vinayak Transport | 24,300.00 | - |
| Times Business Solutions Limited | - | 165.00 |
| Torrent Power Ltd | 54,370.00 | - |
| V.C.Shah & Co. | - | 74,704.00 |
| Vishnu S Rabari | 5,850.00 | - |
| Alfa Metal | 6,930.00 | - |
| Anand Tradelink Pvt. Ltd. | 2,920.00 | - |
| Ankit Trading Co | - | 44,565.00 |
| Arbuda Enterprises | 4,684.00 | - |
| Bajrangbali Transport | 10,000.00 | 61,200.00 |
| Ganesh and Company | 2,16,000.00 | - |
| Innovative Infrastructure Pvt. Ltd. | - | 1,39,497.00 |
| Jalaram Corporation | 18,056.00 | 7,570.00 |
| Jay Gajanand Bricks | 2,43,000.00 | - |
| Jay Gajanand Transport | 72,900.00 | - |
| J.K Lakshmi Cement Ltd (Rmc Unit) | - | 4,32,205.00 |
| Kaluji Sambuji Vanjara | 1,33,400.00 | - |
| Keya Infracon | 8,96,802.00 | 4,70,422.00 |
| Keya Trading Co | 1,04,246.00 | 3,850.00 |
| Khodal Krupa Transport | - | 47,600.00 |
| K.K. Enterprise | - | 6,885.00 |
| Mehul Enterprise | 2,55,871.00 | - |
| New Chamunda Transport | - | 10,200.00 |
| Rinku Steels Pvt. Ltd. | 10,846.00 | - |
| Rushank Trading Co. | - | 44,518.00 |
| Sai Ram Trading Company | 87,054.00 | - |
| Shree Parshwa Padmavati Transport | - | 3,410.00 |
| Siddhi Vinayak Bricks | 81,000.00 | - |
| Soham Traders | 14,500.00 | - |
| Sun Enterprise | 7,500.00 | - |
| Turakhia Enterprise | 19,542.00 | - |
| Vasudev Hardware Stores | 1,15,957.00 | 1,00,915.88 |
| | **82,30,740.70** | **24,64,077.03** |

NIRMAN HOTELS PRIVATE LIMITED

SUB-SHEDULE TO BALANCE SHEET

| | | 31st March 2016 | 31st March 2015 |
|---|---|---|---|
| 10 | **Advance to Creditors** | | |
| | Makarand M. Joshi & Co. | 40,000.00 | 40,000.00 |
| | Maruti Corporation | - | 2,55,000.00 |
| | Sanghi Industries Ltd. | 880.00 | - |
| | Ultratech Cement Limited | 15,100.00 | - |
| | M.K.Electricals | 50,000.00 | - |
| | Krishna Construction | 53,560.00 | - |
| | Rathod Haribhai Premjibhai | 26,855.00 | - |
| | | **1,86,395.00** | **2,95,000.00** |