PRAJAPATI BUILDCON PVT. LTD.

BALANCE SHEET AS AT 31ST MARCH, 2017

(Amt in Rs.)

Particulars	Note No.	As at 31 March, 2017		As at 31 March, 2016	
Equity and Liabilities					
(1) Shareholders' Funds					
(a) Share Capital	2	100,000		100,000	
(b) Reserves and Surplus	3	(22,500)		(10,000)	
			77,500		90,000
(2) Non-Current Liabilities					
(a) Long Term Borrowings		-		-	
(b) Deferred tax liabilities (net)		-		-	
			-		-
(3) Current Liabilities					
(a) Short Term Borrowings	4	12,950,000		500,000	
(b) Trade Payable	5	12,500		10,000	
(c) Other Current Liabilities		-		-	
(d) Short Term Provisions		-		-	
			12,962,500		510,000
Total			13,040,000		600,000
Assets					
(1) Non-current Assets					
(a) Fixed Assets					
Tangible Assets		-		-	
Intangible asset		-		-	
(b) Investments	6	735,500			
(c) Long Term Loans and Advances		-		-	
			735,500		-
(2) Current Assets					
(a) Inventories		-		-	
(b) Trade receivables		-		-	
(c) Cash and Cash Equivalents	7	12,304,500		600,000	
(d) Short Term Loans and Advances		-		-	
			12,304,500		600,000
Total			13,040,000		600,000
Summary of significant accounting policies	1				

This is the Balance Sheet referred to in our report of even date.

The accompanying notes are an integral part of the financial statements.

For, RHM & ASSOCIATES
Chartered Accountants
Firm Reg. No. 139791W

Rakesh

(Rakesh R. Prajapati)
(Partner)
(Mem. No. 145100)

Place: Ahmedabad
Date : 05/09/2017

RHM & ASSOCIATES
AHMEDABAD
FRN-139791W
CHARTERED ACCOUNTANTS

For and on behalf of the board
Prajapati Buildcon Pvt Ltd.

Director

Director

PRAJAPATI BUILDCON PVT. LTD.

Notes to financial statement for the year ended 31st March 2017

Note : 1 : Summary of Significant Accouting Policies

A Basis of preparation of financial statements:

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards specified in section 133 of the Companies Act, 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rule 2014. The financial statements have been prepared under the historical cost convention, on going concern and accrual basis. The accounting policies are consistent with those used in the previous year.

The Company is a Small and Medium sized Company as defined in clause (f) of rule 2 of Companies (Accounting Standards) Rules, 2006.

B Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

C Significant accounting policies:

(a) Fixed Assets:

Fixed assets are stated at cost and other incidental expenses, less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost such as duties (net of MODVAT), freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

(b) Depreciation:

(i) Depreciation on fixed assets is provided on Straight line method, in line with the provisions of schedule II of the Companies Act, 2013 based on the useful life and carrying cost of the fixed assets.

(c) Borrowing Cost :

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized till the month in which the asset is ready for its intended use. Other borrowing costs are recognized as an expense in the period in which these are incurred.

(d) Revenue Recognition :

(i) Revenue is recognized to the extent that it is probable that economic benefits will flow to the company and revenue can be reliably measured.

(ii) **Sale of Goods:** Sales are recognized when significant risks and rewards of ownership of the goods have passed to the buyer which coincides with delivery and are recorded net of VAT, trade discounts and rebates. For Export sales risk & rewards in property of goods are considered as transferred when goods are cleared from the bonded godown of the company.

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(e) Inventories :

Inventories are valued at the lower of cost or estimated net realizable value. Cost include purchase cost and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

(f) Investments :

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair market value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

(g) Employee Benefits:

(i) Short Term Employee Benefit :

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

(ii) Long Term Employee Benefit :

Long trem Employee Benefits consisting of Gratuity, Leave encashment and other retirement benefits, if payable, are accounted on cash basis in the year in which they are actually paid.

(h) Earnings per share:

The basic earning per share is computed by dividing the net profit / net loss attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

(i) Taxation:

Tax expense comprises of current and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty of its realization. Deferred tax assets are reviewed at each balance sheet date.

(j) Impairment of Assets:

The carrying value of assets/ cash generating units at each balance sheet date are reviewed for imparment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no lomger exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss, except in case of revalued assets.

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(k) **Provisions/Contingencies:**

A provision is recognized for 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 are not discounted to its present value and are determined based on management 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 management estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources is remote. Contingent assets are neither recognized, nor disclosed.

(l) **Earning Per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

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PRAJAPATI BUILDCON PVT. LTD.

Notes to financial statement for the year ended 31st March 2017

Note : 2 : Share Capital

(Amt in Rs.)

Particulars	31 March, 2017	31 March, 2016
Authorised Share Capital 10,000 Equity Shares of Rs. 10/- each (Previous Year 10,000 Equity Shares of Rs. 10/- each)	100,000	100,000
	100,000	**100,000**
Issued & Subscribed Share Capital 10000 Equity Shares of Rs. 10/- each fully paid up (P. Y. 10000 Equity Shares of Rs. 10/- each fully paid up)	100,000	100,000
	100,000	**100,000**
Paid-up Share Capital 10000 Equity Shares of Rs. 10/- each fully paid up (P. Y. 10000 Equity Shares of Rs. 10/- each fully paid up)	100,000	100,000
Total	**100,000**	**100,000**

(A) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	For the year ended 31 March, 2017	Amount (Rs.)	For the year ended 31 March, 2016	Amount (Rs.)
Number of shares outstanding as at the beginning of the year	10,000	100,000	0	0
Add : Number of Share alloted for cash	0	0	10,000	100,000
Number of shares o/s at the end of the year	**10,000**	**100,000**	**10,000**	**100,000**

(B) Terms / Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each shareholder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(C) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	31st March, 2017		31st March, 2016	
	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
Jankhit Prajapati	3,500	35.00	3,500	35.00
Jayesh Prajapati	3,500	35.00	3,500	35.00
Chandulal Prajapati	3,000	30.00	3,000	30.00

Note : 3 : Reserves and Surplus

(Amt in Rs.)

Particulars	31 March, 2017	31 March, 2016
Surplus/(deficit) in the statement of profit and loss		
Opening Balance	(10,000)	-
Add:		
Addition during the year	(12,500)	(10,000)
Total Reserve & Surplus	**(22,500)**	**(10,000)**

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PRAJAPATI BUILDCON PVT. LTD.

Notes to financial statement for the year ended 31st March 2017

Note : 4 : Short Term Borrowings

(Amt in Rs.)

Particulars	31 March, 2017	31 March, 2016
Unsecured Borrowing repayable on demand		
From Related Parties		
(a) from Director	12,950,000	500,000
Total	**12,950,000**	**500,000**

Note : 5 : Trade Payable

(Amt in Rs.)

Particulars	31 March, 2017	31 March, 2016
(a) Creditors for Goods	-	-
(b) Creditors for Expenses	12,500	10,000
(Refer Note : 11 for details of dues to micro and small enterprises)		
Total	**12,500**	**10,000**

Note : 6 : Investments

(Amt in Rs.)

Particulars	31 March, 2017	31 March, 2016
Investment in	-	-
Immovable Properties	735,500	-
	-	-
Total	**735,500**	**0**

Note : 7 : Cash and Cash Equivalents

(Amt in Rs.)

Particulars	31 March, 2017	31 March, 2016
(a) Balance with banks		
- In Current Accounts	102,000	600,000
- In Demand Draft (In favour of Ambalal Sarabhai Trust)	12,150,000	-
(b) Cash in hand	52,500	-
Total	**12,304,500**	**600,000**

Note : 8 : Other Expenses

Particulars	31 March, 2017	31 March, 2016
<u>**Indirect Expenses:**</u>		
Auditor's Remunaration	12,500	-
Consultancy Charges	-	10,000
Total	**12,500**	**10,000**

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FRN-139791W
CHARTERED ACCOUNTANTS

PRAJAPATI BUILDCON PVT. LTD.

Notes to financial statement for the year ended 31st March 2017

Note : 9 : Earning per Share :

The basic earning per share is computed by dividing the net profit / net loss attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Particulars	31 March, 2017	31 March, 2016
Net profit after tax available to equity share holders	(12,500)	(10,000)
Weighted Average Number of Equity Shares for Basic / Diluted EPS	10,000	10,000
Nominal Value of Shares	Rs. 10	Rs. 10
Earning per Share: Basic	-1.25	-1.00

Note : 10 : Related party disclosures:

a. List of Related Parties and relationships :

Name	Relationship
(A) Key Management Personnel	
Jankhit Prajapati	Director
Jayesh Prajapati	Director
Chandulal Prajapati	Director
(B) Relatives of Key Management Personnel	
(C) Enterprise over which significant influence is excercised by Directors	

(b) Disclosures required for related parties transactions

Particulars	Key Management Personnel	Relatives of Key Management Personnel	Enterprises over which significant influence exercised by Director	Total
Transactions during the year:				
Directors Remuneration	- -	- -	- -	- -
Office Rent	- -	- -	- -	- -
Loan taken	12450000 **(500000)**	- -	- -	12450000 **(500000)**
Loan taken repaid	- -	- -	- -	- -
Amount outstanding as on balance Sheet date				
Loans taken	12950000 **(500000)**	- -	- -	12950000 **(500000)**

Note :

(1) The related parties are considered as certified by the management.

(2) No amounts have been w/back or w/off in books of accounts in respect of account of related parties.

(3) Figures in brackets with bold letters represents previous year numbers.

Note : 11 : The company has not received the required information from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been made.

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Note : 12 : The Balance of Banks, Unsecured Loans, Loans & Advances and of parties having debit as well as credit balances are subject to their confirmation.

Note : 13 : The company is following cash basis of accounting for retirement benefit consisting of gratuity and leave encashment that is not in consonance with the requirements of accounting standard-15. As the valuation certificate of actuary is not obtained the management is unable to quantify the impact of this non-compliance on profit or loss and balance sheet of the company.

Note : 14 : In the absence of virtual certainty to earn profit in foreseable future, the management has not recognised deferred tax assets on carry forward business loss and unabsorbed depreciation for the year under review.

Note : 15 : Payment to Auditor

Particulars	31 March, 2017	31 March, 2016
i) For Statutory Audit	12,500	-
i) For Other Work	-	-
Total	12,500	0

Note : 16 Disclosure of Specifed Bank Notes (SBN) held and tansacted during the period 08/11/2016 to 30/12/2016

Particlulars	SBNs	Other Denomination Notes	Total
Closing Cash on hand as on 08/11/2016	-	2,500	2,500
(+) Permitted Receipts	-	50,000	50,000
(-) Permitted Payments	-	-	-
(-) Amount Deposited in Banks	-	-	-
Closing Cash on hand as on 30/12/2016	-	52,500	52,500

Note : 17 : In the opinion of the board, the Current Assets, Loans & Advances are approximately of the value as stated in the balance sheet, if realized in the ordinary course of business and the provision for all known liabilities are adequate and not in excess of amount reasonably necessary.

Note : 18 : Additional information pursuant to the para 5 of general instructions of part II of the Schedule III of the Companies Act, 2013 other than those mentioned in above notes are either 'nil' or 'not applicable' and hence not mentioned separately.

Note : 19 : Figures of previous year has been regrouped, rearranged and reclassified wherever necessary to make them comparable with current year's figures.

As per our report of even date
For, RHM & ASSOCIATES
Chartered Accountants
Firm Reg. No. 139791W

RHM & ASSOCIATES
AHMEDABAD
FRN-139791W
CHARTERED ACCOUNTANTS

(Rakesh R. Prajapati)
(Partner)
(Mem. No. 145100)

Place: Ahmedabad
Date: 05/09/2017

For and on behalf of the board
Prajapati Buildcon Pvt Ltd.

Director

Director