ASTARA PROJECTS PRIVATE LIMITED

formerly known as " Dream Housing Projects Private Limited"

CIN:U70102BR2009PTC015045

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2024

(in Thousands '000)

Particulars	Notes	For the year ended 31st March 2024 ₹	For the year ended 31st March 2023 ₹
CONTINUING OPERATIONS			
I. Revenue from operations	18	26,055.79	35,657.98
II. Other Income	19	196.97	0.00
III. Total Income (I + II)		**26,252.75**	**35,657.98**
IV. Expenses:			
Material Consumed	20 (a)	13,126.30	21,168.47
Purchase of Land/Development Rights	20 (b)	-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20 (c)	(4,296.54)	(17,391.51)
Employee benefit expenses	21 (a)	772.10	423.87
Job and Construction Expenses	21 (b)	8,392.22	21,569.73
Finance costs	21 (c)	4,673.02	4,549.15
Depreciation and amortisation expenses	22	3.84	4.67
Other expenses	23	1,065.38	1,388.44
Total Expenses		**23,736.31**	**31,712.82**
V. Profit/ (Loss) before prior period adjustments, exceptional items and tax (III - IV)		2,516.45	3,945.16
VI. Prior Period Adjustments		-	-
VII. Profit/ (Loss) before exceptional items and tax (V - VI)		2,516.45	3,945.16
VIII. Exceptional Items		-	-
IX. Profit/ (Loss) before tax (VII - VIII)		**2,516.45**	**3,945.16**
X. Tax expense:			
(1) Current Tax / Wealth Tax		579.56	982.34
(2) Deferred tax		67.05	30.52
(3) Income Tax for Earlier Years		-	-
XI. Profit/(Loss) after Tax for the period from continuing operation (IX - X)		1,869.84	2,932.31
XII. Profit/(Loss) for the period from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from discontinuing operations (XII - XIII)		-	-
XII. Profit/(Loss) after Tax for the period		1,869.84	2,932.31
XIII. Earning per equity share Basic & Diluted (Refer Note 24)		0.16	0.26

Significant Accounting Policies & Other Notes 1 & 26

For Khetan Rajesh Kumar & Co.
Firm Registration Number : 010086C
Chartered Accountants

KHETAN RAJESH KUMAR & CO. CA Firm Regn. No. 010086C CHARTERED ACCOUNTANTS

(Rajesh Kumar Khetan)
Partner
Membership No. : 059894

For and on behalf of the Board

Astara Projects Pvt. Ltd. Astara Projects Pvt. Lt

Director
Rajesh Kumar Sikaria
Director
DIN-00948627

Rekha Sikaria
Director
DIN-03104673

Direc

Place : Patna
Date :07-09-2024

(in Thousands '000)

Note : 18 REVENUE FROM OPERATIONS	For the year ended 31st March 2024 ₹	For the year ended 31st March 2023 ₹
Revenue from Contracts		
Sales of Projects	26,055.79	34,897.61
Sales (Others)	-	623.99
(A)	**26,055.79**	**35,521.61**
Other Operating Revenue		
Reimbursements of Electric Bills	-	71.38
Other (Proceeds from sale of Scrap)	-	65.00
(B)	**-**	**136.38**
REVENUE FROM OPERATIONS (GROSS) [A + B]	**26,055.79**	**35,657.98**
Less: Deductions (if any)	-	-
	-	-
REVENUE FROM OPERATIONS (NET)	**26,055.79**	**35,657.98**

Note : 19 OTHER INCOME	For the year ended 31st March 2024 ₹	For the year ended 31st March 2023 ₹
Miscellaneous Income		
- Profit from sale of Fixed Asset	170.10	-
- Other Miscelleneous Income	26.87	-
Interest on Loans & Advances	-	-
Total	**196.97**	**-**

Note : 20 (a) MATERIAL CONSUMED	For the year ended 31st March 2024 ₹	For the year ended 31st March 2023 ₹
Material Purchased	13,126.30	21,168.47
	-	-
	13,126.30	21,168.47
Less : Material at Site	-	-
Material Consumed	**13,126.30**	**21,168.47**

Details of Material Purchased		
Purchases		
Taxable Purchases	13,133.65	21,168.47
	13,133.65	**21,168.47**
Less :		
Purchase Returns	7.35	-
Rate Differences/Discounts	**0.00**	-
(B)	**7.35**	**-**
Net Purchases . (A) - (B)	**13,126.30**	**21,168.47**

Note : 20 (b) PURCHASE OF LAND/DEVELOPMENT RIGHTS	For the year ended 31st March 2024 ₹	For the year ended 31st March 2023 ₹
Development Rights Purchased	-	-
Total	**-**	**-**

Note : 20 (c) (INCREASE) / DECREASE IN INVENTORIES	For the year ended 31st March 2024 ₹	For the year ended 31st March 2023 ₹
Inventories at the end of the year		
Work in Progress	98,089.78	93,793.24
	98,089.78	**93,793.24**
Inventories at the beginning of the year		
Work in Progress	93,793.24	76,401.73
	93,793.24	**76,401.73**
Total	**(4,296.54)**	**(17,391.51)**

KHETAN RAJESH KUMAR & CO. CHARTERED ACCOUNTANTS Firm Regn. No. 010086C

(in Thousands '000)

Note : 21 (a) EMPLOYEE BENEFIT EXPENSES	For the year ended 31st March 2024 ₹	For the year ended 31st March 2023 ₹
Salary, wages, Bonus, Gratuity & allowances	772.10	423.87
Staff Welfare Expenses	-	-
Total	**772.10**	**423.87**

Note : 21 (b) JOB AND CONSTRUCTION EXPENSES	For the year ended 31st March 2024 ₹	For the year ended 31st March 2023 ₹
Elevator Expenses	123.47	4,868.98
Plumbing and Sanitation Expenses	720.14	1,518.22
Structural Costs	-	2,386.50
Other Project Expenses	7,548.61	12,796.03
Total	**8,392.22**	**21,569.73**

Other Direct Expenses includes Registration Charges ,cost of development rights, site development expenses, Water proofing and boring expenses & Plan Sanction Charges if any.

Note :21 (c) FINANCE COST	For the year ended 31st March 2024 ₹	For the year ended 31st March 2023 ₹
Interest on Loan	4,650.91	4,451.94
Interest on GST	-	18.00
Interest on Income Tax	19.61	78.67
Interest on TDS	2.50	0.55
Total	**4,673.02**	**4,549.15**

Note : 22 DEPRECIATION & AMORTISATION EXPENSE	For the year ended 31st March 2024 ₹	For the year ended 31st March 2023 ₹
Depreciation	3.84	4.67
Total	**3.84**	**4.67**

Note : 23 OTHER EXPENSES	For the year ended 31st March 2024 ₹	For the year ended 31st March 2023 ₹
Rent		
Office Rent	240.00	240.00
Repairs & Maintenance		
Vehicles	44.39	63.02
Telephone Expenses		
- Mobile and Internet Expenses	5.18	14.84
Consultancy Fees	402.00	500.00
Insurance	12.30	20.12
Travelling Expense	25.29	
Payment to Auditors		
- As Statutory Auditors	45.00	45.00
Other Expenses		
Brokerage and Commission	-	420.50
Membership, Registration and Subscription Fees	2.80	33.60
ROC expenses	34.90	1.90
Office Expenses	13.65	6.63
Professional Fees	150.00	34.00
Conveyance Expense	54.93	0.00
Rates and Taxes	24.21	2.50
Bank Charges	10.74	6.32
Rounded Off	0.00	0.00
Total	**1,065.38**	**1,388.44**

- All expenses have been certified by the management to be bonafide business expenditure.

Note : 24 Earning Per Share	For the year ended 31st March 2024 ₹	For the year ended 31st March 2023 ₹
Net profit attributable to equity shareholders	1,869.84	2,932.31
Weighted average number of equity shares outstanding during the year	11.40	11.40
Basic and diluted earnings per share (in Rs.)	0.16	0.26
Nominal value per share (in Rs.)	0.01	0.01

KHETAN RAJESH KUMAR & CO. CA Firm Regn. No. 010086C CHARTERED ACCOUNTANTS

(in Thousands '000)

Note: 25 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



Note - 26. Other Notes

26.1	a. Contingent Liabilities Provided for during the year:	Nil	Nil
	b. Earning Per Share	C.Y. (2023-24)	P.Y. (2022-23)
	Net Profit for the year attributable to Shareholders :	1,869.84	2,932.31
	Weighted Average No. of Equity Shares	11.40	11.40
	Basic EPS	0.16	0.26
	Diluted EPS	0.16	0.26

26.2 Information pursuant to paragraphs 5 (viii) of general instructions for preparations of Statement

a) Value of Imports calculated on Cost, Insurance and Freight (C.I.F.) basis by the company during the financial year :

I.	Raw Material :	Nil
II.	Components and Spare Parts :	Nil
III.	Capital Goods :	Nil

b) Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters: NIL

c) The total value of the all raw materials, spare parts and components consumed during the financial year and percentage of each to toal consumption. Not Applicable

d) There was no remittance made by the company during the year in foreign currencies on account of dividends.

e) There were no earnings in foreign exchange to the company during the year.

26.3 Related Party Disclosure:

a) Related Party relationship is as identified by the company on the basis of information available.

b) No amount has been written off or written back during the year in respect of debts due from

c) The company has entered into transactions with certain parties as listed above, during the year under consideration, full disclosure has

(a)	**Key managerial personnel (KMP)**	**Description of Relationship**
	Rajesh Kumar Sikaria	Director
	Rekha Sikaria	Director
(b)	**Relative of KMP**	
	Ashutosh Sikaria	Relative of KMP
	Ayush Sikaria	Relative of KMP
	Sita Devi Sikaria	Relative of KMP
	Rashmi Sikaria	Relative of KMP
	Suresh Kumar Sikaria	Relative of KMP
	Sunita Sikaria	Relative of KMP
(c)	**Entities in which KMP/ Relatives can exercise significant influence**	
	Anmol Homes Private Limited	Entities in which KMP/ Relatives can exercise significant influence
	Swastika Pharma	Entities in which KMP/ Relatives can exercise significant influence

(d) **Nature of Related party transactions during the period**

(i) Revenue Transactions

(in Thousands '000)

Rent Paid

Name	For the period ended March 31, 2024	For the period ended March 31, 2023
Ashutosh Sikaria	240.00	240.00
Total	240.00	240.00

Interest Paid (To KMP)

Name	For the period ended March 31, 2024	For the period ended March 31, 2023
Rajesh Kumar Sikaria	242.28	0.00
Rekha Sikaria	103.08	0.00
Total	345.36	0.00

Interest Paid (Relatives of KMP)

Name	For the period ended March 31, 2024	For the period ended March 31, 2023
Ashutosh Sikaria	131.54	620.66
Sita Devi Sikaria	1,177.74	1,077.54
Rashmi Sikaria	512.13	468.56
Sunita Sikaria	574.51	525.63
Total	2,395.91	2,692.38

KHETAN RAJESH KUMAR & CO. CHARTERED ACCOUNTANTS Firm Regn. No. 010086C

Interest Paid (To Entities in which KMP/ Relatives can exercise significant influence)

Name	For the period ended March 31, 2024	For the period ended March 31, 2023
Anmol Homes Private Limited	1,729.64	1,369.56
Total	1,729.64	1,369.56

(ii) Capital Transactions

(in Thousands '000)

Unsecured Loan Received (KMP)

Name	For the period ended March 31, 2024	For the period ended March 31, 2023
Rajesh Kumar Sikaria	5,500.00	2,500.00
Rekha Sikaria	3,050.00	1,000.00
Total	8,550.00	3,500.00

Unsecured Loan Received (Relatives of KMP)

Name	For the period ended March 31, 2024	For the period ended March 31, 2023
Ashutosh Sikaria	7,595.00	200.00
Sita Devi Sikaria	0.00	0.00
Rashmi Sikaria	0.00	0.00
Sunita Sikaria	0.00	0.00
Total	7,595.00	200.00

Unsecured Loan Received (Entities in which KMP have significant influence)

Name	For the period ended March 31, 2024	For the period ended March 31, 2023
Anmol Homes Private Limited	4,960.00	14,273.19
Total	4,960.00	14,273.19

Unsecured Loan Repaid (KMP)

Name	For the period ended March 31, 2024	For the period ended March 31, 2023
Rajesh Kumar Sikaria	2,500.00	0.00
Rekha Sikaria	1,000.00	0.00
Total	3,500.00	0.00

Unsecured Loan Repaid (Relatives of KMP)

Name	For the period ended March 31, 2024	For the period ended March 31, 2023
Ashutosh Sikaria	6,104.40	12,600.00
Sita Devi Sikaria	0.00	0.00
Rashmi Sikaria	0.00	0.00
Sunita Sikaria	0.00	0.00
Total	6,104.40	12,600.00

Unsecured Loan Repaid(Entities in which KMP have significant influence)

Name	For the period ended March 31, 2024	For the period ended March 31, 2023
Anmol Homes Private Limited	5,070.00	5,100.00
Total	5,070.00	5,100.00

KHETAN RAJESH KUMAR & CO. CA Firm Regn. No. 010086C CHARTERED ACCOUNTANTS

(e) **Balance Outstanding**

(in Thousands '000)

Balance Outstanding for Unsecured Loan from KMP as on 31-3-2024

Name	For the period ended March 31, 2024	For the period ended March 31, 2023
Rajesh Kumar Sikaria	5,718.05	2,500.00
Rekha Sikaria	3,142.77	1,000.00
Total	8,860.83	3,500.00

Balance Outstanding for Unsecured Loan from Relative of KMP as on 31-3-2024

Name	For the period ended March 31, 2024	For the period ended March 31, 2023
Ashutosh Sikaria	2,718.38	1,109.40
Sita Devi Sikaria	12,805.13	11,745.17
Rashmi Sikaria	5,568.20	5,107.29
Sunita Sikaria	6,246.44	5,729.38
Total	27,338.15	23,691.23

Balance Outstanding for Unsecured Loan from Entities in which KMP/ Relatives can exercise significant influence as on 31-3-2024

Name	For the period ended March 31, 2024	For the period ended March 31, 2023
Anmol Homes Private Limited	25,747.26	24,280.79
Total	25,747.26	24,280.79

KHETAN RAJESH KUMAR & CO. CHARTERED ACCOUNTANTS Firm Regn. No. 010086C

* Related Party relationship is as identified by the company on the basis of information available.

* No amount has been written off or written back during the year in respect of debts due from or to related parties.

* The company has entered into transactions with certain parties as listed above during the year under consideration, full disclosure has been made and board considers such transactions to be normal business transactions at the rates agreed between the parties.

26.4 **Operational Outlook**

"The Company has incurred Profit of Rs 2516.44 (in thousands) as at 31st March 2024. Based upon future business plans, the management is confident that it will generate positive cash flows in the very first year of commercial operation of its proposed project.

Based upon the above factors, management is of the view that financial statements should continue to be prepared on going concern basis, and accordingly these financial statements have been prepared on a going concern basis."

26.5 **Contingent Liabilities and Commitments**

The Company does not have any contract remaining to be executed on Capital or other account and the Company also does not have any contingent liabilities as at the balancesheet date.

26.6 In the opinion of the management, all current and other assets appearing in the balance sheet as at March 31, 2024 have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

26.7 Balance of trade receivables, trade payables and loans and advances are subject to confirmation from respective parties. Balance confirmation has not been received from Parties.

26.8 Figures of previous years have been rearranged or reclassified or regrouped as considered appropriate.

Astara Projects Pvt. Ltd.

Astara Projects Pvt. Ltd.

Signed herewith from Notes 1 to 26.
As per our report of even date.

For & on behalf of the board

Director

For Khetan Rajesh Kumar & Co.
Firm Registration Number : 010086C
Chartered Accountants

KHETAN RAJESH KUMAR & CO. CA Firm Regn. No. 010086C CHARTERED ACCOUNTANTS

Rajesh Kumar Sikaria
Director

Director

Rekha Sikaria
Director

(Rajesh Kumar Khetan)
Partner
Membership No. : 059894
Date :07-09-2024

Additional Regulatory Information

(i) Title deeds of immovable property not held in the name of the company

	Relevant Line item in the Balance Sheet	Description of item of property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
	PPE	Land	NIL	NIL	NIL	NIL	NIL
		Building	NIL	NIL	NIL	NIL	NIL
	Investment Property	Land	NIL	NIL	NIL	NIL	NIL
		Building	NIL	NIL	NIL	NIL	NIL
	PPE retired from active use and held for disposal	Land	NIL	NIL	NIL	NIL	NIL
		Building	NIL	NIL	NIL	NIL	NIL
	Others		NIL	NIL	NIL	NIL	NIL

(ii) The Company has not revalued its Property, Plant and Equipment, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017

(iii) Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

(a) repayable on demand or
(b) without specifying any terms or period of repayment

Type of Borrower	Amount of loan or advance in the nature of loan	Percentage to the total Loans and Advances in the nature of
Promoters	NIL	NIL
Directors	NIL	NIL
KMP	NIL	NIL
Related Party	NIL	NIL

(iv) **Capital-Work-in Progress (CWIP)**

(a) CWIP aging schedule

(Amount in Rs.)

CWIP	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	Nil	Nil	Nil	Nil	NIL
Projects temporarily suspended	Nil	Nil	Nil	Nil	NIL

(b) capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan:

(Amount in Rs.)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-
Project 2	-	-	-	-

(v) **Intangible assets under development:**

(a) Intangible assets under development, following ageing schedule shall be given:

Intangible assets under development aging schedule

(Amount in Rs.)

Intangible Assets under development	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 ye	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

(b) Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan:

(Amount in Rs.)

Intangible Assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-
Project 2	-	-	-	-

vi) **Details of Benami Property held**

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.

vii) **The Company has no borrowings from banks or financial institutions on the basis of security of current assets.**

viii) **Wilful Defaulter**

The company has not been declared willful defaulter by any Bank, Financial Institution or any other lender.

ix) **Relationship with Struck off Companies**

The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

x) **Registration of charges or satisfaction with Registrar of Companies**

There are no such charges or satisfaction thereof which is yet to be registered with Registrar of Companies.

xi) **Compliance with number of layers of companies**

Not applicable to the company

KHETAN RAJESH KUMAR & CO. Firm Regn. No. 010086C CHARTERED ACCOUNTANTS

xii) Ratios:-

Particulars	Numerator	Denominator	Year ended 31st March 2024	Year ended 31st March 2023	Change	Reasons for change
(a) Current Ratio, (number of times)	Current Assets	Current Liabilities	3.33	2.37	40%	Due to Increase in Current Assets and decline in Current Liabilities, the ratio has increased.
(b) Debt-Equity Ratio, (number of times)	Total Debts	Shareholder's Fund	7.13	6.87	4%	Due to increase in Debts from Directors and their relatives and decrease in Equity, the ratio has increased.
(c) Debt Service Coverage Ratio,	Net Operating Income	Total Debts	1.54	0.32	380%	Due to decrease in Interest Obligation on Unsecured Loans. Hence, the ratio has declined.
(d) Return on Equity Ratio,	Net Profit after Taxes	Average Shareholders' Fund	0.16	0.33	-52%	Due to Decrease in EAT and Increase in Reserves and Surplus, the ratio has declined.
(e) Inventory turnover ratio,	Cost of Goods Sold	Average Inventory	0.27	0.42	-35%	Due to decrease in Cost of Goods Sold, the ratio has declined.
(f) Trade Receivables turnover ratio,	Cost of Goods Sold	Average Trade Receivables	NA	NA	NA	NA
(g) Trade payables turnover ratio,	Cost of Goods Sold	Average Trade Payables	9.01	20.08	-55%	Due to decrease in Cost of Goods Sold, the ratio has declined.
(h) Net capital turnover ratio,	Revenue	Net Working Capital	2.19	3.97	-45%	Due to decrease in Cost of Goods Sold, the ratio has declined.
(i) Net profit ratio,	Net Profit after Taxes	Sales	0.07	0.08	-13%	Due to Decrease in more decrease in EAT than in Revenue from Operations, the ratio has declined.
(j) Return on Capital employed,	Earning Before Interest and Tax	Capital Employed	0.07	0.10	-30%	Due to Increase in Reserves and Surplus, the ratio has declined.
(k) Return on investment	Net Income	Investment	NA	NA	NA	NA

The company shall explain the items included in numerator and denominator for computing the above ratios. Further explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year.

xiii) **Compliance with approved Scheme(s) of Arrangements**

NO Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013

xiv) **Utilisation of Borrowed funds and share premium:**

(A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



Notes to financial statements for the year ended 31 March, 2024.

Company Overview

Astara Projects Private Limited (*formerly known as Dream Housing Projects Private Limited*) is a Private Limited Company incorporated on 25.11.2009 under the provision of the Companies Act, 1956 bearing CIN U70102BR2009PTC015045 with the Registrar of Companies, Bihar & Jharkhand. Its registered office is in Patna (Bihar). The company is mainly engaged in real estate activities.

Note - 1. Significant accounting policies

1.1 *Basis of preparation of financial statements*

The financial statements of the company have been prepared under the historical cost convention, in accordance with generally accepted accounting principles in India (Indian GAAP) on an accrual basis. The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013, to the extent applicable and the guidance notes, standards issued by the Institute of Chartered Accountants of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

1.2 *Use of estimates*

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

1.3 *Fixed Assets, Intangible assets and capital work in progress*

Fixed assets are stated at cost, after reducing accumulated depreciation and impairment up to the date of the Balance Sheet. Direct costs are capitalized until the assets are ready for use and include financing costs relating to any borrowing attributable to acquisition of construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use. Capital work in progress includes the cost of fixed assets that are not yet ready for their intended use. Intangible assets, if any, are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

1.4 *Depreciation*

Depreciation on fixed assets is determined based on the estimated useful life of the assets using the written down value method as prescribed under the schedule II to the Companies Act, 2013. Individual assets costing less than Rs. 5000.00 or less are depreciated within a year of acquisition. Depreciation on assets purchased/sold during the period is proportionately charged. Leasehold land is amortized on a straight line basis over the period of lease. Intangible assets, if any, are amortized over their useful life on a straight line method.

1.5 *Employee benefits*

Short Term benefits are recognized as an expense at the undiscounted amount in the statement of Profit and Loss of the year in which related service is rendered. Retirement benefits in form of gratuity, leave encashment etc. will be accounted for on accrual basis. The company has not incurred any liabilities in this respect till the end of the year. Provisions of Employees' Provident Fund and Miscellaneous Provisions Act and Payment of gratuity act are not applicable to the company. However, there is no liability accrued in this respect as on the end of the financial year.



1.6 *Government grants*

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grants or subsidy related to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' fund.

1.7 *Investments*

Investments, which are readily realizable and intended to be held for not more that one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried in the financial statements at lower of cost and fair 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.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.8 Inventories

Construction materials and consumables

Construction materials and consumables are valued at lower of cost or net realizable value. The construction materials and consumables purchased for construction work issued to the construction work in progress are treated as consumed.

Construction work in progress

The construction work in progress is measured as at the end of the reporting period, all certified work in progress are valued at cost plus share of estimated revenue on the basis of percentage the type of the project. Howeever, uncertified construction work in progress is valued at lower of cost or net realizable value. Cost includes cost of land, development rights, rates and taxes, construction cost, borrowing cost if directly attributable to project, other direct expenditure, allocated overheads and other incidental expenses.

Trading goods (ready unit)

Trading goods are valued at lower of cost or Market Value

1.9 *Revenue recognition*

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Goods and Service Tax, whereever applicable, are collected on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from the revenue.

Sale of Services

Revenue from services are recognized as and when the stipulated milestone is achieved in case of long term contracts and at the time of completion of services in any other case, these are being considered as fulfilment of the contractual obligations. Goods and Service Tax, whereever applicable, are collected on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from the revenue.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest. Interest income is included under the head "Other Income" in the statement of profit and loss.

KHETAN RAJESH KUMAR & CO. CA Firm Regn. No. 010086C CHARTERED ACCOUNTANTS

1.10 *Income Taxes*

Tax expenses comprise current and deferred tax. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred Income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidences that they can be realized against future taxable profits. Deferred tax assets are reviewed at each reporting date.
Minimum Alternate Tax paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the guidance note on accounting for credit available in respect of minimum alternate tax under the income tax act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" at each reporting date.

1.11 *Provisions and contingent liabilities*

The company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a present obligation that cannot be estimated reliably or a possible or present obligation that may, but probably will not, require and outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.12 *Earning Per Share*

Earning per share are calculated by dividing the net profit or loss after taxes for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
For the purpose of calculating, diluted earnings per share, the net profit/ (loss) for the year attributable to equity shareholders and weighted average number of shares outstanding during the year are adjusted for the effects of dilutive potential equity shares.

1.13 *Cash Flow Statement*

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

