

Saakaar Constructions Private Limited
Balance Sheet as at 31st March, 2015

Particulars	Note No.	Current Year		Previous Year	
Equity & Liabilities					
Shareholder's Fund					
Share Capital	2	5,358,000		5,358,000	
Reserve & Surplus	3	25,413,424	30,771,424	18,007,634	23,365,634
Non-current Liabilities					
Long-term Borrowings	4	71,309,285		73,172,465	
Other Long Term Liabilities	5	134,000	71,443,285	418,000	73,590,465
Current Liabilities					
Short Term Borrowings	6	14,437,599		5,513,978	
Trade Payables	7	2,033,912		8,391,153	
Other Current Liabilities	8	102,686,680		148,092,643	
Short Term Provisions	9	4,727,705	123,885,896	1,581,408	163,569,182
Total			226,100,604		260,525,280
Assets					
Non-current Assets					
Fixed Assets					
Tangible Assets					
	10	17,618,326		24,047,458	
		17,618,326		24,047,458	
Non-current Investments	11	8,907,780		7,457,780	
Deferred Tax Assets (Net)	12	944,044		(93,575)	
Long Term Loans & Advances	13	269,000	27,739,150	20,000	31,431,663
Current Assets					
Current Investments	14	17,374,023		29,304,832	
Inventories	15	146,583,612		170,517,922	
Trade Receivables	16	8,259,486		2,979,157	
Cash & Bank Balances	17	6,649,715		6,576,930	
Short Term Loans & Advances	18	19,494,616	198,361,454	19,714,776	229,093,617
Total			226,100,604		260,525,280
Significant Accounting Policies	1				
Accompanying notes are an integral part of the financial statements	25				

In terms of our report of even date

For, U. Narain & Co.

Chartered Accountants

FRN - 000935C

(Vijay Mishra)
M.No. 053449
Partner

For & on behalf of the Board

[Signature]

Sudip Kumar

J.N Gupta

DIN: 00937583 DIN: 00950501

Mg Director

Director



Patna, 5th September, 2015

Saakaar Constructions Private Limited
F.Y. : 2014-15

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS
General Information

Saakaar Constructions Private Limited (the "Company") is engaged primarily in one business, real estate development including construction of residential and commercial complexes, road etc. The Company is a private limited company.

Note No. : 1

Significant Accounting Policies :

a. Basis of Accounting

The financial statements have been prepared and presented in accordance with the Generally Accepted Accounting Principles in India under historical cost convention on accrual basis and comply in all material with the applicable Accounting Standards and the relevant provisions prescribed in the Companies Act, 1956 besides the pronouncements/ guidelines of the Institute of Chartered Accountants of India. 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 in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual results and estimates are recognised in the period in which results are known/ materialised.

c. Fixed Assets :

Fixed Assets (Tangible or intangible) are stated at cost which includes cost of acquisition, cost of improvement, cost of bringing the assets to the present location and condition and apportioned cost in respect of preparative expenses. Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing assets beyond its previously standard of performance.

d. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss as and when it arises. Impairment loss asset no longer exists or may have decreased.

e. Classification of Assets and liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of projects and the time between the commencement, excluding initial preparatory work, and completion of the project and their realisation in cash and cash equivalents, the Company considers normal project completion period 2 years to 4 years (or longer period) depending upon the size of the project, for the purpose of current - non-current classification of assets and liabilities.

f. Investments

Investments are classified as Current and Non-Current. Current investments are those investments which are readily realisable, and are to be held not more than one year from the date of investment. All other investments are classified as long-term investments.

Current investments are stated at cost or fair value determined for each category of investments. Long-term investments are stated at cost. However, provision for diminution is made to recognise a decline, other than temporary, in value of investments, such reduction being determined and made for each investment individually.

g. Inventories

The Company is in the business of undertaking the real estate development project on its own account as a venture of commercial nature under agreement to develop and sale thereof. The direct expenses being materials, labour and other expenses including overheads incurred on the project are accumulated and are appearing under the head 'Project Work in Progress'.

Progressive payments received from customers being advance under agreement to sale of the project under construction are disclosed under Current Liabilities in the Balance Sheet to the extent revenue is not recognised under the stated accounting policy of the company of revenue recognition.

h. Revenue Recognition :

Revenue is recognized when the substantial risks and rewards related to ownership are transferred in favour of customers. Revenue from sale of constructed properties is recognized on the "Percentage of Completion method" of accounting. Sale consideration receivable as per the allotment letters/ agreement to sell entered into for constructed properties is recognized as revenue on the basis of percentage of actual project costs incurred thereon to total estimated project cost, subject to such actual cost incurred being 40 percent or more of the total estimated project cost. Revenue is recorded in respect of customers for whom booking is confirmed and who have paid 40% or more of total value of the agreement.

Project cost includes cost of land (including development rights), estimated internal development charges, external development cost, other related government charges, borrowing costs, overheads, construction costs and development/ construction materials of such properties, to determine percentage of completion. The estimates of the saleable area and costs are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

i. Employee Benefits

Short-term employee benefits are recognised as an expenses at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered. Retirement benefit in form of gratuity, leave encashment etc. will be accounted for on accrual basis.

j. Borrowing Cost

Interest and other costs in connection with the borrowing of funds to the extent attributable to the acquisition or construction of a qualifying fixed assets are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

k. Depreciations/ Amortisation

Depreciation on Fixed Assets has been provided on Written Down Value method in accordance with the provisions of Schedule II of the Companies Act, 2013. Depreciation on addition/ deduction of assets during the year is provided on prorata basis.

l. Deferred Tax Assets/ Liability

Current tax is determined as the amount of tax payable in respect of taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

Deferred income tax is recognized, subject to the consideration of prudence, on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods, using the Tax rates and laws that are applicable as on the Balance Sheet Date. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

m. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimates in measurement are recognised in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable.

Contingent liabilities are not recognised but are disclosed in the financial statements. Claims against the Company where the possibility of materialisation is remote are not considered as contingent liabilities. Contingent assets are neither recognised nor disclosed in the financial statements.

n. Earning per share

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

Saakkar Constructions Private Limited
F.Y. : 2014-15

Notes on Accounts
Current Yr.

Note No. : 2
Share Capital

Authorised

10,00,000 equity shares of Rs. 10/- each
issued, Subscribed & Paid up
5,35,800 equity shares of Rs. 10/- each
each fully paid up in cash

Previous Yr.

10,00,000
5,35,800

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity shares	No.	Amount	No.	Amount
Opening Balance	535,800	5,358,000.00	535,800	5,358,000
Fresh Issue				
Closing Balance	535,800	5,358,000.00	535,800	5,358,000

Detail of shareholders holding more than 5% shares in the equity shares of the Company

Name of shareholder	No. of shares held	% held	No. of shares held	% held
Vishnu Kumar Chaudhary	57,200	10.68	57,200	10.68
Sudip Kumar	57,200	10.68	57,200	10.68
Smrita Chaudhary	50,100	9.35	50,100	9.35
Usha Agrawal	50,100	9.35	50,100	9.35
Jitendra Nath Gupta	110,100	20.55	110,100	20.55
Ravi Talwar	105,100	19.62	105,100	19.62
Choudhary Kumar Consultants Pvt Ltd	30,000	5.60	30,000	5.60
Atlantic Invest Advisory Pvt Ltd	30,000	5.60	30,000	5.60

Note No. : 3

Reserve & Surplus

Securities Premium Reserve

Opening balance

Surplus from Statement of Profit & Loss

Opening balance

Add: Profit / (Loss) for the year

11,389,634
7,655,790
18,795,424
25,413,424

6,618,000

5,618,000

Note No. : 4

Long Term Borrowings

Term Loans

From Other Parties

Loan from Volkswagen Finance Private Limited secured by hypothecation of 4 vehicles make Audi Q5 repayable in 64 EMI commencing from May 2014

Loans & Advances from related parties- Unsecured

Inter Corporate

Directors

From Shareholders

Other loans & advances- Unsecured

Inter Corporate

(47,947,826
5,646,065
3,444,920
57,638,811
14,270,468
48,647,626
2,646,065
3,444,920
54,738,617
3,800,000
73,172,465



For Saakkar Constructions Pvt. Ltd.

(Signature)
Managing Director

For Saakkar Constructions Pvt. Ltd.

(Signature)
Director

Note No. : 5

Other Long Term Liabilities
Security deposits (Vishal Mega Mart)

134,000	418,000
<u>134,000</u>	<u>418,000</u>

Note No. : 6

Short Term Borrowings

Loans, secured, repayable on Demand
From Banks

Loan from Central Bank of India secured by 5118 Sqft area of
Gr Floor of Amrapali Gardens, repayable in 24 equal monthly
instalment commencing from Sept 2013

Overdraft from Central Bank of India secured by Company's
properties. (1) Building at Saakhar Amrapali Garden at upper
ground floor at Danapur, Patna, Area 5118 Sq. Ft. and (2)
Residential land area 86.466 decimal and building thereon at
Ashapur, Phulaini Shant, Patna

5,513,978

14,437,509
<u>14,437,509</u>

Note No. : 7
Trade Payables

Acceptances
Other than acceptances

2,033,912	8,381,153
<u>2,033,912</u>	<u>8,381,153</u>

Note No. : 8

Other Current Liabilities

Current maturities of long term debt
Booking Advances
Other payables

202,492	4,652,374
101,064,960	140,446,457

Statutory remittances

Contributions to EPF & ES
Tax Deducted at Source
Service Tax

50,225	64,608
120,920	733,963
<u>147,455</u>	<u>304,788</u>

Payables on purchase of fixed assets
Others

1,103,649
<u>1,506,505</u>

Salary & Wages Payable

1,598,606
<u>102,686,660</u>

Note No. : 9
Short Term Provisions

Provision for Income tax
Provision for Audit Fee

4,681,636	1,536,308
46,070	46,070
<u>4,727,705</u>	<u>1,581,408</u>

Note No. : 11

Non-current Investments

(1) Trade Investments

Investment in Equity Instruments, unquoted
235000 (Prev Yr 13333) equity shares of Rs 10/- each in
Saakhar Bricks Pvt Ltd, a subsidiary company, fully paid up and
Nil (Prev Yr 241667) equity shares Rs 4/- paid up

1,100,000

(2) Other Investments

Investment in Property
Commercial Space in Amrapali Garden

6,357,780
<u>8,937,780</u>

Note No. : 12

Deferred Tax Assets (Net)

Deferred Tax Asset

Timing difference on account of
unabsorbed business loss and
depreciation

944,044	(93,575)
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Net Deferred Tax Assets

<u>944,044</u>	<u>(93,575)</u>
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Saakshar Constructions Private Limited
 Financial Year : 2014-15

Particulars	Gross Block		Amortisation/ Depreciation		Net Block	
	At Opening	Addition	Deduction	At Close	Current Year	Previous Year
Computer & Peripherals	582,364	168,058	-	227,864	194,700	204,456
Printer Set	77,405	40,800	-	47,158	44,063	50,421
Electric Installation	800,000	19,071	-	143,646	314,666	439,441
Cycle	8,810	10,800	-	4,277	8,024	8,063
Office Equipments	86,440	129,671	-	59,917	11,586	5,063
Furniture & Fixture	83,720	104,628	-	48,670	139,678	65,369
Air Conditioner	72,699	-	-	15,674	40,310	54,179
Motor Cycle	209,071	-	-	41,174	118,344	159,518
Machinery & Equipments	6,268,390	117,039	-	1,010,744	4,476,718	5,370,421
Vehicle	17,938,438	60,000	-	5,909,626	12,142,940	17,592,566
Total	25,827,327	650,077	-	7,079,209	17,618,326	24,047,458
Previous Year	5,661,994	20,165,333	-	788,443	1,779,869	-



For Saakshar Constructions Pvt. Ltd.
 Managing Director

For Saakshar Constructions Pvt. Ltd.
 Director

Note No. : 13
Long Term Loans & Advances
 Security Deposits-Unsecured, Considered good

200,000	20,000
<u>200,000</u>	<u>20,000</u>

Note No. : 14

Current Investments

A. Current portion of long term investment
 B. Other Current investments
 Investment in Property
 Land-Saakkar Aqua City
 Land at Boring Canal Road

7,850,523	17,374,023	29,304,832
<u>9,523,500</u>	<u>19,781,332</u>	<u>29,304,832</u>
	<u>9,523,500</u>	<u>29,304,832</u>

Note No. : 15

Inventories, at cost

Work in progress
 Project Work in Progress

146,503,612	170,517,922
<u>146,503,612</u>	<u>170,517,922</u>

Note No. : 16

Trade Receivables

Exceeding 6 months (from the due date)
 Other debts

504,948	2,474,209
<u>504,948</u>	<u>2,979,157</u>

Note No. : 17

Cash & Bank Balances

Cash & Cash Equivalents

Cash in hand

Balances with Banks

Aux Bank

Central Bank of India

Central Bank of India (Escrow A/c)

Central Bank of India (Autosweep A/c)

Central Bank of India (OD A/c)

Industrial Bank

State Bank of India

1,571,955	431,160
65,949	37,925
3,220,852	97,426
1,225,000	23,098
288,001	5,581,083
<u>272,058</u>	<u>133,620</u>
5,077,759	273,187
<u>6,649,715</u>	<u>6,145,738</u>
	<u>6,579,930</u>

Note No. : 18

Short Term Loans & Advances

Loans & Advances other than related parties

Prepaid expenses

Insurance

Balances with Government authorities

Advance Income Tax/ TDS

VAT/Entry Tax

Advance to suppliers

Unsecured, considered good

13,881,058	10,215,240
216,250	-
1,793,333	1,640,080
3,603,975	2,946,749
<u>19,494,616</u>	<u>4,903,707</u>
	<u>19,714,776</u>

Loans & Advances due by directors or other officers of the company or any of them either severally or jointly with any other person, amounts due by firms or private companies in which director is a partner or director or member



For Saakkar Constructions Pvt. Ltd.

[Signature]

Managing Director

For Saakkar Constructions Pvt. Ltd.

[Signature]

Director

Saakhar Constructions Private Limited
F.Y. : 2014-15

Note No. : 25

Additional information to the financial statements

1 Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities Commitments	Current Yr. Nil	Previous Yr. Nil
Uncalled liability on shares and other investments partly paid	Nil	1,450,000.00
2 Auditors Remuneration		
Statutory Audit Fee	70,000.00	28,000.00
Tax Audit Fee	-	8,990.00
Fee for location matters	-	8,990.00
Total	70,000.00	46,070.00
3 Earnings Per Share		
Net Profit for the year from ordinary activities attributable to Equity Shareholders	7,405,790	3,712,447
Weighted-average number of Equity Shares Outstanding	535,800	535,800
Basic Earnings per share (Face Value of Rs 10/- each)	13.82	6.93

4 Related party transactions

Related parties where control exists:

Description of relationship	Names of related parties
Subsidiaries	Saakhar Bricks Pvt Ltd
Major Shareholders	Mehendra Nath Gupta
Key Management Personnel (KMP)	Sudip Kumar, Mehendra Nath Gupta, Ravi Talwar, Smriti Choudhary, Usha Agrawal
Relatives of KMP	Vishnu Kumar Choudhary, Manisha Talwar, Priyanka Gupta, Sudip Kumar (HUF)
Company in which Major Shareholders or KMP or their Relatives can exercise significant influence	Choudhary Kumar Consultants Pvt Ltd, Perfect Realty Solution Pvt Ltd., Daffodi Dealcom Pvt. Ltd.

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015:

	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Subsidiaries	Total
Purchase of goods	0	0	0	2884966	2884966
Sale of goods	(Nil)	(Nil)	(Nil)	(Nil)	0
Advance from customers	1645000	1645000	0	0	3290000
Receiving of services	3480104	4190052	(Nil)	(Nil)	0
Finance Provided	(Nil)	(Nil)	(Nil)	(Nil)	8070156
Borrowings	166670	691423	797756	(Nil)	1666649
Repayment against Borrowings	(125000)	(222700)	(657980)	(Nil)	(1,005,680)
Remuneration to Key Managerial Personnel	0	0	0	0	1450000
Finance Cost	3000000	2250000	(Nil)	1450000	6700000
	(2000000)	(2800000)	(1,090,000)	(1,100,000)	(5,290,000)
	0	0	4500000	(Nil)	(1,41,00,000)
	(2500000)	(800000)	0	0	4500000
	5480790	0	0	(Nil)	(30000000)
	(4000000)	(Nil)	(Nil)	0	5480790
	0	0	(Nil)	(Nil)	(40000000)
	(5720911)	(385027)	(3972932)	(Nil)	(46300000)

For Saakhar Constructions Pvt. Ltd.

For Saakhar Constructions Pvt. Ltd.

Director



Balances outstanding at the end of the year							
Long Term Investment	0	0	0	2550000	2550000		
	(Nil)	(Nil)	(Nil)	(1,100,000)	(1,100,000)		(11,00,000)
Long Term Borrowings	5540005	3370066	47947506	0	56963957		
	(2549065)	(3370066)	(49847336)	0	(54663957)		

Note: Figures in italics relates to the previous year

Disclosure in respect of Material Related Party Transactions during the year

- 1 Finance Provided to Saakhar Bricks Pvt Ltd Rs. 14,50,000/- (Prev Yr. Rs. 11,00,000/-)
- 2 Borrowings from Sudip Kumar Nil (Prev Yr. Rs. 3,00,000/-), Sudip Kumar HUF Nil (Prev Yr. Rs. 29,00,000/-), Darfool Dealcom Pvt. Ltd. Rs Nil (Prev Yr. Rs. 1,09,00,000/-), Jitendra Nath Gupta : Rs. Nil (Prev. Yr. Rs. 5,00,000), Raj Talwar Rs. 30,00,000/- (Prev Yr. Nil)
- 3 Repayment of Borrowings Sudip Kumar Rs. Nil (Prev.Yr. Rs. 19,00,000/-), Sudip Kumar HUF Rs Nil- (Prev Yr. Rs. 5000000/-), Usha Agrawal Rs Nil (Prev Yr. Rs. 5,00,000/-), Darfool Dealcom Pvt Ltd Rs. 7,00,000/- (Prev Yr. Nil)
- 4 Remuneration to Key Managerial Personnel Sri Sudip Kumar, Jitendra Nath Gupta, Raj Talwar, Smriti Choudhary, Usha Agrawal Rs 12,00,000/- each (Prev.Yr. Rs 800000 each)
- 5 Interest payment to Sudip Kumar Rs. Nil (Prev.Yr. 1,59,897/-), Jitendra Nath Gupta Rs. Nil (Prev.Yr. 1,10,200/-), Raj Talwar Rs. Nil (Prev.Yr.37,014/-), Smriti Choudhary Rs. Nil (Prev.Yr. 99,400/-), Usha Agrawal Rs. Nil (Prev.Yr. 1,55,578/-), Vidhva Kumar Choudhary Rs. Nil (Prev.Yr. 19,893/-), Manisha Talwar Rs. Nil (Prev.Yr. 31,410/-), Piyanka Gupta Rs. Nil (Prev.Yr. 10,470/-), Sudip Kumar (HUF) Rs. Nil (Prev.Yr. 3,23,484/-), Darfool Dealcom Pvt. Ltd. Rs. Nil (Prev.Yr. 30,72,930/-)
- 6 Service received from Sudip Kumar Rs Nil (Prev.Yr. 1,25,000), Sudip Kumar HUF Rs. 6,91,423/- (Prev.Yr. 2,22,500), Chowdhary Kumar Consultants Pvt Ltd Rs. 7,97,756/- (Prev.Yr. 6,17,860), Perfect Realty Solution Pvt Ltd Rs. Nil (Prev.Yr. Rs. 40,000)

Note: Figures in brackets relates to the previous year

- 5 In the opinion of the Board and to the best of their knowledge and belief, the value of realisation of current and other assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.
- 5 The company had unsecured loans as on 01.04.2014 of Rs 585,38,817/- from its directors, shareholders and companies, which includes related parties also, under the Companies Act, 1956, outstanding balance of which as on 31st March 2015 Rs.570,38,817-. This amount is shown under Long Term borrowings in the Financial Statement.
- 6 Particulars of loans and advances given to or guarantees or securities provided in connection with loans and advances to or investments made in related parties during the financial year : Nil
- 7 Consequent upon Schedule-II of the Companies Act, 2013 became effective from 1st April, 2014, depreciation on the fixed assets is provided on the basis of remaining useful life, as prescribed in the said Schedule-II. This has resulted in additional depreciation of Rs 38,09,873/- charged in the books in consequence of new provisions. Had the earlier provision of Schedule XIV of the Companies Act, 1956 been followed, depreciation would have been lower by the said amount with consequential effect on the loss of the Company.
- 8 Additional information pursuant to the provisions of the Companies, Act, 1956 : Nil

a	Details of consumption of imported and indigenous items *	Current Year		Previous Year	
		Value	%	Value	%
	Raw Material Indigenous Imported	57,044,527	100%	67,424,816	100%

- 9 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report of even date

For. U. Narain & Co.
Chartered Accountants
FRN - 000503C

(Vijay Maskara)
M.No. 053449

Partner

Patna, 5th September, 2015



For & on behalf of the Board

Sudip Kumar
Sudip Kumar
DIN: 00907563
Mg Director

J.N. Gupta

J.N Gupta
DIN: 00905051
Director