

Saahaar Constructions Private Limited
Balance Sheet as at 31st March, 2016

Particulars	Note No.	Current Year		Previous Year	
Equity & Liabilities					
Shareholder's Fund					
Share Capital	2	6,358,000		6,358,000	
Reserve & Surplus	3	44,589,271	50,947,271	25,413,423	30,771,423
Non-current Liabilities					
Long-term Borrowings	4	67,598,122		71,309,285	
Other Long Term Liabilities	5	224,000	67,810,122	134,000	71,443,285
Current Liabilities					
Short Term Borrowings	6	23,377,262		14,437,599	
Trade Payables	7	2,358,350		2,033,912	
Other Current Liabilities	8	62,177,511		102,686,680	
Short Term Provisions	9	7,391,524	119,304,777	2,934,372	122,062,563
Total			234,052,170		234,307,271
Assets					
Non-current Assets					
Fixed Assets					
Tangible Assets					
Non-current Investments	10	12,605,032		17,618,326	
Deferred Tax Assets (Net)	11	14,977,270		8,907,780	
Long Term Loans & Advances	12	1,754,365		944,044	
	13	159,000	29,735,667	269,000	27,739,150
Current Assets					
Current Investments	14	14,148,667		17,374,023	
Inventories	15	157,265,416		146,583,612	
Trade Receivables	16	20,308,616		8,259,488	
Cash & Bank Balances	17	1,280,362		6,648,714	
Short Term Loans & Advances	18	11,292,412	204,326,502	17,701,283	198,668,121
Total			234,052,170		234,307,271
Significant Accounting Policies	1				
Accompanying notes are an integral part of the financial statements	26				

In terms of our report of even date

For, U. Narain & Co.
Chartered Accountants
FRN - 0008035C

(Vijay Masakara
M.No. 053449
Partner

For & on behalf of the Board

[Signature]

[Signature]

Sudip Kumar J.N Gupta
DIN: 00807983 DIN: 00950501
Mg Director Director



Patna, 18th August, 2016

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

Note No. : 1

Significant Accounting Policies :

a. Basis of Preparation of Financial Statement

The financial statements have been prepared and presented under historical cost convention on accrual basis and in accordance with the Generally Accepted Accounting Principles in India 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 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 preoperative 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 recognised in prior years is reversed when there is an indication that impairment loss recognised for the 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 Group's normal operating cycle and other criteria set out in the Companies Act, 2013. Based on the nature of products/ projects and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group considers normal project completion period 2 years to 4 years (or longer period) depending upon the size of the project in the case of real estate development business and 12 months in other business than real estate development, 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

Inventories including Project Work in Progress in the case of real estate development business, are valued at cost or net realisable value whichever is less. Cost formula used for determination of cost is FIFO in the case of raw material and stores and average cost in the case of finished goods.

Cost of inventories comprises of cost of purchases, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. In the absence of cost, waste/ scrap is valued at estimated net realisable value.

h. Revenue Recognition :

Sale of goods

For Saakaar Constructions Pvt.Ltd.


Director



For Saakaar Constructions Pvt. Ltd.



Director

Revenue is recognized when the substantial risks and rewards related to ownership are transferred in favour of customers.

Real Estate Development

Revenue from sale of real estate/ 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.

l. 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. Depreciation/ 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 Group 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.

For Saakbar Constructions Pvt. Ltd.


Director



For Saakbar Constructions Pvt. Ltd.


Director

Saakshar Constructions Private Limited
F.Y. : 2015-16

Notes on Accounts
Current Yr. Previous Yr.

Note No. : 2
Share Capital
Authorised

10,00,000 equity shares of Rs. 10/- each issued, Subscribed & Paid up	10,000,000	10,000,000
6,35,800 (Prev Yr 5,35,800) equity shares of Rs 10/- each each fully paid up in cash	6,358,000	5,358,000

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	100,000	1,000,000.00	-	-
Closing Balance	635,800	6,358,000.00	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	9.00	57,200	10.68
Sudip Kumar	77,200	12.14	57,200	10.68
Smriti Chaudhary	70,100	11.03	50,100	9.36
Usha Agrawal	70,100	11.03	50,100	9.35
Jyendra Nath Gupta	130,100	20.46	110,100	20.55
Ravi Talwar	125,100	19.68	155,100	19.62

Note No. : 3

Reserve & Surplus

Securities Premium Reserve		
Opening balance	6,618,000	6,618,000
Addition during the year	5,000,000	-
General Reserve		
Opening balance	1,480,000	1,480,000
Add : Amount transferred from surplus in the Statement of Profit & Loss	1,480,000	-
Surplus from Statement of Profit & Loss		
Opening balance	18,795,423	11,389,533
Add: Profit / (Loss) for the year	14,788,038	7,455,790
Less : Proposed Dividend	508,540	-
Less : Tax on Dividend	100,550	-
Less : Transfer to General Reserve	1,480,000	31,491,271
	44,589,271	25,413,423

Note No. : 4

Long Term Borrowings

Term Loans		
From Other Parties		
Loan from Volkswagen Finance Private Limited secured by hypothecation of 4 vehicles make Asst. GS repayable in 84 EMI commencing from May 2014	12,563,864	14,270,468
Loans & Advances from related parties- Unsecured		
Inter Corporate	47,811,267	47,847,836
Directors	2,645,065	5,646,065
From Shareholders	85,002,258	3,444,836
	67,599,132	57,038,817

For Saakshar Constructions Pvc Ltd.

For Saakshar Constructions Pvt. Ltd.



Director

Note No. : 5

Other Long Term Liabilities
Security deposits

224,000	134,000
<u>224,000</u>	<u>134,000</u>

Note No. : 6

Short Term Borrowings

Loans, secured, repayable on Demand

From Banks

Overdraft from Central Bank of India secured by Company's properties, (1) Building at Sankar Annapal Garden at upper ground floor at Danapur, Patna, Area 5118 Sq. Ft. and (2) Residential land area 86,486 decimal and building thereon at Ashapur, Phulwari Sharif, Patna

23,377,282	14,437,599
<u>23,377,282</u>	<u>14,437,599</u>

Note No. : 7

Trade Payables

Acceptances

Other than acceptances

2,358,350	2,033,912
<u>2,358,350</u>	<u>2,033,912</u>

Note No. : 8

Other Current Liabilities

Current maturities of long term debt

Booking Advances

Other payables

Statutory remittances

Contributions to EPF & ESI

Tax Deducted at Source

Excise Duty, VAT, Service Tax, etc.

Others

46,374
879,742
3,567

1,519,656
76,254,425

983,683
52,225
120,820
147,455

330,630

Expenses Payable

Salary & Wages Payable

Advances from customers (Retention Amount)

21,000
2,572,435
856,313
82,177,511

1,068,606

102,686,650

Note No. : 9

Short Term Provisions

Provision for income tax

(net of advance tax Rs 5184841 Prev Yr Rs 17903000)

Provision for Audit Fee

Provision for proposed dividend

Provision for tax on proposed dividends

Provision for cost of completion of Project

3,232,064
47,370
508,640
100,550
3,500,000
7,381,624

2,868,302

46,070

2,934,372

Note No. : 11

Non current Investments

(1) Trade Investments

Investment in Equity Instruments, unquoted

250000 equity shares of Rs 10/- each in Sankar Bricks Pvt Ltd, a subsidiary company, fully paid up in cash

(2) Other Investments

Investment in Property

Commercial Space in Annapal Garden

Godown at Sankar Sedation Mansior

2,680,000
6,357,780
6,009,490
12,437,270
14,977,270

2,680,000

6,357,780

8,907,780

For Sankar Constructions Pvt. Ltd.

[Signature]
Director



For Sankar Constructions Pvt. Ltd.

[Signature]

Director

Note No. : 12

Deferred Tax Assets (Net)

Deferred Tax Asset				
i. Timing difference on account of unabsorbed business loss and depreciation	1,621,443			944,044
ii. Timing difference on account of disallowances under income tax Act	132,922			-

Net Deferred Tax-Assets

	<u>1,754,365</u>			<u>944,044</u>
Note No. : 13				
Long Term Loans & Advances				
Security Deposits-Unsecured, Considered good	169,000			269,000
	<u>169,000</u>			<u>269,000</u>

Note No. : 14

Current Investments

- A. Current portion of long term investment
- B. Other Current investments

Investment in Property				
Land-Saakkar Aqas City	4,625,197		7,850,523	17,374,023
Land at Boring Canal Road	9,523,500		9,523,500	
	<u>14,148,697</u>		<u>17,374,023</u>	

Note No. : 15

Inventories, at cost

Work in progress

	<u>157,295,416</u>			<u>146,593,612</u>
	<u>157,295,416</u>			<u>146,593,612</u>

Note No. : 16

Trade Receivables

Exceeding 6 months (from the due date)

Other debts

Unsecured, considered good

	<u>20,309,616</u>			<u>8,259,488</u>
	<u>20,309,616</u>			<u>8,259,488</u>

Note No. : 17

Cash & Bank Balances

Cash & Cash Equivalents

Cash in hand

Balances with Banks

Axis Bank

Central Bank of India

Central Bank of India (Autosweep A/c)

Industrial Bank

State Bank of India - SKT A/c

State Bank of India

	662,209			1,571,965.00
		497,596	65,849	
		-	3,226,852	
		30,918	1,225,000	
		25,295	288,001	
	64,344			
	<u>618,153</u>	<u>272,058</u>		<u>5,077,759</u>
	<u>1,280,362</u>			<u>6,849,714</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

Advance to suppliers

Unsecured, considered good

	6,654,047			13,881,658
	228,726			216,250
	4,211,639			3,603,975
	<u>11,292,412</u>			<u>17,701,283</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)

Director



For Saakkar Constructions Pvt. Ltd.

(Signature)

Director

Saskaar Constructions Private Limited
F.Y. : 2015-16

Note No. : 26

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	Nil

2 Auditors Remuneration

Statutory Audit Fee	100,900.00	40,000.00
Tax Audit Fee	45,700.00	30,000.00
Fee for taxation matters	11,400.00	-
Total	<u>161,000.00</u>	<u>70,000.00</u>

3 Earnings Per Share

Net Profit for the year from ordinary activities attributable to Equity Shareholders	Rs. 14,768,038	7,405,790
Weighted-average - number of Equity Shares Outstanding	Nos. 571,954	535,850
	Rs. 25.85	13.82

4 Related party transactions

Related parties where control exists:

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

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2016 and balances outstanding as at 31 March, 2016:

Particulars	KMP/ Directors	Relatives of KMP/ Directors	Entities in which KMP/ Directors or their relatives have significant influence	Subsidiaries	Total
Purchase of goods	0 (Nil)	0 (Nil)	0 (Nil)	1950300 (2884955)	1950300 (2884955)
Sale of goods	147000 (328000)	156610 (184500)	0 (Nil)	0 (Nil)	2976210 (493500)
Receiving of services	0 (186670)	558333 (891423)	341366 (797758)	0 (Nil)	899469 (1855849)
Finance Provided	0 (Nil)	0 (Nil)	0 (Nil)	0 (1450000)	0 (1450000)
Equity contribution & Borrowings	900000 (3000000)	0 (2580000)	0 (Nil)	0 (Nil)	900000 (5580000)
Repayment against Borrowings	600000 (Nil)	290000 (Nil)	18150 (4500000)	0 (Nil)	8915150 (4500000)
Remuneration to Key Managerial	750000 (5480790)	0 (Nil)	0 (Nil)	0 (Nil)	750000 (5480790)
Finance Cost	500000 (Nil)	272232 (Nil)	4312879 (Nil)	0 (Nil)	500000 (4312879)
Balances outstanding at the end of the year					
Loans and advances	0 (Nil)	0 (Nil)	0 (Nil)	1050000 (1850000)	1050000 (1850000)
Long Term Investment	0 (Nil)	0 (Nil)	0 (Nil)	2500000 (2500000)	2500000 (2500000)
Long Term Borrowings	2640365 (5546350)	544926 (3370866)	51811267 (47947828)	0 (Nil)	55002258 (55963857)

Note: Figures in italics relates to the

Disclosure in respect of Material Related Party Transactions during the year

- 1 Finance Provided to Sankar Bricks Pvt Ltd Rs Nil (Prev.Yr. Rs 14,50,000/-)
- 2 Borrowings/ Finance from Sudip Kumar Rs 18,00,000/- (Prev.Yr. Rs Nil), Jitendra Nath Gupta : Rs. 18,00,000/- (Prev. Yr. Rs. Nil), Ravi Talwar Rs. 18,00,000/- (Prev Yr. 30,00,000), Usha Agarwal : Rs 18,00,000/- (Prev Yr. Rs Nil), Smita Choudhary Rs. 18,00,000/- (Prev Yr. Rs Nil).
- 3 Repayment of Borrowings Sudip Kumar Rs. 6,00,000/- (Prev.Yr. Rs. Nil), Sudip Kumar HUF Rs 20,00,000/- (Prev Yr. Nil), Usha Agrawal Rs 6,00,000/- (Prev Yr. Rs Nil), Jitendra Nath Gupta : Rs. 6,00,000/- (Prev. Yr. Rs. Nil), Ravi Talwar Rs. 36,00,000/- (Prev Yr. Rs. Nil), Smita Choudhary Rs 6,00,000/- (Prev Yr. Rs Nil), Cathodi Deskcom Pvt Ltd Rs. 18,150/- (Prev Yr. 7,00,000/-)
- 4 Remuneration to Key Managerial Personnel Sri Sudip Kumar, Jitendra Nath Gupta, Ravi Talwar, Smita Choudhary, Usha Agrawal Rs 15,00,000/- each (Prev.Yr. Rs 12,00,000/- each)
- 5 Interest payment to Ravi Talwar Rs. 6,00,000/- (Prev.Yr. Rs Nil), Sudip Kumar (HUF) Rs. 2,72,222/- (Prev.Yr. Rs Nil), Cathodi Deskcom Pvt. Ltd. Rs. 43,12,876/- (Prev.Yr. Rs Nil)
- 6 Service received from Sudip Kumar HUF Rs. 5,58,333 (Prev.Yr. 6,91,423/-), Chowdhary Kumar Consultants Pvt Ltd Rs. 3,41,360/- (Prev.Yr. 7,97,756/-).
- 7 Purchase of goods from Sankar Bricks Pvt Ltd Rs 19,50,300 (Prev Yr Rs 28,04,666/-)
- 8 Sale of goods to Ravi Talwar Rs 730000 (Prev Yr Rs Nil), Sudip Kumar Rs 730000 (Prev Yr Rs 1645000), Vidanu Kumar Choudhary Rs 730000 (Prev Yr 1645000) Sumit Kumar Rs 771210 (Prev Yr 1965790)

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.

6 The company had unsecured loans as on 01.04.2016 of Rs 570,38,817/- from its directors, shareholders and companies, which includes related parties also, under the Companies Act, 1956, outstanding balance of which as on 31st March 2016 Rs.550,02,268/- . This amount is shown under Long Term borrowings in the Financial Statement.

7 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

8 Additional information pursuant to the provisions of the Companies, Act, 1956 : Nil

a	Details of consumption of imported and indigenous items *	Value		%	
		Value	%	Value	%
	Raw Material				
	Indigenous Imported	74,699,736	100%	57,044,527	100%
	Stores, spares/parts				
	Indigenous Imported		100%		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 - 1000395C

(Vijay Mishra)
M.No. 063449
Partner



Patna, 18th August, 2016

For & on behalf of the Board

(Signature)

Sudip Kumar
DIN: 00037583
Mg Director

J.N Gupta
DIN: 00050501
Director