DUSHYANT KUMAR & CO
(CHARTERED ACCOUNTANTS)

Mani Kunj,3rd Floor,Road No-21
S.K.Nagar,Patna-800 001
Email: dushyant.ssa@gmail.com
Mob: 9304497230, 9631867175

INDEPENDENT AUDITOR'S REPORT

The Members,
KANAN HOMES PRIVATE LIMITED
302, SUNDER LAL PALACE, OPP MEHDI UTSAV PALACE,
ANANDPURI, WEST BORING CANAL ROAD, PATNA
BIHAR -800001

Report on the Financial Statements

We have audited the accompanying financial statements **"KANAN HOMES PRIVATE LIMITED"** which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss for the year ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the company in accordance with Accounting standards notified under section 133 of the Companies Act,2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

i. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2016;

ii. in the case of the statement of profit and loss, of the profit for the year on 31st March 2016;

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of section 143 of companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c. The Balance Sheet and Statements of Profit and Loss dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the Balance Sheet and Statements of Profit and Loss comply with the Accounting Standards referred under Section 133 of the Act, read with rule 7 of (accounts) rule 2014; and

   e. On the basis of written representations received from the directors as on 31 March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016, from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013.

   f. With respect to the other matter to be included in the Auditor's Report in accordance with Rule 11 of the Companies Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   (i) The company has disclosed the impact of pending litigations on its financial position in its financial statements, if any.



KANAN HOMES PRIVATE LIMITED

302, SUNDER LAL PALACE,OPP MEHDI UTSAV PALACE, ANANDPURI,WEST
BORING CANAL ROAD, PATNA, BIHAR- 800001

NOTICE FOR ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Annual General Meeting** of the members of **M/s KANAN HOMES PRIVATE LIMITED** will be held on, 30th September 2016 at 10 AM at the registered office of the company situated at 302, Sunder lal Palace, Opp. Mehdi Utsav Palace, Anandpuri,West Boring Canal Road Patna , Bihar- 800001 , to transact the following business:

ORDINARY BUSINESS: -

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2016 and the Profit and Loss Statement for the year ended March 31, 2016 together with the Reports of the Board of Directors and Auditor thereon.

2. To propose, consider and appoint M/s Dushyant Kumar & Co, Chartered Accountants as Auditors of the Company to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

3. To discuss any other matter with the permission of the chair.

By Order of the Board of Directors

Pragati Kanan

PRAGATI KANAN
Director

Date: 02.09.2016
Place: Patna

Note:

- A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company.
- Proxies in order to be effective must be lodged with the Company at its Registered Office not less than 48 hours before the meeting.
- General meeting be called after giving a shorter notice and consent is given in writing by hundred percent members entitled to vote at such meeting.

KANAN HOMES PRIVATE LIMITED

302, SUNDER LAL PALACE,OPP MEHDI UTSAV PALACE, ANANDPURI,WEST BORING CANAL ROAD, PATNA, BIHAR- 800001 .

DIRECTORS REPORT

To,
The Members
KANAN HOMES PRIVATE LIMITED
PATNA

The Directors have pleasure in presenting the Annual report on the business and operations of the Company along with the Audited Balance Sheet and Profit & Loss Accounts for the period ended 31st March 2016.

FINANCIAL RESULTS

Financial Results of the Company for the year under review along with the figures for previous years are as follows:-

Particulars	2015-16 (Amount in Rs.)
Service Income	86,00,000.00
Other Income	0.00
Total Income	86,00,000.00
Profit Before Taxation	5,68,555.00
Provision for taxation	
Current Tax	1,75,683.00
Deferred Tax	1,862.00
Net Profit after taxation	3,91,010.00

REVIEW OF OPERATIONS

During the year under review, company has registered a total Profit of Rs. 3,91,010.00/-Which is good to the company. Directors are hopeful for the bright future of the company in the years to come.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, Directors state that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

(b) Appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so far as to give a true and fair view of the state of affairs of the company as at 31st March 2016 and the profit and loss Statement for the period ended 31st March 2016.

(c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
(d) The annual accounts have been prepared on a going concern basis.
(e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITOR'S AND THEIR REPORT

Comments of the Auditors in their report and the notes forming part of the Accounts are self-explanatory.

M/s Dushyant Kumar & Co., the Company's Auditors, will retire at the conclusion of the ensuing Annual General meeting and the Board has proposed to appoint M/s Dushyant Kumar & Co as the Company's Auditors, to hold the office till the conclusion the next Annual general meeting.

The Company has received a certificate from the proposed auditors to the effect that their appointment, if made, would be in accordance with the provisions of section139 (1) of the Companies Act 2013. The directors recommend the appointment of M/s. Dushyant Kumar & Co and to fix their remuneration.

EXTRACT OF ANNUAL RETURN

The extract of the annual return in Form No. MGT – 9 shall form part of the Board's report

DEPOSIT

The Company has not accepted any deposit under chapter V of the act and as such no principal or interest was outstanding as of 31 March 2016

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTIONS

Energy conservation awareness has been created amongst all employees in order to reduce energy consumption. The company has initiated and taken number of steps to conserve energy. In addition, measures to reduce power consumption in the technology area have been taken. The company also embarked on green initiatives and reduced consumption of power.

ACKNOWLEDGEMENT

Directors acknowledge, with thanks, the support and valuable co-operation extended by the business Constituents, bankers and shareholders of the Company. Directors place on record their appreciation of the contribution made by employees at all levels, who, through their competence, hard work, co-operation, support and commitment have enabled the Company to grow.

For and on behalf of the Board of Directors

Pragati Kanan

Place: Patna
Date: 02.09. 2016

KUNAL KANAN
Director
(DIN: 02483758)

PRAGATIKANAN
Director
(DIN:06422182)

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U45200BR2012PTC019515
2	Registration Date	26/11/2012
3	Name of the Company	KANAN HOMES PRIVATE LIMITED
4	Category/Sub-category of the Company	Company limited by Shares
		Non-govt company
5	Address of the Registered office & contact details	302, SUNDER LAL PALACE,OPP MEHDI UTSAV PALACE, ANANDPURI,WEST BORING CANAL ROAD PATNA , BIHAR -800001
6	Whether listed company	NO
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Construction of Residential Flat	9953	100%
2			
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1					
2					
3					

IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF		2,000	2,000	100.00%		2,000	2,000	100.00%	0.00%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp.			-	0.00%			-	0.00%	0.00%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1)	-	2,000	2,000	100.00%	-	2,000	2,000	100.00%	0.00%

KANAN HOMES PVT. LTD.

Director

KANAN HOMES PVT. LTD.

Pragati Kanan

Director

(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	2,000	2,000	100.00%	-	2,000	2,000	100.00%	0.00%
B. Public									
1. Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian			-	0.00%			-	0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh			-	0.00%			-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh			-	0.00%			-	0.00%	0.00%
c) Others (specify)									
Non Resident Indians			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%	-		-	0.00%	0.00%
Sub-total (B)(2):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
Total Public (B)	-	-	-	0.00%	-	-	-	0.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	-	2,000	2,000	100.00%	-	2,000	2,000	100.00%	0.00%

KANAN HOMES PVT. LTD.

Director

KANAN HOMES PVT. LTD.

Pragati Kanan

Director

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kunal Kanan	1,000	50.00%		1,000	50.00%		0.00%
2	Pragati Kanan	1,000	50.00%		1,000	50.00%		0.00%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			2,000	100.00%	1,000	50.00%
	Changes during the year		Allot	-	0.00%		0.00%
					0.00%		0.00%
					0.00%		0.00%
	At the end of the year			2,000	100.00%	1,000	50.00%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
2	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name: Kunal Kanan						
	At the beginning of the year			1,000	50.00%	1,000	50.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			1,000	50.00%	1,000	50.00%
2	Name: Pragati Kanan						
	At the beginning of the year			1,000	50.00%	1,000	50.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			1,000	50.00%	1,000	50.00%

KANAN HOMES PVT. LTD.

Director

KANAN HOMES PVT. LTD.

Pragati Kanan

Director

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition				-
* Reduction				-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	KUNAL KANAN	PRAGATI KANAN	(Rs)
	Designation	Director	Director	
1	Gross salary	2,40,000	2,40,000	480,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-
2	Stock Option			-
3	Sweat Equity			-
4	Commission			-
	- as % of profit			-
	- others, specify			-
5	Others, please specify			-
	Total (A)	240,000.00	240,000.00	480,000.00
	Ceiling as per the Act			

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs/Lac)
1	Independent Directors				
	Fee for attending board committee				-
	Commission				-
	Others, please specify				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors				-
	Fee for attending board committee				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				480,000.00
	Overall Ceiling as per the Act				

KANAN HOMES PVT. LTD.

Director

KANAN HOMES PVT. LTD.

Pragati Kanan

Director

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name				(Rs/Lac)
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2)				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

KANAN HOMES PVT. LTD.

Director

KANAN HOMES PVT. LTD.

Pragati Kanan

Director

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(ii) The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.

(iii) There has been no delay in transferring amounts required to be transferred, to the investor Education and Protection Fund by the company, if any.

For DUSHYANT KUMAR & CO
(Chartered Accountants)
Firm Reg. No. 020157C

PATNA

DUSHYANT KUMAR
(Partner)
Membership No. 409195

Place: Patna
Date: 02/09/2016

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SIGNIFICANT ACCOUNTING POLICIES &
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE – "22"

Notes Annexed to & forming part of the Balance Sheet & Profit & loss statement for the year ended on 31st March 2016.

1. **Significant Accounting Policies:**

   Financial statements are prepared under the historical cost convention. In accordance with generally accepted accounting principles in India, The relevant provision of companies Act 2013 including accounting standards prevailing in India.

2. **System of Accounting:**
   The Company is maintaining the Books of account on Accrual Basis based on Double Entry System.

3. Contingent Liabilities not provided for in respect of claims against the company – Nil

4. Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations include sale of goods net of sales tax and sales return.

5. Depreciation on fixed assets is provided on written down value Method and in the manner as prescribed in Schedule II to the Companies Act, 2013, Depreciation is charged on pro-rata basis for assets purchased/ sold during the year.

6. Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation. The cost of Tangible assets comprises its purchase price, borrowing cost any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange and adjustments arising from exchange rate variations attributable to the assets.

7. Expenses supported by internal vouchers have been certified to bonafide business expenditure by the Directors.

8. Previous Years figures has been regrouped and rearranged wherever considered necessary.

9. Details of share holders having shareholding more than 5%

Name of Share Holders	Current year No.of Share	Previous Year No of Share
Mr. Kunal Kanan	1000	1000
Pragati Kanan	1000	1000

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10. Auditor's Remuneration"

Towards Company Audit Fee		10,000.00
	Total	10,000.00

11. **Disclosure As Per Accounting Standard-18 on 'Related Party Disclosures'**

Related party:

a) Key Management Personnel:
   (i) Kunal Kanan &
   (ii) Pragati Kanan

b) Relative of Key Management Personnel: NIL

   (i) Organization in which Key Management Personnel have significant control: NIL

TRANSACTIONS WITH RELATED PARTIES:

Salary to Director amounting Rs 720,0000/-

12. **Earning Per Share:**

The earnings considered in ascertaining the company's EPS comprise the net profit after tax attributable to equity shareholders. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Particulars	As on 31.03.16 Amount in Rs.
Net Profit/(Loss) after tax	391010.00
Less: Preference dividend	-
Net Profit/(Loss) after tax available for Equity Shareholders	391010.00
Weighted average no. of equity shares of Rs. 100 each outstanding during the year.	2000
Basic EPS in Rs.	195.50

