

# DOOGAR & ASSOCIATES

Chartered Accountants

## Independent Auditors' Report

To the Members of Omaxe Entertainment Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of **Omaxe Entertainment Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

### Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS Financial Statements are free from material misstatement.

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

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



## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, of the state of affairs of the Company as at 31 March 2018, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure I**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules 2016.
  - (e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure II**" and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its Ind AS financial statements.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts.

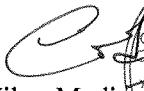


- iii. There were no amounts which were required to be transferred to the Investors Education and Protection Fund.

**For Doogar & Associates**

Chartered Accountants

Firm's Registration No: 000561N

  
Vikas Modi

Partner

Membership No: 505603



Place: New Delhi

Date: 01 MAY 2018

**Annexure I to Independent Auditors' Report (Referred to in our report of even date)**

- i. The Company does not have any Fixed Assets.
- ii. The Company does not have any Inventory.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not specified for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013. Accordingly Clause 3(vi) of the order is not applicable.
- vii. (a) According to the records of the Company, provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, duty of customs, duty of excise, cess and other applicable material undisputed statutory dues have been deposited regularly during the year with the appropriate authorities.  
  
(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, or other applicable material statutory dues which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loan from any banks and financial institutions.
- ix. According to the information and explanations given to us, no term loan was taken and no money was raised by way of initial public offer or further public offer (including debt instruments) by the Company. Accordingly Clause 3(ix) of the order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us, no managerial remuneration has been paid or provided during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, there was no transaction during the year with any related parties.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.




- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. According to information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934..

**For Doogar & Associates**

Chartered Accountants

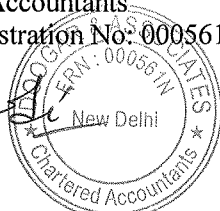
Firm's Registration No: 000561N

  
Vikas Modi  
Partner

Membership No: 505603

Place: New Delhi

Date: 01 MAY 2018



**Annexure II to Independent Auditors' Report — 31 March 2018 (Referred to in our report of even date)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Omaxe Entertainment Limited** ("the Company") as at 31st March 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

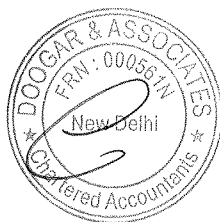
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**


Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Doogar & Associates**  
Chartered Accountants  
Firm's Registration No: 000561N

  
Vikas Modi  
Partner  
M. No: 505603



Place: New Delhi  
Date: 01 MAY 2018

# Omaxe Entertainment Limited

Regd. Office: 10, Local Shopping Centre, Kalkaji, New Delhi-110019  
Corporate Identity Number :U92111DL2003PLC121194

## Balance Sheet as at March 31, 2018

(Amount in Rupees)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
a)Deferred Tax Assets (Net)	1	511.00	546.00
		511.00	546.00
<b>Current assets</b>			
a)Financial Assets			
i)Cash and Cash Equivalents	2	576,815.00	588,940.75
		576,815.00	588,940.75
<b>TOTAL ASSETS</b>		577,326.00	589,486.75
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a)Equity Share capital	3	500,000.00	500,000.00
b)Other Equity		59,395.00	59,002.75
		559,395.00	559,002.75
<b>Liabilities</b>			
<b>Current liabilities</b>			
a) Financial Liabilities			
i)Other Financial Liabilities	4	17,830.00	30,346.00
b)Current tax liabilities(net)	5	101.00	138.00
		17,931.00	30,484.00
<b>TOTAL EQUITY AND LIABILITIES</b>		577,326.00	589,486.75
Significant accounting policies	A		

The note nos. 1-17 form an integral part of financial statements.

As per our report of even date attached

For and on behalf of  
**Doogar & Associates**  
Chartered Accountants  
Regn. No. 000561N

**Vikas Modi**  
Partner  
M.No. 505603



For and on behalf of the Board of Directors

**Manish Goel**  
(Director)  
DIN: 03560939

**Kamal Kishore Gupta**  
(Director)  
DIN: 02180278

Place : New Delhi  
Date : 01 MAY 2018



# Omaxe Entertainment Limited

Regd. Office: 10, Local Shopping Centre, Kalkaji, New Delhi-110019  
Corporate Identity Number :U92111DL2003PLC121194

## Statement of Profit and Loss for the year ended March 31, 2018


(Amount in Rupees)

Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
<b>REVENUE</b>			
Other income		<b>52,100.00</b>	36,650.00
<b>TOTAL INCOME</b>		<b>52,100.00</b>	36,650.00
<b>EXPENSES</b>			
Finance cost	6	<b>10,116.75</b>	40.25
Other Expenses	7	<b>41,453.00</b>	35,886.00
<b>TOTAL EXPENSES</b>		<b>51,569.75</b>	35,926.25
<b>Profit Before Tax</b>		<b>530.25</b>	723.75
Tax expense	8	<b>138.00</b>	219.00
<b>Profit for the year</b>		<b>392.25</b>	504.75
<b>Other comprehensive Income</b>			
Tax on above items		-	-
<b>Total other comprehensive Income</b>		-	-
<b>Total comprehensive Income for the year</b>		<b>392.25</b>	504.75
Earnings per equity share			
Basic & diluted (Face value of Rs. 10 each)	9	<b>0.01</b>	0.01
Significant accounting policies	A		

The note nos. 1-17 form an integral part of financial statements.

As per our report of even date attached


For and on behalf of  
**Doogar & Associates**  
Chartered Accountants  
Regn. No. 000561N

  
**Vikas Modi**  
Partner  
M.No. 505603

Place : New Delhi  
Date : 01 MAY 2018

For and on behalf of the Board of Directors

  
**Manish Goel**  
(Director)  
DIN: 03560939

  
**Kamal Kishore Gupta**  
(Director)  
DIN: 02180278

## Omaxe Entertainment Limited

Regd. Office: 10, Local Shopping Centre, Kalkaji, New Delhi-110019  
Corporate Identity Number :U92111DL2003PLC121194

### Statement of Changes in Equity for the Year Ended March 31,2018

#### A. Equity Share Capital

Particulars	Numbers	Amount in Rupees
Balance as at 1 April 2016	50,000	500,000.00
Changes in equity share capital during 2016-17	-	-
Balance as at 31 March 2017	50,000	500,000.00
Balance as at 1 April 2017	50,000	500,000.00
Changes in equity share capital during 2017-18	-	-
Balance as at 31 March 2018	50,000	500,000.00

#### B. Other Equity

(Amount in Rupees)

Description	Attributable to owners of Omaxe Entertainment Limited		
	Retained Earnings	Other comprehensive Income	Total Other Equity
Balance as at 1 April 2016	58,498.00	-	58,498.00
Profit for the year	504.75	-	504.75
Other Comprehensive Income	-	-	-
Balance as at 31 March 2017	59,002.75	-	59,002.75
Balance as at 1 April 2017	59,002.75	-	59,002.75
Profit for the year	392.25	-	392.25
Other Comprehensive Income	-	-	-
Balance as at 31 March 2018	59,395.00	-	59,395.00

The notes referred to above form an integral part of financial statements.

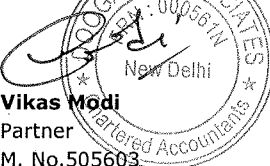
As per our audit report of even date attached

For and on behalf of


**Doogar & Associates**

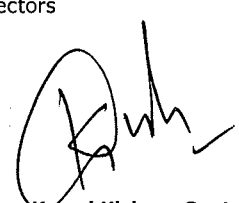
Chartered Accountants

Regn. No. 000561N

  
**Vikas Modi**  
Partner  
M. No.505603

For and on behalf of board of directors

  
**Manish Goel**  
(Director)  
DIN: 03560939

  
**Kamal Kishore Gupta**  
(Director)  
DIN: 02180278

Place: New Delhi

Date: 01 MAY 2018

# Omaxe Entertainment Limited

Regd. Office: 10, Local Shopping Centre, Kalkaji, New Delhi-110019  
Corporate Identity Number : U92111DL2003PLC121194


## Cash flow statement for the year ended March 31, 2018

(Amount in Rupees)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>A. Cash flow from operating activities</b>		
Profit for the year before tax	530.25	723.75
Adjustment for Bank Charges	10116.75	40.25
<b>Operating profit before working capital changes</b>	10,647.00	764.00
<b>Adjustments for working capital</b>		
Current other financial liabilities	(12,516.00)	18,896.00
	(12,516.00)	18,896.00
<b>Cash (used in)/generated from operating activities</b>	(1,869.00)	19,660.00
Direct taxes paid	(140.00)	(130.00)
<b>Net cash (used in) / generated from operating activities</b>	(2,009.00)	19,530.00
	-	-
<b>B. Cash flow from investing activities</b>		
	-	-
<b>C. Cash flow from financing activities</b>		
Bank Charges Paid	(10,116.75)	(40.25)
<b>Cash (used in)/generated from financing activities</b>	(10,116.75)	(40.25)
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	(12,125.75)	19,489.75
<b>Opening balance of cash and cash equivalents</b>	588,940.75	569,451.00
<b>Closing balance of cash and cash equivalents</b>	576,815.00	588,940.75

As per our report of even date attached

For and on behalf of  
**Doogar & Associates**  
Chartered Accountants  
Regn. No. 000561N

  
**Vikas Modi**  
Partner  
M.No. 505603

Place : New Delhi  
Date : 01 MAY 2018

For and on behalf of the Board of Directors

  
**Manish Goel**  
(Director)  
DIN: 03560939

  
**Kamal Kishore Gupta**  
(Director)  
DIN: 02180278

## Omaxe Entertainment Limited

Regd. Office: 10, Local Shopping Centre, Kalkaji, New Delhi-110019

Corporate Identity Number :U92111DL2003PLC121194

### A. Significant accounting policies

#### 1. Corporate information

Omaxe Entertainment Limited ("The Company") is a subsidiary company of Omaxe Limited. Registered address of the Company is 10, Local Shopping Centre, Kalkaji, New Delhi -110019

#### 2. Significant accounting policies

##### i) Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 ('Ind AS') issued by Ministry of Corporate Affairs ('MCA'). The Company has uniformly applied the accounting policies during the period presented.

##### ii) Revenue recognition

Revenue is recognised on accrual basis and measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers.

##### iii) Inventories

Land is valued at cost, which is determined on average method. Cost includes cost of acquisition and all other costs incurred till the date of Possession.

##### iv) Impairment of Non Financial Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

##### v) Financial Instruments

###### a) Financial Assets

###### Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

###### Subsequent measurement

(1) Financial instruments at amortised cost – the financial instrument is measured at the amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the Principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

###### De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

###### b) Financial liabilities

###### Initial recognition and measurement

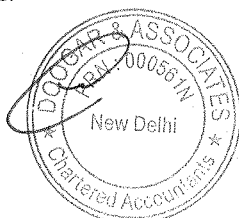
All financial liabilities are recognised initially at fair value and transaction cost that are attributable to the acquisition of the financial liabilities are also adjusted. These liabilities are classified as amortised cost.

###### Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

###### De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or on the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.



### **c) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 14 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### **vi) Provisions, contingent assets and contingent liabilities**

A provision is recognized when:

- the Company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; 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 possible obligation or a present obligation that may, but probably will not, require an 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.

### **vii) Earnings per share**

Basic earnings per share are calculated by dividing the total comprehensive income for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the total comprehensive income for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity share.

### **viii) Income Tax**

i. Provision for current tax is made based on the tax payable under the Income Tax Act, 1961. Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity)

ii. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

### **ix) Significant management judgement in applying accounting policies and estimation of uncertainty**

#### **Significant management judgements**

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

#### **(a) Revenue**

Revenue is recognised on accrual basis and comprises of aggregate amounts of sale price agreed with customer and is recognised on the basis of cost of rights so transferred.

#### **(b) Recognition of deferred tax assets**

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.



**1. DEFERRED TAX ASSETS(NET)**

(Amount in Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
Mat credit entitlement	511.00	546.00
	511.00	546.00

**2. CASH AND CASH EQUIVALENTS**

(Amount in Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
Balance with Banks:		
-In Current Accounts	28,612.00	29,959.75
Cash on hand	548,203.00	558,981.00
	576,815.00	588,940.75

**3. SHARE CAPITAL**

(Amount in Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Authorised</b>		
1,000,000 (1,000,000) Equity Shares of Rs.10 each	10,000,000.00	10,000,000.00
	10,000,000.00	10,000,000.00
<b>Issued, subscribed &amp; paid up</b>		
50,000 (50,000) Equity Shares of Rs.10 each fully paid up	500,000.00	500,000.00
	500,000.00	500,000.00

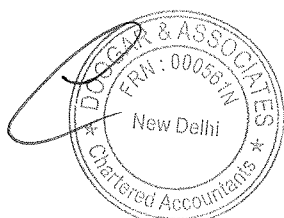
Figures in brackets represent those of the previous year.

**3.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	Amount	Number	Amount
<b>Equity Shares of Rs 10 each fully paid</b>				
Shares outstanding at the beginning of the year	50,000	500,000.00	50,000	500,000.00
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	50,000	500,000.00	50,000	500,000.00

**3.2 Terms / rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs 10/-per share. Each holder of equity shares is entitled to one vote per share.If new equity shares, issued by the company shall be ranked pari-passu with the existing equity shares. The company declares and pays dividend in Indian rupees. The dividend proposed if any by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any in proportion to the number of equity shares held by the share holders.



**3.3 Shares held by holding / Ultimate holding company and / or their subsidiaries and associates**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of Shares held	Amount	Number of Shares held	Amount
<b>Holding Company</b>				
Omaxe Limited	50,000	500,000.00	50,000	500,000.00
	50,000	500,000.00	50,000	500,000.00

**3.4 Detail of shareholders holding more than 5% shares in equity capital of the company**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of Shares held	% Holding	Number of Shares held	% Holding
<b>Holding Company</b>				
Omaxe Limited	50,000	100.00	50,000	100.00

The aforesaid disclosure is based upon percentages computed as at the balance sheet date. As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**3.5** The company has not reserved any shares for issue under options and contracts / commitments for the sale of shares / disinvestment.

**3.6** The company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash and has neither allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

**4. CURRENT OTHER FINANCIAL LIABILITIES**

(Amount in Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
Audit fee payable	11,800.00	11,500.00
Other Payable	6,030.00	18,846.00
	17,830.00	30,346.00

**5. CURRENT TAX LIABILITIES (NET)**

(Amount in Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
Current tax liability	101.00	138.00
	101.00	138.00



**6. FINANCE COST**

(Amount in Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Bank Charges	10,116.75	40.25
	10,116.75	40.25

**7. OTHER EXPENSES**

(Amount in Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Administrative Expenses</b>		
Rent	17,938.00	17,596.00
Rates and taxes	5,400.00	1,800.00
Legal & professional charges	6,315.00	4,990.00
Statutory audit fee	11,800.00	11,500.00
	41,453.00	35,886.00

**8. INCOME TAX**

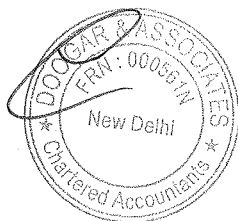
(Amount in Rupees)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Tax expenses comprises of :</b>		
Current Income Tax	136.00	215.00
Earlier years tax adjustment	2.00	4.00
	138.00	219.00

The major component of income tax expenses and the reconciliation of expected tax expenses based on the domestic effective tax rate of company and reported tax expense in statement of profit and loss are as follows :

(Amount in Rupees)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Accounting Profit before tax	530.25	723.75
Applicable tax rate	25.75%	29.87%
Computed tax expenses	136.00	215.00
<b>Current Tax Provisions(A)</b>	136.00	215.00
<b>Adjustments recognised in current year in relation to current tax of prior years (B)</b>	2.00	4.00
<b>Tax expense recognised in statement of profit and loss (A+B)</b>	138.00	219.00





**9. EARNINGS PER SHARE**

(Amount in Rupees)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit/(Loss) after tax (in Rupees)	392.25	504.75
Numerator used for calculating basic and diluted earnings per share	392.25	504.75
Equity shares outstanding as at the year end	50,000	50,000
Weighted average number of shares used as denominator for calculating basic & diluted earnings per share	50,000	50,000
Nominal value per share (in Rupees)	10.00	10.00
Basic & diluted earnings per share (in Rupees)	0.01	0.01

**10. CONTINGENT LIABILITIES & COMMITMENTS**

(Amount in Rupees)

Particulars	As at March 31, 2018	As at March 31, 2017
Contingent Liabilities	NIL	NIL

11. The Balance of financial assets and financial liabilities are taken as shown by books of accounts.

**12. SEGMENT REPORTING**

In line with the provisions of Ind AS 108 - Operating Segments and on the basis of review of operations being done by the management of the company, the operations of the company operates in one geographical segment, which is considered to be the only reportable segment by management.



**NOTE 13 : FAIR VALUE MEASUREMENTS**

**(i) Financial Assets by category**

(Amount in Rupees)

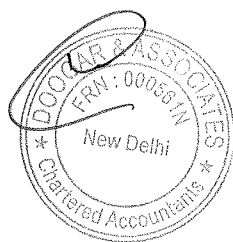
Particulars	Note	As at March 31, 2018	As at March 31, 2017
<b>Financial Assets</b>			
<b>At Amortised cost</b>			
<b>Current</b>			
Cash and Cash Equivalents	2	576,815.00	588,940.75
<b>Total Financial Assets</b>		<b>576,815.00</b>	<b>588,940.75</b>
<b>Financial Liabilities</b>			
<b>At Amortised cost</b>			
<b>Current</b>			
Other Financial Liabilities	4	17,830.00	30,346.00
<b>Total Financial Liabilities</b>		<b>17,830.00</b>	<b>30,346.00</b>

**(ii) Fair value of financial assets and liabilities measured at amortised cost**

(Amount in Rupees)

	As at March 31, 2018		As at March 31, 2017	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	576,815.00	576,815.00	588,940.75	588,940.75
<b>Total Financial Assets</b>	<b>576,815.00</b>	<b>576,815.00</b>	<b>588,940.75</b>	<b>588,940.75</b>
<b>Financial Liabilities</b>				
<b>Current Liabilities</b>				
Other Financial Liabilities	17,830.00	17,830.00	30,346.00	30,346.00
<b>Total Financial Liabilities</b>	<b>17,830.00</b>	<b>17,830.00</b>	<b>30,346.00</b>	<b>30,346.00</b>

For short term financial assets and liabilities carried at amortized cost, the carrying value is reasonable approximation of fair value.



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#### NOTE 14 : RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. The management has the overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

##### Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

##### Credit risk management

###### Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date

B: Moderate credit risk

The company provides for expected credit loss based on the following:

Credit risk	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, Investments and other financial assets	12 month expected credit loss
Moderate credit risk	Trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in the statement of profit and loss.

Credit rating	Particulars	(Amount in Rupees)	
		As at 31 March 2018	As at 31 March 2017
A: Low credit risk	Cash and cash equivalents	576,815.00	588,940.75

##### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

##### Maturities of financial liabilities

The tables below analyse the financial liabilities into relevant maturity pattern based on their contractual maturities.

Particulars						(Amount in Rupees)
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	Carrying Amount
As at 31 March 2018						
Other Financial Liabilities	17,830.00	-	-	-	17,830.00	17,830.00
Total	17,830.00	-	-	-	17,830.00	17,830.00
As at 31 March 2017						
Other Financial Liabilities	30,346.00	-	-	-	30,346.00	30,346.00
Total	30,346.00	-	-	-	30,346.00	30,346.00

#### Note 15 : CAPITAL MANAGEMENT POLICIES

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity plus its subordinated loan, less cash and cash equivalents as presented on the face of the statement of financial position and cash flow hedges recognised in other comprehensive income.



## 16. RELATED PARTIES DISCLOSURES

### A. Name of related parties

1. Guild Builders Private Limited (ultimate holding company)
2. Omaxe Limited (holding company)

### B. Summary of transactions with related parties

There are no material transaction with the related parties during the year.

17. The company has regrouped / reclassified previous year figures where necessary to conform with current year's classification.

The note nos. 1-17 referred to above form an integral part of financial statements.

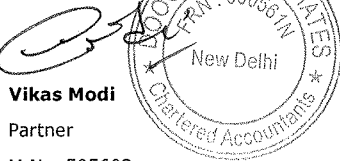
### As per our report of even date attached

For and on behalf of

**Doogar & Associates**

Chartered Accountants

Regn. No. 000561N

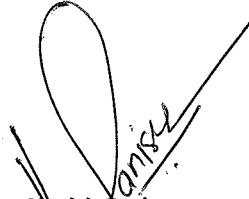


**Vikas Modi**

Partner

M.No. 505603

For and on behalf of the Board of Directors



**Manish Goel**  
(Director)  
DIN: 03560939



**Kamal Kishore Gupta**  
(Director)  
DIN: 02180278

Place : New Delhi

Date : 01 MAY 2018