

# *M. S. Jagannathan & Viswanathan*

## CHARTERED ACCOUNTANTS

### Independent Auditor's Report

#### To the Members of Patodia Developers Private Limited

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Patodia Developers Private Limited** ('the Company'), which comprise the Balance sheet as at 31st March 2017, the Statement of profit and loss and the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 standalone 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 there under.

We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair

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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 Directors, 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 on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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<sup>st</sup> March 2017 and its loss and its cash flows 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 A", a statement on the matters specified in the paragraph 3 and 4 of the order.
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 and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2017 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 B"; 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, in our opinion and to the best of our information and according to the explanations given to us:
- (i) In our opinion and as per the information and explanations provided to us, the Company has no pending litigations and hence disclosure in the financial statements does not arise;
  - (ii) In our opinion and as per the information and explanations provided to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
  - (iii) There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - (iv) The company has provided requisite disclosure in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the Company - Refer Note 8.08 to the standalone financial statements.

For M.S.Jagannathan & Visvanathan  
Chartered Accountants  
ICAI FRN 001209S

  
N. Rajesh  
Partner  
M.No.212417

Place: Mumbai  
Date : 24/05/2017



**Annexure - A to the Independent Auditors' Report**


**The Annexure referred to in Independent Auditors' Report to the members of Patodia Developers Private Limited on the standalone financial statements for the year ended 31<sup>st</sup> March 2017, we report that:**

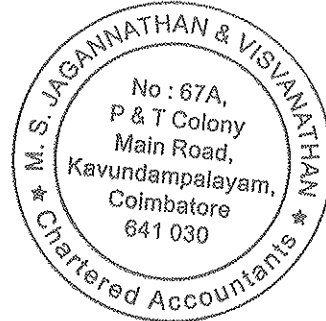
- (i) The Company does not have any Fixed Assets and hence, paragraph 3(i) of the Order is not applicable.
- (ii) The Company does not have any Inventories and hence, paragraph 3(ii) of the Order is not applicable.
- (iii) As informed to us, during the year company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the businesses rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, value added tax, excise, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there are no dues which have not been deposited on account of dispute and the same being contested by the Company.
- (viii) The Company has not borrowed any loan from Banks or financial institutions and hence default in repayment of dues does not arise.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 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) The Company has not paid/provided for managerial remuneration and hence paragraph 3(xi) of the Order is not applicable.



- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give 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 them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For M.S.Jagannathan & Visvanathan  
Chartered Accountants  
ICAI FRN 001209S

  
N. Rajesh  
Partner  
M.No.212417



Place: Mumbai  
Date : 24/05/2017

**Annexure - B to the Independent Auditors' Report**

**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 **Patodia Developers Private Limited** ("the Company") as on 31<sup>st</sup> March 2017 in conjunction with our audit of the standalone 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 Companies Act, 2013.

**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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) 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 authorisations of management and directors of the company; and
- (3) 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.

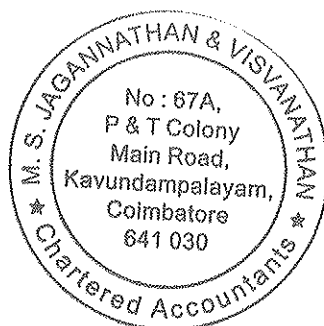
### Opinion

In our opinion, 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 on 31<sup>st</sup> March 2017, 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 M.S.Jagannathan & Visvanathan  
Chartered Accountants  
ICAI FRN 001209S

  
N. Rajesh  
Partner  
M.No.212417

Place: Mumbai  
Date : 24/05/2017



**PATODIA DEVELOPERS PRIVATE LIMITED**

**BALANCE SHEET**

Particulars	Note	As at 31.03.2017 (Rupees)	As at 31.03.2016 (Rupees)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds :</b>			
(a) Share Capital	2	1 00 000	1 00 000
(b) Reserves and Surplus	3	(1,08,061)	(25,523)
		(8,061)	74 477
<b>(2) Current Liabilities :</b>			
(a) Other Current Liabilities	4	25 750	5 725
<b>Total</b>		<b>17 689</b>	<b>80 202</b>
<b>II. ASSETS</b>			
<b>(1) Non- current assets :</b>			
(a) Other Current Assets	5		67 892
			67 892
<b>(2) Current assets :</b>			
(a) Cash and cash equivalents	6	17 689	12 310
<b>Total</b>		<b>17 689</b>	<b>12 310</b>
		<b>17 689</b>	<b>80 202</b>
Significant Accounting Policies	7		
Additional Notes on financial statements	8		

See accompanying notes to financial statements

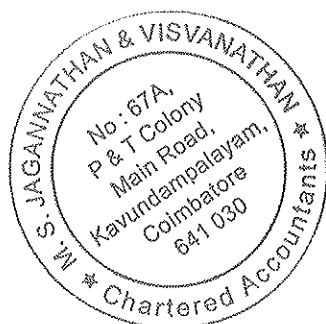
As per our report of even date  
For M.S.Jagannathan & Visvanathan  
Chartered Accountants  
(FRN 001209S)

*N. Rajesh*  
N. Rajesh  
(M.No.212417) Partner

For and on behalf of the Board

*Manoj Kumar Patodia*  
Manoj Kumar Patodia  
Director  
DIN: 00026455

*Beni Prasad Sharma*  
Beni Prasad Sharma  
Director  
DIN:00026523



Place : Mumbai  
Date : 24.05.2017



PATODIA DEVELOPERS PRIVATE LIMITED			
STATEMENT OF PROFIT AND LOSS			
Particulars	Schedule	2016-2017	2015-2016
		Rupees	Rupees
<b>Income :</b>			
Revenue form Operation		-	-
<b>Total Revenue</b>			
<b>Expenses :</b>			
Auditor's Remuneration	6	5 750	5 807
Other expenses		76 788	4 758
<b>Total Expenditure</b>		<b>82 538</b>	<b>10 565</b>
<b>Profit / (-) Loss before exceptional &amp; extraordinary items and tax</b>		<b>(82,538)</b>	<b>(10,565)</b>
Exceptional items		-	-
<b>Profit / (-) Loss before extraordinary items and tax</b>		<b>(82,538)</b>	<b>(10,565)</b>
Extraordinary items		-	-
<b>Profit / (-) Loss before tax</b>		<b>(82,538)</b>	<b>(10,565)</b>
Tax expense:			
Current tax		-	-
<b>Profit / (-) Loss for the year</b>		<b>(82,538)</b>	<b>(10,565)</b>
<b>Earning Per Equity Share - (Norminal Value per share: Rs.10)</b>		<b>(8.25)</b>	<b>(1.06)</b>
Significant Accounting Policies	7		
Additional Notes on financial statements	8		
See accompanying notes to financial statements			

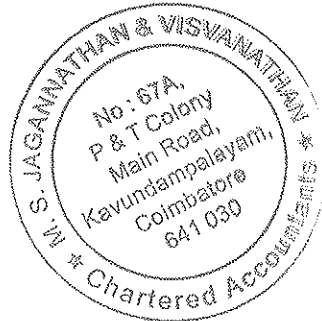
As per our report of even date  
For M.S.Jagannathan & Visvanathan  
Chartered Accountants  
(FRN 001209S)  
*N. Rajesh*  
N. Rajesh  
(M.No.212417) Partner

For and on behalf of the Board

*Manoj Kumar Patodia*

Manoj Kumar Patodia  
Director  
DIN: 00026455

*Beni Prasad Sharma*  
Beni Prasad Sharma  
Director  
DIN:00026523



Place : Mumbai  
Date : 24.05.2017

**PATODIA DEVELOPERS PRIVATE LIMITED**

**CASH FLOW STATEMENT**

Particulars	2016-17 (Rupees)	2015-16 (Rupees)
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit/(-)Loss before Tax and Extraordinary items	(82,538)	(10,565)
Operating Profit before working capital changes	(82,538)	(10,565)
Adjustment for:		
Increase/(-) Decrease in Other Current Liabilities	20,025	107
Cash generated from operations	(62,513)	(10,458)
Direct Taxes Paid	-	-
Net cash from operating activities	(62,513)	(10,458)
<b>B. Cash Flow from Investing Activities:</b>		
Other Non Current Assets	67,892	.00
Net cash used in Investing Activities	67,892	.00
<b>C. Cash Flow from Financing Activities:</b>		
Short Term Loans and Advances Given	-	-
Net Cash from Financing Activities	-	.00
 Net increase in Cash and Cash Equivalents (A+B+C)	 5,379	 (10,458)
Cash & Cash Equivalents as at 1st April (Opening Balance)	12,310	22,768
Cash & Cash Equivalents as at 31st March (Closing Balance)	17,689	12,310

As per our report of even date attached  
For M.S.Jagannathan & Visvanathan  
Chartered Accountants  
(FRN 001209S)

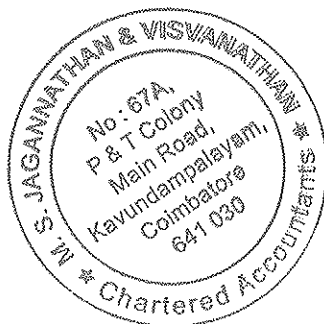
*N. Rajesh*  
N. Rajesh  
(M.No.212417) Partner

For and on behalf of the Board

*Manoj Kumar Patodia*  
Manoj Kumar Patodia  
Director  
DIN: 00026455

*Beni Prasad Sharma*  
Beni Prasad Sharma  
Director  
DIN: 00026523

Place : Mumbai  
Date : 24.05.2017



**PATODIA DEVELOPERS PRIVATE LIMITED**

**Notes forming part of Financial Statement**

Particulars	31-03-2017	31-03-2016
	Rupees	Rupees
<b>Note 2- Share Capital</b>		
Authorised		
50 000 Equity shares of Rs.10 each	<b>5,00,000</b>	5,00,000
Issued, Subscribed and fully paid up		
10 000 Equity Shares of Rs.10 each	<b>1,00,000</b>	1,00,000
	<b>1,00,000</b>	1,00,000

**Note 2(a) : Share Capital movement**

There was no issue of shares allotted as fully paid up pursuant to Contract(s) without payment being received in cash or buyback or bonus shares in the preceeding five years.

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.

There is no change in the number of shares outstanding at the beginning and at the end of the year.

**Note 2(b) : Equity Shares of more than 5% of Equity Shares are held by :**

Name of the Shareholder - Percentage of Holding	Number of shares held	Number of shares held
	31-03-2017	31-03-2016
Prime Urban Development India Limited - 100%	<b>10 000</b>	10 000

Particulars	31-03-2017	31-03-2016
<b>Note 3 : Reserves &amp; Surplus</b>		
Surplus /(-) Deficit in the Statement of Profit and Loss :		
Balance as per last financial statements	(25,523)	(14,958)
Profit/(-)Loss for the year	(82,538)	(10,565)
Net surplus/(-)Deficit at the year end	<b>(1,08,061)</b>	(25,523)



**Notes forming part of Financial Statement**

Particulars	31-03-2017	31-03-2016
<b>Note 4 - Trade payable :</b>		
Expenses payable	25 750	5 725
	<b>25 750</b>	5 725
<b>Note 5 - Other Non-Current Assets :</b>		
Pre-Operative Expenses	67 892	67 892
Less: Transferred to Profit and Loss account	(67,892)	
		67 892
Particulars	31-03-2017	31-03-2016
<b>Note 4 - Cash and Cash equivalents :</b>		
Cash on hand	7 689	2 310
Balances with Bank in Current account	10 000	10 000
	<b>17 689</b>	12 310
Particulars	2016-17	2015-16
<b>Note 6 : Other expenses</b>		
Filing fees	800	1 700
Bank charges	46	58
Professional charges	8 050	3 000
Pre-operative expenses	67,892	
	<b>76 788</b>	4 758



## PATODIA DEVELOPERS PRIVATE LIMITED

### Note – 7

#### Significant Accounting Policies:

##### 01. General:

The financial statement of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act,2013, read with Rule 7 of the Companies (Account) Rules,2014 and the relevant provisions of the Companies Act,2013 (“the 2013 Act”). The Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted to the preparation of the financial statements are consistent with those followed in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycles and other criteria set out in the Schedule III of the Companies Act, 2013 Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non current classification of assets and liabilities.

##### 02. Revenue Recognition:

Dividend income accounted during the year of receipt.

##### 03. Taxation:

###### Current Tax:

Tax provision is estimated in accordance with the provision and rules of Income Tax Act, 1961 applicable for the year and provided in the accounts on “Tax Payable Method”.

###### Deferred Tax:

Provided on prudent basis on the timing difference reversing in one or more period and at the rates applicable substantially enacted after the balance sheet date.

##### 04. Contingent Liability:

Contingent Liabilities are disclosed in the additional notes on financial statements and are determined based on the management perception of the Management on the eventuality of the liability, materiality and contingent thereto.



# PATODIA DEVELOPERS PRIVATE LIMITED

## Note – 8

### Additional Notes on financial statements:

01. Contingent Liability:

Contingent liabilities not provided for in respect of dues to statutory dues: Rs. Nil (Previous year end Rs. Nil)

02. Auditor's Remuneration (including service tax)

Particulars	2016-17 Rupees	2015-16 Rupees
Audit fees	5,750	5,807
<b>Total</b>	<b>5,750</b>	<b>5,807</b>

03. Based on the information available with the company regarding the status of suppliers, there were no amounts outstanding for a period exceeding 30 days to any Micro, Small and Medium enterprises on account of principal and/or interest as at the close of the year.

04. Earnings per share (EPS) of face value of Rs. 10 each is calculated as under:

Particulars	2016-2017 Rupees	2015-2016 Rupees
Net Profit/(Loss) after Tax as disclosed in Statement of Profit & Loss	(82,538)	(10,565)
Equity shares outstanding (in numbers)	10,000	10000
Basic/Diluted earnings per share (Face value of Rs.10 per share)	(8.25)	(1.06)

05. In the opinion of the board, any of the assets other than Fixed Assets and Non-current Investments have the value on realization in the ordinary course of business at least to the amount at which is stated.

06. The Company does not have any Deferred Tax Liability as on the current and previous year end.

07. During the year and previous year, there were no related party transactions.

08. Specified Bank Notes (SBNs) disclosure required vide notification GSR 308 (E) dated 30<sup>th</sup> March, 2017 issued by Ministry of Corporate Affairs:

Particulars	SBN's	Other denomination notes	Total
Closing Cash in Hand as on 08.11.2016	--	2,310	2,310
(+) Permitted receipts	--	20,000	20,000
(-) Amount deposited in Banks	--	14,621	14,621
Closing Cash in Hand as on 30.12.2016	--	7,689	7,689

09. Previous period figures are regrouped and reclassified wherever necessary to conform to current year's presentation.

