

Sri Sharadamba Properties Limited

FINANCIAL STATEMENTS
for Financial Year ended 31st March, 2015

INDEPENDENT AUDITOR'S REPORT

To the Members of Sri Sharadamba Properties Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Sri Sharadamba Properties Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 of 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 of 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 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 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 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 financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 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 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 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 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act. and
- f) 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) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.

Dated: 26th May 2015
Place: New Delhi

FOR SHIV & ASSOCIATES
Chartered Accountants
FRN.009989N

(MANISH GUPTA)
Partner
M No.095518

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2015, we report that

1. The Company does not own any Fixed Assets hence the provisions of Clause (i) of paragraph 3 of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company In respect of its fixed assets:
2. The Company does not have any Inventory hence the provisions of Clause (ii) of paragraph 3 of the Companies (Auditor's Report) Order 2015 are not applicable to the Company.
3. The Company has not granted any loan, secured or unsecured to any parties covered in register maintained under section 189 of the companies Act, 2013 during the year. Thus, Clause (iii) of paragraph 3 of the Companies (Auditor's Report) Order 2015 is not applicable to the Company.
4. In our opinion and according to the information and explanation given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business. for the purchase of inventory and fixed assets and also for the sale of goods and services. However there is no purchase of inventory and fixed assets or sale of goods and services during the year. During the course of our Audit, we have not observed any major weakness in the internal control systems.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
6. Looking to the nature of business carried by the Company, the provisions of Clause (vi) of paragraph 3 of the Companies (Auditor's Report) Order, 2015 regarding maintenance of cost records are not applicable to the Company.
7. According to the information and explanations given to us and the records of the Company examined by us in respect of statutory dues:
 - a) The company is regular in depositing undisputed statutory dues including Income Tax and other material statutory dues applicable to it with the appropriate authority.

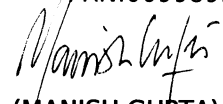
There were no undisputed amounts payable in respect of Income Tax and other material statutory dues in arrears as at 31st March 2015 for a period of more than six months from the date they became payable.
 - b) There are no amounts due on account of disputes.
 - c) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956(1 of 1956) and rules made thereunder.



8. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
9. In Our Opinion and according to the information and explanation given to us the company has not borrowed any money from banks or financial institution or issued any debenture till 31.03.2015. Hence, the question on reporting on defaults in repayment of dues to Bank or financial institution or debenture does not arise.
10. According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks and financial institution. Therefore the provisions of Clause (x) of paragraph 3 of the Companies (Auditor's Report) Order, 2015 are not applicable.
11. The Company has not raised any long term loans from Banks during the year.
12. According to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the course of our audit.

Dated: 26th May 2015
Place: New Delhi

FOR SHIV & ASSOCIATES
Chartered Accountants
FRN.009989N

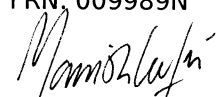

(MANISH GUPTA)
Partner
M No.095518

BALANCE SHEET AS AT 31ST MARCH, 2015

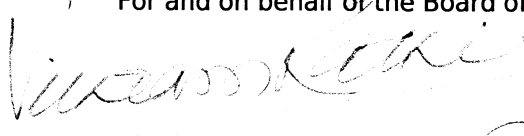
PARTICULARS	NOTE NO.	AS AT	AS AT
		31.03.2015	31.03.2014
		₹	₹
<u>EQUITY AND LIABILITIES</u>			
1) SHAREHOLDERS' FUNDS			
a) Share Capital	2	24,000,000	24,000,000
b) Reserves and Surplus	3	23,185,002	23,153,555
2) NON-CURRENT LIABILITIES			
a) Long-term Borrowings	4	42,000,000	29,500,000
3) CURRENT LIABILITIES			
a) Other Current Liabilities	5	3,446,922	14,045
b) Short-term Provisions	6	54,500	53,000
Total		92,686,424	76,720,600
<u>ASSETS</u>			
1) NON CURRENT ASSETS			
a) Long-term Loans and Advances	7	88,849,626	73,982,174
b) Other Non Current Assets	8	22,275	195,428
2) CURRENT ASSETS			
a) Current Investments	9	3,500,000	2,100,000
b) Cash and Cash Equivalents	10	314,523	442,998
Total		92,686,424	76,720,600
Significant Accounting Policies and Notes on Financial Statements	1 To 22		

As per our report of even date annexed.

For SHIV & ASSOCIATES
Chartered Accountants
FRN. 009989N


(MANISH GUPTA)
Partner
M.No.095518

For and on behalf of the Board of Directors


(VIKRAM RATHI)
Director
DIN - 00007325


(VIKASH RAWAL)
Director
DIN - 00282609

Place: New Delhi
Date : 26/05/2015

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2015

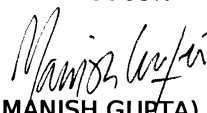
PARTICULARS	NOTE NO.	2014-15	2013-14
		₹	₹
REVENUE			
I) Revenue from Operations	11	128,240	200,000
II) Other Income	12	141,231	201,086
III) Total Revenue (I + II)		269,471	401,086
IV) EXPENDITURE			
Finance Costs	13	5,618	562
Amortization Expense	14	100,821	100,821
Other Expenses	15	77,085	53,985
Total Expenses		183,524	155,368
V) PROFIT BEFORE TAX		85,947	245,718
Less : Tax Expenses			
- Current Tax		54,500	53,000
- Tax paid related to earlier year		-	94
PROFIT FOR THE PERIOD		31,447	192,624
EARNING PER SHARE (₹)			
Basic earnings per share (₹)	20	0.01	0.08
Diluted earnings per share (₹)	20	0.01	0.08
Significant Accounting Policies and Notes on Financial Statements	1 To 22		

As per our report of even date annexed.

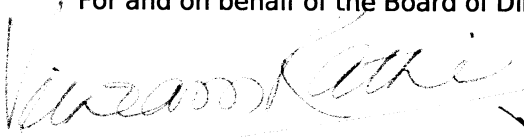
For SHIV & ASSOCIATES

Chartered Accountants

FRN. 009989N


(MANISH GUPTA)
 Partner
 M.No.095518

, For and on behalf of the Board of Directors


(VIKRAM RATHI)
 Director
 DIN - 00007325


(VIKASH RAWAL)
 Director
 DIN - 00282609

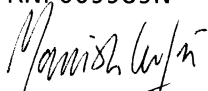
Place: New Delhi
 Date : 26/05/2015

CASH FLOW STATEMENT FOR THE PERIOD FROM 1ST APRIL, 2014 TO 31ST MARCH, 2015

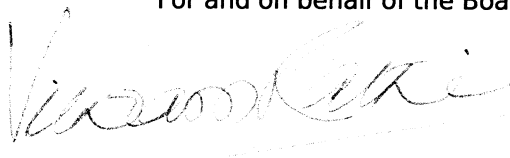
PARTICULARS	NOTE NO.	2014-15	2013-14
		₹	₹
A) CASH FLOW FROM OPERATING ACTIVITIES:			
Profit before Tax		85,947	245,718
Adjustment for:			
Preliminary Expenses Written Off		100,821	100,821
Gain on Sale of Current Investment (Net)		(129,429)	(200,856)
Operating profit before working Capital changes		57,339	145,683
Adjustment for:			
Decrease in Current Liabilities		3,432,877	-
Net Cash from Operations		3,490,216	145,683
Direct Taxes Paid/(Refunded)		19,332	(125,000)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		3,509,548	20,683
B) CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Investments		(3,500,000)	(2,500,000)
Sale of Investments		2,229,429	2,200,856
Capital Advances		(14,867,452)	(12,249,749)
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(16,138,023)	(12,548,893)
C) CASH FLOW FROM FINANCING ACTIVITIES:			
Inter Corporate Deposit		12,500,000	12,500,000
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		12,500,000	12,500,000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(128,475)	(28,210)
Cash And Cash Equivalents - Opening Balance	10	442,998	471,208
Cash And Cash Equivalents - Closing Balance	10	314,523	442,998

As per our report of even date annexed.

For SHIV & ASSOCIATES
Chartered Accountants
FRN. 009989N


(MANISH GUPTA)
Partner
M.No.095518

For and on behalf of the Board of Directors


(VIKRAM RATHI)
Director
DIN - 00007325


(VIKASH RAWAL)
Director
DIN - 00282609

Place: New Delhi
Date : 26/05/2015

1) SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A) Background:

The company Sri Sharadamba Properties Limited incorporated under the Companies Act, 1956 on 07/12/2010 with the main object of doing business of real estate. It is wholly owned subsidiary of BLB Limited.

B) Significant Accounting Policies:

a) Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified).

b) Use of Estimates

The preparations of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c) Cash & Cash Equivalents

Cash & Cash Equivalents comprise of cash-in-hand and balances with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

d) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

e) Revenue Recognition

Revenue is primarily derived from operational activities are recognized on accrual basis.

Other Income

i) Gain on sale of Investment is recorded on transfer of title from the Company and is determined as the difference between the sale price and carrying value of the investment.

ii) Revenue from Other heads of income recognized on accrual basis.

f) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.



g) Borrowing Costs

Borrowing costs are capitalized as part of the cost of qualifying asset when it is possible that will result in future economic benefits and the cost can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

h) Earning per share

Basic earnings per share is computed by dividing the Profit/(Loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

i) Income Tax

- i) Tax expense for the year, comprising current tax and deferred tax are provided in the accounts for determination of net profit for the year.
- ii) Current tax is calculated on the basis of applicable provisions of the Income tax Act, 1961.
- iii) Deferred tax is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- iv) Taxes related to prior periods if any are charged to the Statement of Profit & Loss in the year of payment.

j) Impairment of 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 assets or the recoverable amount of the cash generating unit to which the assets 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 profit & loss account.

If at the balance sheet date there is an indication that the assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

k) Provisions and Contingent liabilities

The company creates a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources 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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote no provision or disclosure is made.

l) Miscellaneous Expenditure

Preliminary expenses and Share issue expenses are amortized over a period of five years from the commencement of business.



PARTICULARS	AS AT 31.03.2015 ₹	AS AT 31.03.2014 ₹
2) SHARE CAPITAL		
a) <u>Authorised</u>		
Equity :		
5,000,000 Equity Shares of ₹ 10/- each (Previous Year: 5,000,000 Equity Shares of ₹ 10/- each)	50,000,000 <u>50,000,000</u>	50,000,000 <u>50,000,000</u>
b) <u>Issued, Subscribed & Paid up</u>		
Equity :		
2,400,000 Equity Shares of ₹ 10/- each fully paid up (Previous Year: 2,400,000 Equity Shares of ₹ 10/- each)	24,000,000 <u>24,000,000</u>	24,000,000 <u>24,000,000</u>
c) The Company has only one class of shares referred to as equity a share having a par value of ₹ 10/- Each holder of equity shares is entitled to one vote per share.		
d) <u>Reconciliation of the shares outstanding at the beginning and at the end of the year.</u>		
<u>Equity Shares</u>		
Shares Outstanding at the beginning of the year	2,400,000	2,400,000
Shares Issued during the year	Nil	Nil
Shares bought back during the year	Nil	Nil
Shares Outstanding at the end of the year	<u>2,400,000</u>	<u>2,400,000</u>
e) 2,400,000 Equity Shares (Previous Year: 2,400,000 Equity Shares) are held by BLB Limited, the holding Company alongwith its nominee shareholders.		
f) <u>Details of shareholders holding more than 5% shares in the company</u>		
	AS AT 31.03.2015	AS AT 31.03.2014
Name of Shareholder	No. of Shares Held	No. of Shares Held
BLB Limited, Holding company (alongwith its nominee shareholders)	2,400,000	2,400,000
	100	100
3) RESERVES & SURPLUS		
a) Securities Premium Reserve		
Opening Balance	23,000,000 <u>23,000,000</u>	23,000,000 <u>23,000,000</u>
b) Surplus in the Statement of Profit & Loss		
Opening Balance	153,555	(39,069)
Net Profit For the Year	31,447 <u>185,002</u> <u>23,185,002</u>	192,624 <u>153,555</u> <u>23,153,555</u>

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PARTICULARS	AS AT 31.03.2015 ₹	AS AT 31.03.2014 ₹
4) LONG TERM BORROWING		
Loans repayable on demand (Unsecured)		
- Loan from related party (Refer Note No. 19)	42,000,000	29,500,000
	<u>42,000,000</u>	<u>29,500,000</u>
5) OTHER CURRENT LIABILITIES		
Other Payables	3,446,922	14,045
	<u>3,446,922</u>	<u>14,045</u>
6) SHORT TERM PROVISIONS		
Provision for taxation	54,500	53,000
	<u>54,500</u>	<u>53,000</u>
7) LONG TERM LOANS AND ADVANCES (Unsecured and Considered good)		
Capital Advances	88,849,626	73,982,174
	<u>88,849,626</u>	<u>73,982,174</u>
8) OTHER NON CURRENT ASSETS		
Preliminary Expenses	-	91,214
Share Issue Expenses	9,201	18,808
Taxes Paid	13,074	85,406
	<u>22,275</u>	<u>195,428</u>
9) CURRENT INVESTMENTS <u>(at lower of cost or net realisable value)</u>		
Current Investment (Non Trade)		
Un-quoted (Fully Paid-up Mutual Fund Units)		
- Reliance Liquid Fund		
(1054.028 units of face value of ₹ 1000/- each	3,500,000	2,100,000
Previous year : 676.577 units)		
Aggregate cost of unquoted Investments	<u>3,500,000</u>	<u>2,100,000</u>
Net Asset Value as on 31/03/2015.	<u>3,589,614</u>	<u>2,114,289</u>
10) CASH AND CASH EQUIVALENTS		
Balances with Banks in current accounts	167,314	294,803
Cash on Hand	147,209	148,195
	<u>314,523</u>	<u>442,998</u>

PARTICULARS	2014-2015 ₹	2013-2014 ₹
11) REVENUE FROM OPERATIONS		
Commission Income	128,240	200,000
	<u>128,240</u>	<u>200,000</u>
12) OTHER INCOME		
Gain on sale of current investments	129,429	200,856
Miscellaneous Income	11,802	230
	<u>141,231</u>	<u>201,086</u>
13) FINANCE COST		
Bank Charges	5,618	562
	<u>5,618</u>	<u>562</u>
14) AMORTISATION EXPENSE		
Preliminary Expenses written off	91,214	91,214
Share Issue Expenses written off	9,607	9,607
	<u>100,821</u>	<u>100,821</u>
15) OTHER EXPENSES		
Advertisement Expenses	4,401	-
Auditors Remuneration	14,045	17,416
Filling Fees	18,999	2,534
Legal & Professional Charges	38,654	20,298
Printing & Stationery	550	1,592
Postage & Courier	436	17
Sundry Expenses	-	12,128
	<u>77,085</u>	<u>53,985</u>

16) Contingent liabilities and Commitments to the extent not provided for:-

i) Estimated amount of contracts remaining to be executed on capital account and not provided for as on 31/03/2015: ₹ 55,131,252/- (Previous year: ₹ 66,565,827/-).

ii) Service tax payable on fees paid to Advocates stayed by Delhi High Court ₹ 1,854/- (Previous year: ₹ 927/-).

17) The Company has not received any intimation from 'Suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. However there are no dues outstanding to any suppliers as on Balance Sheet date.

18) Segment Accounting

The Company has not yet commenced its business as such there is no reportable segment as specified by Accounting Standard 17 issued by The Institute of Chartered Accountants of India.

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19) Related Party Disclosure

I) List of Related Party

Holding Enterprise BLB Limited

II) Related Party Transactions

Nature of Transactions	2014-2015	2013-2014
	₹	₹
a) Unsecured Loan		
i) Opening balance	29,500,000	17,000,000
ii) Un-secured loan accepted	12,500,000	12,500,000
iii) Un-secured loan Repaid	-	-
iv) Closing balance	42,000,000	29,500,000
b) Interest Paid / Payable	3,432,877	Nil

20) Earning Per Share

Computation of Basic and Diluted Earnings Per Share.

Particulars	2014-2015	2013-2014
	₹	₹
a) Net Profit as per Statement of Profit & Loss available for Equity Shareholders.	31,447	192,624
b) Weighted average number of equity shares for Earnings Per Share computation. (in nos.)		
i) For Basic Earnings per Share.	2,400,000	2,400,000
ii) For Diluted Earnings per Share.	2,400,000	2,400,000
iii) Earnings Per Share		
Basic	0.01	0.08
Diluted	0.01	0.08

21) Auditors' remuneration includes:

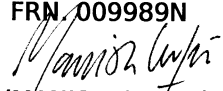
Particulars	2014-2015	2013-2014
	₹	₹
Audit Fees	14,045	14,045
Other Certification Work	-	3,371
	14,045	17,416

22) Previous year's figures have been regrouped and/ or rearranged wherever necessary to conform to this year's classification.

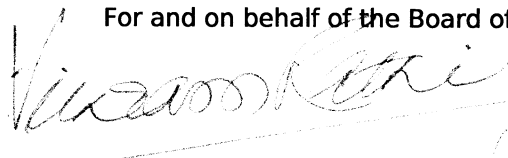
As per our report of even date annexed.

For SHIV & ASSOCIATES
Chartered Accountants

FRN 009989N


(MANISH GUPTA)
Partner
M.No.095518

For and on behalf of the Board of Directors


(VIKRAM RATHI)
Director
DIN - 00007325


(VIKASH RAWAL)
Director
DIN - 00282609

Place: New Delhi
Date : 26/05/2015