**Independent Auditor's Report
To the Members of Prudent Infra Realty Private Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of Prudent Infra Realty Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of 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 these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 the design, implementation and maintenance of adequate internal financial control 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 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 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.

Basis for Qualified Opinion

Attention is drawn to Note No. 25 of the financial statements regarding non provision of Gratuity which is not in accordance with Accounting Standard – 15 "Employee Benefits". Consequently, we are unable to comment upon the effect of the above on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, 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 31 March 2016, its profit, 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 paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) we have and except for the matter described in the basis for qualified opinion paragraph, 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) except for the matter described in the basis for qualified opinion paragraph, in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) except for the matter described in the basis for qualified opinion paragraph, 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) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (f) on the basis of written representations received from the directors as on 31 March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016, from being appointed as a director in terms of section 164 (2) of the Act;
 - (g) 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;
 - (h) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above; and
 - (i) 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the financial statements.
 - (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 Investor Education and Protection Fund by the Company.

for **MSA & CO.**

Chartered Accountants

Firm Registration Number: 324464E

Rasik Singhaniam

Rasik Singhaniam

Partner

Membership Number: 064390

Kolkata

27 August 2016



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

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
 - (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - (c) The Company does not have any immovable property. Accordingly, paragraph (i) (c) of the Order is not applicable.
- (ii) The inventories have been physically verified by the management during the year. In our opinion and accordingly to the information and explanations given to us, the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification.
- (iii) (a) The Company has granted loans to eleven companies covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
 - (b) The loans granted are short term in nature; however, there are no specific terms of repayment of such loans and interests thereon. As informed, the payment of principal and interest by the party has been regular in line with the demands made by the Company.
 - (c) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 which are outstanding for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under section 148 (1) of the Companies Act, 2013, for the products of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been serious.

According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:



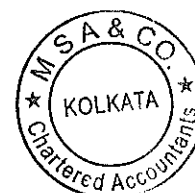


Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
The West Bengal Professional Tax Act, 1979	Employees, Professional Tax	10,700/-	July & August 2016	August 21 & September 21, 2016	Not yet paid	-

(b) According to the records of the Company, information and explanation given to us, the dues outstanding in respect of sales tax, income tax, custom duty, wealth tax, service tax, excise duty, cess on account of any dispute, are as follows:

Name of the Statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where Dispute is pending
Income Tax Act, 1961	Income tax on Share Capital premium	50,886,900	Financial Year 2011-12	CIT (Appeals)
Finance Act, 1994	Service Tax	2,790,012	From 2011 to 2014	Commissioner of Central Excise

- (viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank. Further, the Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise any money by the way of initial public offer or further public offer (including debt instruments). Further, based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud /material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the company and hence reporting under clause 3(xi) are 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 the 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 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 the directors or persons connection with him. 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 A & CO.

Chartered Accountants

Firm Registration Number: 324464E

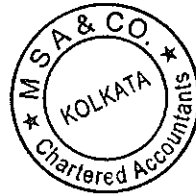
Rasik Singhanian

Partner

Membership Number: 064390

Kolkata

27 August 2016



**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 Prudent Infrarealty Private Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the 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 on 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 at 31 March 2016, 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 A & CO.**

Chartered Accountants

Firm Registration Number: 324464E

Rasik Singhania

Rasik Singhania

Partner

Membership Number: 064390



Kolkata

27 August 2016

PRUDENT INFRAREALTY PRIVATE LIMITED

CIN - U45208WB2009PTC137118

BALANCE SHEET AS AT 31ST MARCH, 2016

	<u>Notes</u>	<u>AS AT</u> <u>31.03.2016</u> (Rs.)	<u>AS AT</u> <u>31.03.2015</u> (Rs.)
<u>Equity and Liabilities</u>			
Shareholders' funds			
Share capital	3	181,650,000	181,650,000
Reserves & surplus	4	156,340,207	154,089,385
		<u>337,990,207</u>	<u>335,739,385</u>
Non-current liabilities			
Long-term borrowings	5	19,254,179	3,064,668
		<u>19,254,179</u>	<u>3,064,668</u>
Current liabilities			
Trade payables	6	-	-
Total outstanding due of micro enterprises and small enterprises		-	-
Total outstanding of creditors other than micro enterprises and small enterprises		19,408,231	8,241,993
Short-term provisions	7	-	304,670
Other current liabilities	8	668,707,510	592,378,459
		<u>688,115,741</u>	<u>600,925,122</u>
Total		<u><u>1,045,360,127</u></u>	<u><u>939,729,175</u></u>
<u>Assets</u>			
Non-current assets			
Fixed assets			
Tangible assets	9	16,374,873	20,711,520
Capital Work in progress		-	350,000
Non Current Investments	10	73,305,020	73,498,770
Deferred tax assets (net)	11	1,152,164	447,795
Long-term loans & advances	12	25,970,522	21,854,734
		<u>116,802,579</u>	<u>116,862,819</u>
Current assets			
Inventories	13	556,659,478	417,773,471
Trade Receivables	14	45,653,204	35,511,089
Cash & bank balances	15	2,957,743	3,829,772
Short-term loan and advances	12	323,287,123	365,715,906
Other Current Assets	16	-	36,118
		<u>928,557,548</u>	<u>822,866,356</u>
Total		<u><u>1,045,360,127</u></u>	<u><u>939,729,175</u></u>

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for M S A & CO.

Chartered Accountants

Firm Registration No:- 324464E

Rasik Singhania

Rasik Singhania

Partner

Membership No:- 064390



Place :- Kolkata

Date:- August 27, 2016

For and on behalf of the Board of Directors
For Prudent Infrarealty Pvt. Ltd.

Rajkumar Khaitan

Rajkumar Khaitan Director

DIN - 00550876

For Prudent Infrarealty Pvt. Ltd.

Ravindra Khaitan

Ravindra Khaitan Director

DIN - 01080498

For Prudent Infrarealty Private Limited

Rajan Kumar Gupta

Rajan Kumar Gupta

Company Secretary

PRUDENT INFRAREALTY PRIVATE LIMITED
CIN - U45208WB2009PTC137118

Statement of Profit and Loss for the year ended 31st March 2016

	Notes	2015-16 (Rs)	2014-15 (Rs)
Income			
Revenue from operations		-	-
Other income	17	25,512,260	31,435,000
Total Revenue (I)		25,512,260	31,435,000
Expenses			
Development and construction expenses	18	117,052,170	169,380,736
(Increase) in inventories of Construction work-in-progress	19	(138,886,007)	(182,371,890)
Employee benefits expenses	20	22,664,242	16,016,485
Other expenses	21	13,272,925	12,773,253
Depreciation and amortization expense	22	5,877,695	5,460,489
Finance costs	23	2,320,620	2,659,658
Total Expenses (II)		22,301,645	23,918,731
Profit before tax (I-II)		3,210,615	7,516,269
Tax expenses			
Current tax		1,664,162	3,440,470
Deferred tax		(704,369)	(754,916)
Total tax expense		959,793	2,685,554
Profit for the year		2,250,822	4,830,715
Earning per share (nominal value of share Rs. 10) Basic & Diluted	24	0.12	0.27

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

for **MSA & CO.**

Chartered Accountants

Firm Registration No:- 324464E

Rasik Singhania

Rasik Singhania

Partner

Membership No:- 064390



Place :- Kolkata

Date:- August 27, 2016

For and on behalf of the Board of Directors

For Prudent Infrarealty Pvt. Ltd.

Rajkumar Khaitan

Rajkumar Khaitan

DIN - 00550876

For Prudent Infrarealty Pvt. Ltd.

Ravindra Khaitan

Ravindra Khaitan

DIN - 01080498

For Prudent Infrarealty Private Limited

Rajan Kumar Gupta

Rajan Kumar Gupta

Company Secretary

Company Secretary

PRUDENT INFRAREALTY PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	2015 - 16 (Rs.)	2014 - 15
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before Taxation	3,210,615	7,516,269
Adjustment for:		
Depreciation	5,877,695	5,460,489
Interest on Late payment of Income Tax	35,721	100,780
Interest Expenses	2,320,620	2,659,658
Intangible Assets written off	-	47,630
Loss on Discard of Assets	-	9,406
Profit on Sale of Long Term Investments (Non Trade)	(583,950)	-
Interest Income	(24,780,810)	(31,435,000)
Operating Profit before Working Capital Changes	(13,920,109)	(15,640,768)
Adjustments for :		
Decrease / (Increase) in Long Term Loan & Advances	(306,688)	(136,739)
Decrease / (Increase) in Short Term Loan & Advances	42,428,783	(65,125,157)
Decrease / (Increase) in Inventories	(138,886,007)	(182,371,890)
(Decrease)/ Increase in Trade Payable	11,166,238	4,642,049
Decrease / (Increase) in Trade Recievables	(10,142,115)	(12,605,523)
(Decrease)/ Increase in Other Current Liabilities	76,869,243	261,078,922
Cash Generated From Operations	(32,790,654)	(10,159,105)
Taxes paid (net)	(5,813,655)	(4,008,910)
Net Cash Generated from/ (Used in) Operating Activities	(38,604,309)	(14,168,015)
B. Cash Flow from Investing Activities		
Interest Income	24,816,928	31,475,583
Purchase of Tangible Fixed Assets	(1,191,047)	(10,723,665)
Purchase of Long Term Investments (Non-Trade)	-	(25,000)
Sale of Long Term Investments (Non-Trade)	777,700	70,000
	24,403,581	20,796,918
C. Cash Flow from Financing Activities		
Interest Paid	(2,320,620)	(2,659,658)
Proceeds from Long Term borrowings (net)	17,935,644	1,297,729
Repayment of Long Term borrowings (net)	(2,286,325)	-
Repayment of Short Term borrowings (net)	-	(42,316,758)
Net Cash Generated from Financing Activities	13,328,699	(43,678,687)
Net Increase or (Decrease) in Cash & Cash Equivalents (A+B+C)	(872,029)	(37,049,784)
Cash & Cash Equivalents - Opening Balance	3,829,772	40,879,556
Cash & Cash Equivalents - Closing Balance	2,957,743	3,829,772

In terms of our report of even date.

for **M S A & CO.**

Chartered Accountants

Firm Registration No:- 324464E

Rasik Singhania

Rasik Singhania

Partner

Membership No:- 064390



Place :- Kolkata

Date:- August 27, 2016

For and on behalf of the Board of Directors
for Prudent Infrarealty Pvt. Ltd.

Rajkumar Khaitan

Rajkumar Khaitan Director

DIN - 00550876

for Prudent Infrarealty Pvt. Ltd.

Ravindra Khaitan

Ravindra Khaitan Director

DIN - 01080498

For Prudent Infrarealty Private Limited

Rajan Kumar Gupta

Rajan Kumar Gupta

Company Secretary

PRUDENT INFREAREALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

1. Nature of Operations

Prudent Infrearealty Private Limited is engaged in the business of real estate development. The company has entered into joint development agreements along with 17 other Companies and 1 Hindu Undivided Family for purchase of land at 272, Sripur Bagherghole, Boral Main Road, Kolkata under the project name "Prudent Prana" for its construction and development.

2. Summary of Significant Accounting Policies

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material aspects with the accounting standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2015. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting year end. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets and liabilities in future periods.

(c) Revenue Recognition

Construction Work in Progress reflects the costs incurred for project pending completion, to be charged to revenue in the year in which income from sale of such project is recognized. Revenue is recognised only when the project is completed or substantially completed.

Dividend is recognized when the shareholder's right to receive payment is established by the Balance Sheet date.

Profit / (loss) on sale of investments is determined based on the weighted average cost of the investments sold.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(d) Tangible Fixed Assets

Tangible Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is de-recognised.

(e) Depreciation on Tangible assets

a) Depreciation on fixed assets is calculated on a WDV basis using the rates arrived at based on the useful lives estimated by the management which is as per the rates specified in Schedule II to the Companies Act, 2013.

b) Depreciation on Fixed Assets added/disposed off during the year is provided on prorata basis with reference to the date of addition/disposal.

(f) Impairment of Tangible assets

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and 'Value in use' of the assets. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.



PRUDENT INFREAREALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful lives.

A previously recognized impairment loss is increased or reversed depending on the changes in the circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

(g) Inventories

(i) Construction work-in-progress is valued at lower of cost and net realizable value.

(ii) Expenditure directly relating to the construction activities are inventorised. Indirect expenditure incurred during construction period are inventorised as part of the indirect construction cost to the extent to which the expenditure are indirectly related to construction or are incidental thereto. Other indirect expenditure incurred during the construction period which are neither related to construction activity nor are incidental thereto, are charged to the Statement of profit and loss.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(iii) Cost incurred /item purchased specifically for projects are taken as consumed as and when incurred/received.

(h) Operating cycle and basis of classification of assets and liabilities

a) The real estate development projects undertaken by the Company generally run over a period ranging over 5 years. Operating assets and liabilities relating to such projects are classified as current based on an operating cycle of 5 years. Borrowing in connection with such projects are classified as short term (i.e current) since they are payable over the term of the respective projects.

b) Assets and liabilities, other than those discussed in the paragraph (a) above, are classified as current to the extent they are expected to be realized / are contractually repayable within 12 months from the Balance sheet date and as non-current, in other cases.

(i) Borrowing Costs

Borrowing costs relating to acquisition / construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one which necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(j) Investments

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as Current Investments. All other Investments are classified as Long Term Investments. Current Investments are stated at lower of cost and market rate on an individual investment basis. Long term Investments are considered "at cost" on individual investment basis, unless there is a decline other than temporary in the value, in which case adequate provision is made against such diminution in the value of investments.

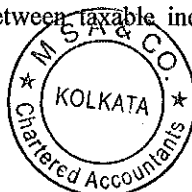
(k) Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(l) Taxation

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.



PRUDENT INFREAREALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Deferred Tax is measured based on the tax rates and tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realised.

At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write down is reversed to the extent that it becomes certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

(m) Retirement and other employee benefits

Retirement benefit in the form of Provident Fund is a defined contribution scheme and is charged to the statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company has no obligations other than the contribution payable to the respective funds.

Gratuity liability has not been provided in the books. The same will be provided as and when the amount is payable by the Company.

(n) Provisions

A provision is recognized when the company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(o) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(p) Cash and Cash Equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.



Prudent Infra Realty Private Limited

Notes to Financial Statements for the year ended 31st March , 2016

	As At 31st March 2016 (Rs.)	As At 31st March 2015 (Rs.)
3. SHARE CAPITAL		
AUTHORISED		
1,85,00,000 (1,85,00,000) Equity shares of Rs 10/- each	185,000,000	185,000,000
	<u>185,000,000</u>	<u>185,000,000</u>
ISSUED, SUBSCRIBED & PAID UP		
1,81,65,000 (1,81,65,000) Equity Shares of Rs 10/- each fully paid	181,650,000	181,650,000
	<u>181,650,000</u>	<u>181,650,000</u>

A) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Equity Shares	As At 31st March 2016		As At 31st March 2015	
	<u>No of Shares</u>	<u>(Rs.)</u>	<u>No of Shares</u>	<u>(Rs.)</u>
At the beginning of the year	18,165,000	181,650,000	18,165,000	181,650,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>18,165,000</u>	<u>181,650,000</u>	<u>18,165,000</u>	<u>181,650,000</u>

B) Term/rights attached to equity shares:

The company has only one class of equity shares having a par value of Rs10/- per share. Each holder of equity shares is entitled to one vote per share.

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. The distributions will be in proportion to the numbers of equity shares held by the shareholders.

C)Details of shareholders holding more than 5% shares in the company:

Equity Shares of Rs 10 Each Fully paid	As at 31st March 2016		As at 31st March 2015	
	<u>No. of Shares</u>	<u>% of Holding</u>	<u>No. of Shares</u>	<u>% of Holding</u>
Concord Synthetics Private Limited	5,909,000	32.53%	5,909,000	32.53%
Complex Financial Consultancy Private Limited	2,251,000	12.39%	2,251,000	12.39%
Constant Financial Services Private Limited	2,794,000	15.38%	2,794,000	15.38%
Countless Lease Financial Private Limited	6,317,500	34.78%	6,317,500	34.78%

As per records of the company, including its register of shareholders/members and other declarations received from share holders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4. RESERVES & SURPLUS

Securities Premium Account		
Balance as per last account	134,715,000	134,715,000
	<u>134,715,000</u>	<u>134,715,000</u>
Surplus in the statement of profit and loss		
Balance as per last account	19,374,385	14,543,670
Add:- Profit/(Loss) for the year	2,250,822	4,830,715
Net Surplus in the statement of Profit and Loss	<u>21,625,207</u>	<u>19,374,385</u>
	<u>156,340,207</u>	<u>154,089,385</u>



Prudent Infra Realty Private Limited

Notes to Financial Statements for the year ended 31st March , 2016

	As At 31st March 2016	As At 31st March 2015	As At 31st March 2016	As At 31st March 2015
5. LONG TERM BORROWINGS	Non-Current Portions		Current Maturities	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Deferred Credit Scheme				
From Scheduled Bank (Secured)	1,318,535	3,064,668	1,746,133	2,286,325
Loans & Advances from other body corporates (Unsecured)				
Loan from body corporates	17,935,644	-	-	-
	19,254,179	3,064,668	1,746,133	2,286,325
The above amount includes				
Secured Borrowings	1,318,535	3,064,668	1,746,133	2,286,325
Unsecured Borrowings	17,935,644	-	-	-
Amount disclosed under the head " Other current Liabilities" (note - 8)	-	-	(1,746,133)	(2,286,325)
Net amount	19,254,179	3,064,668	-	-

6. TRADE PAYABLES

Total outstanding due of micro enterprises and small enterprises #	-	-
Total outstanding of creditors other than micro enterprises and small enterprises	19,408,231	8,241,993
	19,408,231	8,241,993

Based on the information /documents available with the Company, no creditors is covered under Micro, Small and Medium Enterprises development Act,2006. As a result, no interest, provision/payment have been made by the Company to such creditors, if any and no disclosures thereof are made in these financial statements.

7. SHORT TERM PROVISIONS

Provision for Taxes (Net of TDS)	-	304,670
	-	304,670

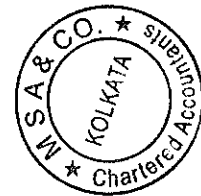
8. OTHER CURRENT LIABILITIES

Other liabilities		
Current maturities of long-term borrowings (note -5)	1,746,133	2,286,325
Advance from Customers	663,563,532	588,948,244
Interest Accrued but Not Due	173,244	-
Temporary Bank Overdraft	532,026	-
Statutory Dues Payables	2,692,575	1,143,890
	668,707,510	592,378,459



Prudent Infra Realty Private Limited
Notes to financial statements as at and for the year ended 31st March, 2016

9. Tangible Assets	(Amount in Rs.)						Total
	Plant & Machinery	Computers	Office Equipment	Furniture and Fixtures	Vehicles	Tube Well	
Cost or valuation							
At 1 April 2014	12,694,474	2,487,701	968,387	2,570,046	2,073,878	14,000	20,808,486
Additions	6,323,514	52,358	414,593	-	3,583,200	-	10,373,665
Less: on disposals / adjustments	-	-	-	-	-	14,000	14,000
At 31 March 2015	19,017,988	2,540,059	1,382,980	2,570,046	5,657,078	-	31,168,151
Additions	7,485	424,501	759,061	350,000	-	-	1,541,047
Less: on disposals / adjustments	-	-	-	-	-	-	-
At 31 March 2016	19,025,473	2,964,560	2,142,041	2,920,046	5,657,078	-	32,709,198
Depreciation							
At 1 April 2014	2,341,700	1,778,162	136,732	165,843	573,705	4,594	5,000,736
Charge for the year	2,718,370	554,956	431,799	629,698	1,125,666	-	5,460,489
Less: on disposals / adjustments	-	-	-	-	-	4,594	4,594
At 31 March 2015	5,060,070	2,333,118	568,531	795,541	1,699,371	-	10,456,631
Charge for the year	3,280,701	183,314	610,036	555,332	1,248,312	-	5,877,695
Less: on disposals / adjustments	-	-	-	-	-	-	-
At 31 March 2016	8,340,771	2,516,432	1,178,567	1,350,873	2,947,683	-	16,334,325
Net Block							
At 31 March 2015	13,957,918	206,941	814,449	1,774,505	3,957,707	-	20,711,520
At 31 March 2016	10,684,702	448,128	963,474	1,569,173	2,709,395	-	16,374,873



Prudent Infra Realty Private Limited

Notes to Financial Statements for the year ended 31st March , 2016

10. NON CURRENT INVESTMENTS

	No. of Shares	Face Value per Share Rs.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
Non-Trade Investment (valued at cost)				
Unquoted Equity shares (fully paid up)				
In Associate Companies				
Ankush Tradelink Private Limited	4800	10	48,000	48,000
Arrow Vintrade Private Limited	4800	10	48,000	48,000
Award Vinimay Private Limited	4800	10	48,000	48,000
Bangabhumi Infrastructure Private Limited	2000	10	20,000	20,000
Bangabhumi Real Estate Private Limited	2500	10	25,000	25,000
Bluemoon Management Private Limited	4800	10	48,000	48,000
Bluemoon Suppliers Private Limited	4900	10	49,000	49,000
Bluemoon Tracom Private Limited	4800	10	48,000	48,000
Bluemoon Vincom Private Limited	4800	10	48,000	48,000
Bluemoon Vinimay Private Limited	4800	10	48,000	48,000
Bluesun Vincom Private Limited	4800	10	48,000	48,000
Bolero Commercial Private Limited	4800	10	48,000	48,000
Compass Tradelink Private Limited	4810	10	48,100	48,100
Cypress Complex Private Limited	4000	10	40,000	40,000
Conception Commercial Private Limited	5000	10	50,000	50,000
Edam Construction Private Limited	4000	10	40,000	40,000
Edam Housing Private Limited	4000	10	40,000	40,000
Epistle Realestate Private Limited	4000	10	40,000	40,000
Goldmoon Tracom Private Limited	4800	10	48,000	48,000
Goldshine Agencies Private Limited	4800	10	48,000	48,000
Greencity Sales Private Limited	4800	10	48,000	48,000
Greencity Vinimay Private Limited	4800	10	48,000	48,000
Greentower Agencies Private Limited	4800	10	48,000	48,000
Greentower Commotrade Private Limited	4800	10	48,000	48,000
Greentower Management Private Limited	5000	10	50,000	50,000
Greentower Retails Private Limited	4900	10	49,000	49,000
Greentower Traders Private Limited	4800	10	48,000	48,000
Greentower Vinimay Private Limited	4800	10	48,000	48,000
Greentown Management Private Limited	4800	10	48,000	48,000
Greentown Retails Private Limited	4800	10	48,000	48,000
Greentown Tracom Private Limited	4800	10	48,000	48,000
Ibhanan Complex Private Limited	4000	10	40,000	40,000
Idika Complex Private Limited	4000	10	40,000	40,000
Kathakunj Conclave Private Limited	4000	10	40,000	40,000
Limestone Sales Private Limited	5000	10	50,000	50,000
Meridian Vintrade Private Limited	4000	10	40,000	40,000
Micrograph Vinimay Private Limited	4810	10	48,100	48,100
Nightangle Traders Private Limited	4800	10	48,000	48,000
Orient Plaza Private Limited	2500	10	25,000	25,000
Carried over			1,742,200	1,742,200



Prudent Infrarealty Private Limited

Notes to Financial Statements for the year ended 31st March , 2016

	No. of Shares	Face Value per Share Rs.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
Brought forward				
			<u>1,742,200</u>	<u>1,742,200</u>
Unquoted Equity shares (fully paid up)(Contd.)				
Pioneer Marbles & Interiors Private Limited	915000	10	9,150,000	9,150,000
Pioneer Niwas Private Limited	2500	10	25,000	25,000
Pioneer Property Management Limited	880000	10	8,800,000	8,800,000
Prudent Commission Agents Private Limited	4800	10	48,000	48,000
Prudent Commotrade Private Limited	4800	10	48,000	48,000
Prudent Enclave Private Limited	4700	10	47,000	47,000
Prudent Heights Private Limited	4700	10	47,000	47,000
Prudent Hirise Private Limited	4700	10	47,000	47,000
Prudent Infraprojects Private Limited	4700	10	47,000	47,000
Prudent Niketan Private Limited	4700	10	47,000	47,000
Prudent Niwas Private Limited	4700	10	47,000	47,000
Prudent Retailers Private Limited	4800	10	48,000	48,000
Prudent Stockists Private Limited	4800	10	48,000	48,000
Prudent Township Private Limited	4700	10	47,000	47,000
Prudent Tracom Private Limited	4800	10	48,000	48,000
Recreate Traders Private Limited	4810	10	48,100	48,100
Saptarshi Tradelink Private Limited	4800	10	48,000	48,000
Sumit Fiscal Services Private Limited	371700	100	46,462,500	46,550,000
	(372400)			
Shivangan Tradecom Private Limited	4810	10	48,100	48,100
Spencer Tradelink Private Limited	4810	10	48,100	48,100
Sunview Vintrade Private Limited	4800	10	48,000	48,000
Vidhan Estates Private Limited *	-	10	-	166,500
	(3330)			
Wrinkle Tracom Private Limited	4810	10	48,100	48,100
In Others				
Edam Builders Private Limited	1000	10	10,000	10,000
Harmony Vinimay Private Limited	15000	10	150,000	150,000
Jagdamba Commerce Private Limited	190	10	126,000	165,000
	(250)			
Lifemake Construction Private Limited	5000	10	50,000	50,000
Longview Mercantile Private Limited	900	10	9,000	9,000
Pioneer Online Limited	58000	10	5,800,000	5,800,000
Prudent Commodical Private Limited	1467	10	14,670	14,670
Vidhan Estates Private Limited *	1985	10	99,250	-
	(-)			
Wonder Vanijya Private Limited	900	10	9,000	9,000
			<u><u>73,305,020</u></u>	<u><u>73,498,770</u></u>

*Vidhan Estates Private Limited cease to be an associate company wef 21.03.2016

Aggregate Value of Investments

Unquoted

73,305,020

73,498,770



Prudent Infra Realty Private Limited

Notes to Financial Statements for the year ended 31st March , 2016

	As At 31st March 2016 (Rs)	As At 31st March 2015 (Rs)
11. DEFERRED TAX ASSETS		
Deferred tax assets:		
Timing difference of depreciable assets	1,152,164	447,795
	<u>1,152,164</u>	<u>447,795</u>

	As At 31st March 2016	As At 31st March 2015	As At 31st March 2016	As At 31st March 2015
12. LOANS & ADVANCES (Unsecured, considered good)				
	Long-Term		Short-Term	
	(Rs)	(Rs)	(Rs)	(Rs)
Loans to related parties	-	-	211,310,545	338,061,450
Loan to other parties	-	-	2,343,863	3,656,118
Advance for Property	21,700,000	21,500,000	-	-
Project Advances	-	-	3,257,553	2,980,330
Advance to Co-owners against agreement	-	-	99,587,000	17,316,149
Other Advances	-	-	1,408,970	1,651,049
Employee Advances	-	-	967,792	621,000
Prepaid Expenses	82,719	114,739	227,993	103,628
Security Deposits	378,703	239,995	-	-
Income Tax paid against demand	3,000,000	-	-	-
TDS Receivable (A.Y-16-17)	809,100	-	-	-
Service Tax Refundable	-	-	4,183,406	1,326,182
	<u>25,970,522</u>	<u>21,854,734</u>	<u>323,287,123</u>	<u>365,715,906</u>

13. INVENTORIES
(At lower of cost and net realisable value)

Construction Work In Progress	556,659,478	417,773,471
	<u>556,659,478</u>	<u>417,773,471</u>

14. TRADE RECEIVABLES

Debts outstanding for a period exceeding six months from the date they are due for payment	21,265,428	8,080,232
Other debts	24,387,776	27,430,857
	<u>45,653,204</u>	<u>35,511,089</u>

15. CASH & BANK BALANCES

Cash & cash equivalents

Balances with banks :		
On Current Account	2,823,882	2,459,299
Fixed Deposit Account	-	840,000
Cash on hand	133,861	530,473
	<u>2,957,743</u>	<u>3,829,772</u>

16. Other Current Asset

Interest Accrued on Fixed Deposits	-	36,118
	<u>-</u>	<u>36,118</u>



Prudent Infra Realty Private Limited

Notes to Financial Statements for the year ended 31st March , 2016

	2015-16 (Rs)	2014-15 (Rs)
17. OTHER INCOME		
Interest on Fixed Deposit	57,280	1,557,757
Interests on Loan	24,723,530	29,877,243
JCB Hire Charges	39,063	-
Miscellaneous Income	473	-
Nomination Fees against Flat	107,964	-
Profit on Sale of Long Term Investments (Non Trade)	583,950	-
	<u>25,512,260</u>	<u>31,435,000</u>
18. DEVELOPMENT AND CONSTRUCTION EXPENSES		
Land Cost	899,920	886,849
Compensation for vacating land	-	115,000
Land Filling Expenses	-	216,050
Material Consumed	42,968,933	57,706,750
Construction Expenses	42,702,097	83,883,053
Community Hall Expenses	1,225,368	-
Architect Fees	1,072,962	1,084,920
Plan Sanction Fees	2,688,492	918,458
Rates & Taxes	200,870	356,152
Security Guard Expenses	1,035,613	1,026,978
Purchase of Electrical Equipment	118,912	674,790
Purchase of Fire Fighting Material	571,516	-
Miscellaneous Project Expenses	17,069,155	16,764,268
Lift Expenses	5,418,000	3,360,000
Model Flat & Site Office Expenses	1,080,332	2,387,468
	<u>117,052,170</u>	<u>169,380,736</u>
19. INCREASE IN INVENTORIES		
Opening Stock		
- Construction work in progress	<u>417,773,471</u>	<u>235,401,581</u>
	<u>417,773,471</u>	<u>235,401,581</u>
Less:		
Closing Stock		
- Construction work in progress	<u>556,659,478</u>	<u>417,773,471</u>
	<u>556,659,478</u>	<u>417,773,471</u>
	<u>(138,886,007)</u>	<u>(182,371,890)</u>
20. EMPLOYEE BENEFIT EXPENSES		
Salary & Bonus	22,636,283	15,951,388
Staff Welfare	27,959	65,097
	<u>22,664,242</u>	<u>16,016,485</u>



Prudent Infrarealty Private Limited

Notes to Financial Statements for the year ended 31st March , 2016

21. OTHER EXPENSES	2015-16 (Rs)	2014-15 (Rs)
Office Rent	1,200,000	1,200,000
Godown Rent	30,000	100,000
Rates & Taxes	4,400	4,400
Bank Charges	34,130	9,873
Computer Maintenance	45,424	13,783
Legal & Professional Charges	584,600	1,967,951
Domain Charges	-	224
Donation	51,000	167,000
Electricity Expenses	467,249	700,090
Filing Fees	4,334	18,338
Fuel Expenses	1,722,817	1,076,252
Insurance Premium	344,525	50,767
Interest Paid on Cancellation of Flat	6,598,960	-
Membership Fees	84,503	165,000
Miscellaneous Expenses	24,499	-
Motor Car Expenses	420,647	383,944
Office Expenses	205,364	185,076
Postage & Stamp	2,127	8,693
Printing & Stationery	122,416	29,072
Repairs & Maintenance	504,488	83,149
Software Expenses	12,229	-
Subscription Expenses	-	-
Sales Promotion Expenses	-	43,000
Swachh Bharat Cess	74,547	-
Share Issue Charges Written Off	-	529,049
Telephone Charges	161,752	13,550
Travelling & Conveyance	503,410	5,827,022
Loss on Discard of Tangible Assets	-	9,406
Intangible Assets written off	-	47,630
Interest on Late payment of Service Tax	-	8,882
Interest on Late Payment of Income Tax	35,721	100,780
Interest on TDS Payable	3,783	323
Auditor's Remuneration		
As Auditors		
Audit Fees	30,000	30,000
	<u>13,272,925</u>	<u>12,773,253</u>

22. DEPRECIATION AND AMORTIZATION EXPENSE

Depreciation on Tangible Assets	5,877,695	5,460,489
Amortization of Intangible Assets	-	-
	<u>5,877,695</u>	<u>5,460,489</u>

23. FINANCE COSTS

Interest Expenses	<u>2,320,620</u>	<u>2,659,658</u>
	<u>2,320,620</u>	<u>2,659,658</u>

24. EARNING PER SHARE

Basis for calculation of Basic & Diluted Earning per Share is as under:

Profit /(Loss) as per Statement of Profit & Loss (Rs.)	2,250,822	4,830,715
Weighted average number of Equity Shares (Nos.)	18,165,000	18,165,000
Nominal value of Equity Shares (Rs.)	10	10
Basic and Diluted Earning per Share (Rs.)	0.12	0.27



PRUDENT INFREAREALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

25. No provision has been made in the accounts for gratuity liability for the year under consideration. As per the management, the same will be accounted as and when the amount is payable by the company to the employee.

26. **Related Party Disclosures:**

a) Related parties with whom transactions have taken place during the year

Key management personnel

Ravindra Khaitan (Managing Director)
Rajkumar Khaitan (Director)

Associate Companies

Bangabhumi Real Estate Private Limited
Bolero Commercial Private Limited
Bluemoon Suppliers Private Limited
Bluemoon Vinimay Private Limited
Conception Commercial Private Limited
Goldshine Agencies Private Limited
Greencity Sales Private Limited
Greentower Management Private Limited
Greentower Retails Private Limited
Greentower Traders Private Limited
Meridian Vintrade Private Limited
Micrograph Vinimay Private Limited
Nightangle Traders Private Limited
Orient Plaza Private Limited
Pioneer Niwas Private Limited
Pioneer Property Management Limited
Prudent Enclave Private Limited
Prudent Heights Private Limited
Prudent Hirise Private Limited
Prudent Infraprojects Private Limited
Prudent Niketan Private Limited
Prudent Niwas Private Limited
Prudent Township Private Limited
Recreate Traders Private Limited
Saptarshi Tradelink Private Limited
Sumit Fiscal Services Private Limited

Enterprises owned or significantly influenced by key management personnel or their relatives

Highland Agencies Private Limited
Bangabhumi Construction Private Limited
Champion Suppliers Private Limited
Dynamo Developers Private Limited
Harmony Vinimay Private Limited
Lifemake Construction Private Limited
Wrinkle Tracom Private Limited
Gopika Infrastructure LLP

Relatives of key management personnel

Anshul Khaitan (Son of Mr. Rajkumar Khaitan)
Priti Khaitan (Spouse of Mr. Ravindra Khaitan)
Rajendra Khaitan (Brother of the Directors)
Anita Khaitan (Spouse of Mr. Rajkumar Khaitan)

b) Related Party Disclosure

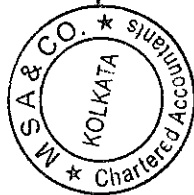
Aggregate Related Party Disclosures as at 31st March'2016



PRUDENT INFRAREALTY PRIVATE LIMITED

Related party transactions
The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year. (transactions have taken place on arm's length basis):

	Enterprises owned or significantly influenced by key management personnel or their relatives		Key management personnel		Relatives to key management personnel		Total
	Transaction Value	Balance outstanding as on March 31, 2016	Transaction Value	Balance outstanding as on March 31, 2016	Transaction Value	Balance outstanding as on March 31, 2016	
LOAN GIVEN							
Bangabhumii Construction Private Limited	(1,499,503)	-	-	-	(1,499,503)	-	-
Bangabhumii Real Estate Private Limited	(239,500)	-	-	-	(239,500)	-	-
Bolero Commercial Private Limited	(131,604)	-	-	-	(131,604)	-	-
Bluemoon Suppliers Private Limited	(596,758)	-	-	-	(596,758)	-	-
Bluemoon Vinimay Private Limited	(973)	-	-	-	(973)	-	-
Conception Commercial Private Limited	(82,978)	-	-	-	(82,978)	-	-
Champion Suppliers Private Limited	(60,612)	-	-	-	(60,612)	-	-
Goldshine Agencies Private Limited	(682,329)	-	-	-	(682,329)	-	-
Greenbly Sales Private Limited	(973)	-	-	-	(973)	-	-
Greentower-Management Private Limited	(596,887)	-	-	-	(596,887)	-	-
Greentower Retailis Private Limited	(597,045)	-	-	-	(597,045)	-	-
Greentower Traders Private Limited	(973)	-	-	-	(973)	-	-
Harmony Vinimay Private Limited	(11,780,620)	-	-	-	(11,780,620)	-	-
Lifemake Construction Private Limited	(10,632,329)	-	-	-	(10,632,329)	-	-
Meridian Vintrade Private Limited	(96,572)	-	-	-	(96,572)	-	-
Micrograph Vinimay Private Limited	(889,553)	-	-	-	(889,553)	-	-
Nightangle Traders Private Limited	(1,290,482)	-	-	-	(1,290,482)	-	-
Orient Pizza Private Limited	12,738	-	-	-	12,738	-	-
Pioneer Nivas Private Limited	(3,223,847)	-	-	-	(3,223,847)	-	-
Pioneer Property Management Limited	(2,461,649)	-	-	-	(2,461,649)	-	-
Prudent Enclave Private Limited	(10,359,355)	-	-	-	(10,359,355)	-	-
Prudent Heights Private Limited	(2,383)	-	-	-	(2,383)	-	-
Prudent Hillside Private Limited	(2,180)	-	-	-	(2,180)	-	-
Prudent Infraprojects Private Limited	(2,298)	-	-	-	(2,298)	-	-
Prudent Niketan Private Limited	(1,484)	-	-	-	(1,484)	-	-
Prudent Nivas Private Limited	(2,393)	-	-	-	(2,393)	-	-
Prudent Township Private Limited	(2,298)	-	-	-	(2,298)	-	-
Recreate Traders Private Limited	(1,486)	-	-	-	(1,486)	-	-
Saptashih Tradeflink Private Limited	(234,446)	-	-	-	(234,446)	-	-
Sumit Fiscal Services Private Limited	(138,766)	-	-	-	(138,766)	-	-
Whitkie Tracom Private Limited	12,855,000	-	-	-	12,855,000	-	-
Gopika Infrastructure LLP	(249,604,104)	-	-	-	(249,604,104)	-	-
	(292,372)	(3,471,415)	(3,471,415)	(292,372)	(3,471,415)	-	-
	(228,775)	(1,149,534)	(1,149,534)	(228,775)	(1,149,534)	-	-
		(3,053,162)	(3,053,162)		(3,053,162)		



PRUDENT INFRAREALTY PRIVATE LIMITED

	Enterprises owned or significantly influenced by key management personnel or their relatives		Key management personnel		Relatives to Key Management personnel		Total
	Transaction Value	Balance outstanding as on March 31, 2016	Transaction Value	Balance outstanding as on March 31, 2016	Transaction Value	Balance outstanding as on March 31, 2016	
LOAN GIVEN RECEIVED BACK							
Dynamo Developers Private Limited	(10,977,030)	-	-	-	-	(10,977,030)	-
Bangabhumii Construction Private Limited	(3,276,655)	-	-	-	-	(3,276,655)	-
Bangabhumii Real Estate Private Limited	(15,439,906)	-	-	-	-	(15,439,906)	-
Bolero Commercial Private Limited	(5,675,684)	-	-	-	-	(5,675,684)	-
Bluemoon Suppliers Private Limited	(1,221,258)	-	-	-	-	(1,221,258)	-
Bluemoon Vinimay Private Limited	(40,973)	-	-	-	-	(40,973)	-
Conception Commercial Private Limited	(3,286,882)	-	-	-	-	(3,286,882)	-
Champion Suppliers Private Limited	(2,530,935)	-	-	-	-	(2,530,935)	-
Goldshine Agencies Private Limited	(42,801,387)	-	-	-	-	(42,801,387)	-
GreenCity Sales Private Limited	(40,973)	-	-	-	-	(40,973)	-
Greentower Management Private Limited	(1,227,613)	-	-	-	-	(1,227,613)	-
Greentower Retail Private Limited	(1,235,406)	-	-	-	-	(1,235,406)	-
Greentower Traders Private Limited	(40,973)	-	-	-	-	(40,973)	-
Meridian Vintrade Private Limited	1,167,924	-	-	-	-	1,167,924	-
Micrograph Vinimay Private Limited	(201,852)	-	-	-	-	(201,852)	-
Nighangle Traders Private Limited	(21,728,960)	-	-	-	-	(21,728,960)	-
Orient Plaza Private Limited	(4,784,436)	-	-	-	-	(4,784,436)	-
Pioneer Nivas Private Limited	(9,912,236)	-	-	-	-	(9,912,236)	-
Pioneer Nivas Private Limited	12,350,000	-	-	-	-	12,350,000	-
Pioneer Property Management Limited	(3,997,359)	-	-	-	-	(3,997,359)	-
Prudent Enclave Private Limited	5,706,530	-	-	-	-	5,706,530	-
Prudent Heights Private Limited	(7,950,864)	-	-	-	-	(7,950,864)	-
Prudent Hrise Private Limited	(108,987)	-	-	-	-	(108,987)	-
Prudent Infraprojects Private Limited	(99,689)	-	-	-	-	(99,689)	-
Prudent Niketan Private Limited	(105,071)	-	-	-	-	(105,071)	-
Prudent Nivas Private Limited	(67,869)	-	-	-	-	(67,869)	-
Prudent Township Private Limited	(108,987)	-	-	-	-	(108,987)	-
Recreate Traders Private Limited	(105,071)	-	-	-	-	(105,071)	-
Saptarshi TradeLink Private Limited	(67,972)	-	-	-	-	(67,972)	-
Sunit Fiscal Services Private Limited	2,869,576	-	-	-	-	2,869,576	-
Winkle Treacom Private Limited	(324,611)	-	-	-	-	(324,611)	-
Gopika Infrastructure LLP	1,694,301	-	-	-	-	1,694,301	-
	(212,298)	-	-	-	-	(212,298)	-
	127,918,000	-	-	-	-	127,918,000	-
	(32,875,000)	-	-	-	-	(32,875,000)	-
	3,590,394	-	-	-	-	3,590,394	-
	(347,689)	-	-	-	-	(347,689)	-
	2,000,000	-	-	-	-	2,000,000	-



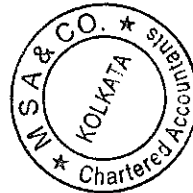
PRUDENT INFRAREALTY PRIVATE LIMITED

	Enterprises owned or significantly influenced by key management personnel or their relatives		Key management personnel		Relatives to Key management personnel		Total
	Balance outstanding as on March 31, 2016		Balance outstanding as on March 31, 2016		Balance outstanding as on March 31, 2016		
	Transaction Value	Balance outstanding as on March 31, 2016	Transaction Value	Balance outstanding as on March 31, 2016	Transaction Value	Balance outstanding as on March 31, 2016	
INTEREST INCOME							
Bangabhumii Construction Private Limited	(55,003)	-	-	-	-	(55,003)	-
Bargabhumii Real Estate Private Limited	(266,111)	-	-	-	-	(266,111)	-
Bolero Commercial Private Limited	(146,227)	-	-	-	-	(146,227)	-
Blumoon Suppliers Private Limited	(18,620)	-	-	-	-	(18,620)	-
Blumoon Vinimay Private Limited	(973)	-	-	-	-	(973)	-
Conception Commercial Private Limited	(62,199)	-	-	-	-	(62,199)	-
Champion Suppliers Private Limited	(67,347)	-	-	-	-	(67,347)	-
Goldshine Agencies Private Limited	(758,143)	-	-	-	-	(758,143)	-
GreenCity Sales Private Limited	(973)	-	-	-	-	(973)	-
Greentower Management Private Limited	(18,763)	-	-	-	-	(18,763)	-
Greentower Retail Private Limited	(18,939)	-	-	-	-	(18,939)	-
Greentower Traders Private Limited	(973)	-	-	-	-	(973)	-
Harmony Vinimay Private Limited	1,275,879	-	-	-	-	1,275,879	-
Lifemake Construction Private Limited	(1,161,516)	-	-	-	-	(1,161,516)	-
Meridian Vintracoe Private Limited	93,957	-	-	-	-	93,957	-
Micrograph Vinimay Private Limited	(84,789)	-	-	-	-	(84,789)	-
Nightangle Traders Private Limited	43,003	-	-	-	-	43,003	-
Orient Plaza Private Limited	(107,302)	-	-	-	-	(107,302)	-
Pioneer Niwas Private Limited	558,586	-	-	-	-	558,586	-
Pioneer Property Management Limited	(988,392)	-	-	-	-	(988,392)	-
Prudent Enclave Private Limited	1,345,297	-	-	-	-	1,345,297	-
Prudent Heights Private Limited	(1,433,869)	-	-	-	-	(1,433,869)	-
Prudent Hiise Private Limited	2,293,587	-	-	-	-	2,293,587	-
Prudent Infraprojects Private Limited	(1,923,657)	-	-	-	-	(1,923,657)	-
Prudent Niketan Private Limited	1,789,228	-	-	-	-	1,789,228	-
Prudent Niwas Private Limited	(2,679,610)	-	-	-	-	(2,679,610)	-
Prudent Township Private Limited	1,840,295	-	-	-	-	1,840,295	-
Prudent Traders Private Limited	(1,954,838)	-	-	-	-	(1,954,838)	-
Prudent Vintracoe Private Limited	(2,383)	-	-	-	-	(2,383)	-
Prudent Vintracoe Private Limited	(2,180)	-	-	-	-	(2,180)	-
Prudent Vintracoe Private Limited	(2,298)	-	-	-	-	(2,298)	-
Prudent Vintracoe Private Limited	(1,484)	-	-	-	-	(1,484)	-
Prudent Vintracoe Private Limited	(2,383)	-	-	-	-	(2,383)	-
Prudent Vintracoe Private Limited	(2,298)	-	-	-	-	(2,298)	-
Prudent Vintracoe Private Limited	(1,486)	-	-	-	-	(1,486)	-
Prudent Vintracoe Private Limited	105,659	-	-	-	-	105,659	-
Prudent Vintracoe Private Limited	(260,496)	-	-	-	-	(260,496)	-
Prudent Vintracoe Private Limited	62,385	-	-	-	-	62,385	-
Prudent Vintracoe Private Limited	(154,185)	-	-	-	-	(154,185)	-
Prudent Vintracoe Private Limited	14,585,907	-	-	-	-	14,585,907	-
Prudent Vintracoe Private Limited	(15,081,227)	-	-	-	-	(15,081,227)	-
Prudent Vintracoe Private Limited	132,199	-	-	-	-	132,199	-
Prudent Vintracoe Private Limited	(324,858)	-	-	-	-	(324,858)	-
Prudent Vintracoe Private Limited	107,080	-	-	-	-	107,080	-
Prudent Vintracoe Private Limited	(254,185)	-	-	-	-	(254,185)	-
Gopika Infrastructure LLP							



PRUDENT INFRAREALTY PRIVATE LIMITED

	Enterprises owned or significantly influenced by key management personnel or their relatives		Key management personnel		Relatives to Key management personnel		Total
	Balance outstanding as on March 31, 2016		Balance outstanding as on March 31, 2016		Balance outstanding as on March 31, 2016		
	Transaction Value	Balance outstanding as on March 31, 2016	Transaction Value	Balance outstanding as on March 31, 2016	Transaction Value	Balance outstanding as on March 31, 2016	
ADVANCE GIVEN							
Priiti Khaitan	-	-	-	-	(37,278)	(37,278)	(37,278)
Rajendra Khaitan	-	-	-	-	778,794	679,085	679,085
Rajkumar Khaitan	-	-	21,740	21,740	(410,015)	(60,015)	(60,015)
Ravindra Khaitan	-	-	-	67,612	-	21,740	21,740
	-	-	(70,465)	(70,465)	-	67,612	67,612
	-	-	-	-	-	(70,465)	(70,465)
ADVANCE RECEIVED BACK							
Priiti Khaitan	-	-	-	-	37,278	-	37,278
Rajendra Khaitan	-	-	-	-	159,724	-	159,724
Ravindra Khaitan	-	-	70,465	-	(350,000)	-	(350,000)
	-	-	-	-	-	70,465	70,465
BROKERAGE INCOME							
Pioneer Property Management Limited	6,000,000	-	-	-	-	-	6,000,000
	(4,400,000)	-	-	-	-	-	(4,400,000)
LOAN TAKEN, REPAID							
Highland Agencies Private Limited	(2,841,184)	-	-	-	-	-	(2,841,184)
INTEREST EXPENSE							
Highland Agencies Private Limited	(39,500)	-	-	-	-	-	(39,500)
SALARY PAID							
Anshul Khaitan	-	-	-	-	900,000	-	900,000
Anita Khaitan	-	-	-	-	(1,040,000)	-	(1,040,000)
Priiti Khaitan	-	-	-	-	1,200,000	-	1,200,000
Rajendra Khaitan	-	-	-	-	1,200,000	-	1,200,000
	-	-	-	-	(1,630,000)	-	(1,630,000)
	-	-	-	-	1,800,000	-	1,800,000
	-	-	-	-	(850,000)	-	(850,000)
DIRECTOR REMUNERATION							
Ravindra Khaitan	-	-	1,800,000	-	-	-	1,800,000
Rajkumar Khaitan	-	-	(875,000)	-	-	-	(875,000)
	-	-	1,800,000	-	-	-	1,800,000



PRUDENT INFRAREALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

27. The break-up of contingent liabilities are as under:

Particulars	Year Ended 31 March, 2016	Year Ended 31 March, 2015
Income Tax demanded under Appeal *	53,886,900	53,886,900
Service Tax demand under Appeal *	2,790,012	2,790,012
Total	56,676,912	56,676,912

* The contingent liabilities disclosed above are excluding further interest (if any) on disposal of the above appeals. The management believes that the company has a good chance of success in above mentioned cases and hence no provision there against is considered necessary.

28. The expenditure in foreign currency (accrual basis) is as under:

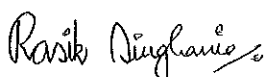
Particulars	Year Ended 31 March, 2016	Year Ended 31 March, 2015
Travelling Expenses	97,774	3,717,857
Total	97,774	3,717,857

29. Previous year's figures including those in brackets, have been rearranged/regrouped wherever necessary, to conform to current year's classification.

SIGNATURE TO NOTES 1 TO 29

In terms of our report of even date.

for M S A & Co
Chartered Accountants
Firm Registration Number: - 324464E

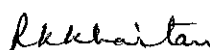


Rasik Singhania
Partner
Membership No:- 064390

Place: Kolkata
Date:- August 27, 2016

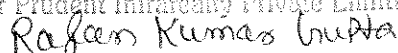


For and on behalf of the Board of Directors
For Prudent Infrarealty Pvt. Ltd.



Rajkumar Khaitan Director
DIN- 00550876
For Prudent Infrarealty Pvt. Ltd.



Ravindra Khaitan Director
DIN- 01080498
For Prudent Infrarealty Private Limited


Rajan Kumar Gupta
Company Secretary