

STATUTORY AUDIT REPORT
OF
SGM BUILDERS PRIVATE LIMITED
FOR THE YEAR ENDED 31ST MARCH, 2017

AUDITED BY:

KEJRIWAL & CO.
18, Rabindra Sarani,
Poddar Court, Gate No.2
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Kolkata- 700 001
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carkk89@gmail.com

SGM BUILDERS PRIVATE LIMITED

DIRECTORS' REPORT

TO,
THE MEMBERS,

Your Directors take pleasure in presenting the **TWENTY SECOND** Annual Report on the business and operations of your company and the Accounts for the Financial year ended 31st March 2017.

1. FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous year's figures are given hereunder:

Financial Summary

Particulars	2016-17	2015-16
Income from operations	-	-
Less: Total Operating Expenditure	535,208.00	320,332.92
Operating Profit	(535,208.00)	(320,332.92)
Add: Other Income	1,052,496.33	395,394.20
Profit before Depreciation & Taxation	517,288.33	75,061.28
Less: Depreciation	479,217.33	262,658.99
Profit before Taxation & Exceptional Items	38,071.00	(187,597.71)
Less: Provision for Taxation - Current Tax	7,254.00	-
Less: MAT Credit Entitlement	-	-
- Deferred Tax	-	-
Profit after Taxation	30,817.00	(187,597.71)
Balance brought forward	5,733,894.16	5,921,491.87
Less: Income tax of earlier year	-	-
Profit after Taxation carried to Balance Sheet	5,764,711.16	5,733,894.16

2. COMPANY'S PERFORMANCE

There is a Profit of Rs. 38,071/- before tax during the year under review as against a loss of Rs 1,87,597.71 in the previous year. The company received Rs. 3,09,152.67 from the AOP viz., Sugam Park as against Rs. 2,06,908.94 in the previous year.

3. DIVIDEND

The directors do not recommend any dividend for the year under review in order to plough back the money in the business.

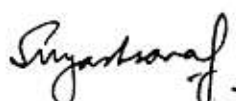
4. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31st March 2017 was Rs. 10,37,000/-. There has been no Change in the Equity Share Capital of the Company during the year.

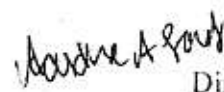
5. EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is annexed as Annexure 1.

SGM Builders Pvt. Ltd.


Director

SGM Builders Pvt. Ltd.


Director

6. BOARD MEETINGS

During the Financial Year 2016-17, 9 meetings of the Board of Directors of the company were held.

7. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures from the same.
- ii. Appropriate accounting policies were selected and applied consistently (except as stated in the notes on accounts) and judgment and estimates that were reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the company at the end of the financial period and of the profit of the company for the year.
- iii. Proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities have been taken to the best of our knowledge and ability.
- iv. The annual accounts have been prepared on a "going concern basis".
- v. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

9. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

10. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no qualification, reservation or adverse remark made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.


11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There was no loan, guarantee or investment made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

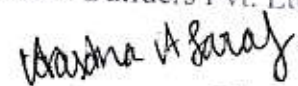
12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

SGM Builders Pvt. Ltd.


Director

SGM Builders Pvt. Ltd.

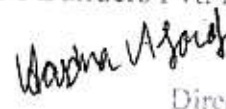

Director

- 13. TRANSFER TO RESERVES**
During the Financial year under review no amount was transferred to any Reserve.
- 14. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**
No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.
- 15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**
The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to conservation of energy technology absorption do not apply to our Company. There was no foreign exchange inflow during the year under review. However, foreign exchange outflow is reported in the Notes to Financial Statements.
- 16. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**
The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.
- 17. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**
The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable. However, the company has donated Rs.4,90,000/- to S T Saraf Charitable Trust for education of poor students.
- 18. DIRECTORS**
Mr. Suyash Saraf (DIN:03574264) & Mrs. Aastha Agarwal Saraf (DIN - 07630260) were appointed as the directors of the company w.e.f 29/09/2016 & Mr. Arvind Kumar Saraf (DIN: 00501516) & Mr. Ashok Saraf (DIN: 00502607) resigned from directorship w.e.f. 24/10/2016 due to their preoccupation.
- 19. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**
The Company did not have any Subsidiary, Joint venture or Associate Company during the year under consideration.
- 20. DEPOSITS**
The Company has not accepted any deposit during the year under review.
- 21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS**
No significant and material order was passed by any regulators or court or tribunal impacting the going concern status and company's operation in future
- 22. INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS**
The company has adequate internal financial control with reference to the financial statements which were operating effectively.
- 23. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**
The provisions of Section 125(2) of the Companies Act, 2013 do not apply since there is no amount lying unpaid or unclaimed in the unpaid dividend account.

SGM Builders Pvt. Ltd.


Director

SGM Builders Pvt. Ltd.


Director

24. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177(8) of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

25. SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

26. STATUTORY AUDITORS

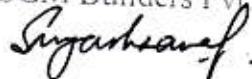
M/s Kejriwal & Co., Chartered Accountants, were appointed as Statutory Auditors for a period of 5 years in the Nineteenth Annual General Meeting held on 29th September 2014. Your Director seek ratification of such appointment at the ensuing annual general meeting.

27. ACKNOWLEDGEMENTS

Your Directors would like to thank bankers, business associates, consultants, shareholders and employees for their continued support extended to the Company and its management.

For and on behalf of the board

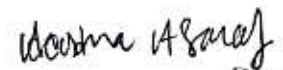
SGM Builders Pvt. Ltd.



Director

(DIN : 03574264)
DIRECTOR

SGM Builders Pvt. Ltd.



Director

(DIN : 07630260)
DIRECTOR

PLACE: KOLKATA

DATED: The 1st day of September, 2017.

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2017
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN		U70101WB1995PTC075684
ii	Registration Date		01/12/1995
iii	Name of the Company		SGM BUILDERS PRIVATE LIMITED
iv	Category/Sub-category of the Company		Company Limited by shares
v	Address of the Registered office & contact details		2/S, Sarat Bose Road, Unit-1F, Kolkata-700020
vi	Whether listed company		No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.		N.A

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Construction of Building	41001	NA

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

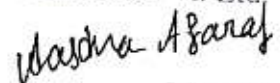
Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	N.A	-	-	-	-

SGM Builders Pvt. Ltd.



Director

SGM Builders Pvt. Ltd.



Director

SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category-wise share holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF		63400	63400	61.14		50600	50600	48.79	(12.34)
b) Central Govt./or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	40300	40300	38.86	-	40300	40300	38.86	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (1)	-	103700	103700	100.00	-	90900	90900	87.66	(12.34)
(2) Foreign									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter									
(A) = (A)(1)+(A)(2)	-	103700	103700	100.00	-	90900	90900	87.66	(12.34)
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Bank/FI	-	-	-	-	-	-	-	-	-
c) Central govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) IIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non Institutions									
a) Bodies corporates	-	-	-	-	-	-	-	-	-
b) Indian	-	-	-	-	-	-	-	-	-
c) Overseas	-	-	-	-	-	-	-	-	-

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 Director  Director

b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	12800	12800	12.34	12.34
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-	-
c) Others (Trust & Foundations)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	-	-	-	-	-	12800	12800	12.34	12.34
Total Public Shareholding (B) = (B)(1)+(B)(2)	-	-	-	-	-	12800	12800	12.34	12.34
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	103700	103700	100.00	-	103700	103700	100.00	-

SGM Builders Pvt. Ltd.

Suyashree
Director

SGM Builders Pvt. Ltd.

Arshna A Saraf
Director

(B) SHARE HOLDING OF PROMOTERS

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.	Ashok Saraf	8600	8.29	-	-	-	-	(8.29)
2.	Indira Saraf	19900	19.19	-	19900	19.19	-	-
3.	Santosh Kumar Saraf HUF	100	0.10	-	100	0.10	-	0.00
4.	SKS Enterprises Pvt. Ltd.	19800	19.09	-	19800	19.09	-	-
5.	Bindu Saraf	20300	19.58	-	-	-	-	(19.58)
6.	Sugam Equipments Pvt. Ltd.	20500	19.77	-	20500	19.77	-	-
7.	Anind Kumar Saraf	14500	13.98	-	-	-	-	(13.98)
8.	Aastha Agarwal saraf	-	-	-	20500	19.77	-	19.77
9.	Suyash Saraf	-	-	-	10100	9.74	-	9.74
	Total	103700	100.00	-	90900	87.66	-	(12.34)

(C) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	103700	100.00	103700	100.00
	Transfer on 09/12/16	30600	29.51	-	-
	Transfer on 09/12/16	(43,400)	(41.85)	-	-
	At the end of the year	90900	87.66	90900	87.66

(D) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	Ramesh Kumar Kejriwal				
	At the beginning of the year	-	-	-	-
	Transfer on 09/12/16	7,000.00	6.75	-	-
	At the end of the year (or on the date of separation, if separated during the year)	7,000.00	6.75	7,000.00	6.75
	Ujjwal Kejriwal				
	At the beginning of the year	-	-	-	-
	Transfer on 09/12/16	5,800.00	5.59	-	-
	At the end of the year (or on the date of separation, if separated	5,800.00	5.59	5,800.00	5.59

(E) Shareholding of Directors & KMP

Sl. No.	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	Aastha Agarwal Saraf				
	At the beginning of the year	-	-	-	-
	Transfer on 09/12/16	20500	19.77	20500	19.77
	At the end of the year	20500	19.77	20500	19.77
	Suyash Saraf				
	At the beginning of the year	-	-	-	-
	Transfer on 09/12/16	10100	9.74	10100	9.74
	At the end of the year	10100	9.74	10100	9.74

SGM Builders Pvt. Ltd. SGM Builders Pvt. Ltd.
 Director
 Director

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	236,285.09	16,900,000.00	-	17,136,285.09
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	1,349,443.00	-	1,349,443.00
Total [(i)+(ii)+(iii)]	236,285.09	18,249,443.00	-	18,485,728.09
Change in indebtedness during the financial year				
Additions	31,830,957.41	10,050,468.00	-	41,881,425.41
Reduction	245,232.00	5,769,956.00	-	6,015,188.00
Net Change	31,585,725.41	4,280,512.00	-	35,866,237.41
Indebtedness at the end of the financial year				
(i) Principal Amount	31,822,010.50	20,400,000.00	-	52,222,010.50
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	2,129,955.00	-	2,129,955.00
Total [(i)+(ii)+(iii)]	31,822,010.50	22,529,955.00	-	54,351,965.50

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	Gross salary	Ashok Saraf	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	643,550.00	643,550.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission as % of profit	-	-
	others (specify)	Transport Allowance 10,840.00	10,840.00
5	Others, please specify	-	-
	Total (A)	654,390.00	654,390.00
	Ceiling as per the Act		NA

SGM Builders Pvt. Ltd.

Suyashankar
Director

SGM Builders Pvt. Ltd.

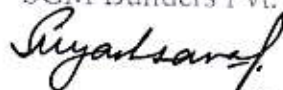
Chandana K. Saraf
Director

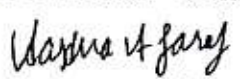
B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors				
	(a) Fee for attending board committee meetings				-
	(b) Commission				-
	(c) Others, please specify				-
	Total (1)				-
2	Other Non Executive Directors				
	(a) Fee for attending board committee meetings				-
	(b) Commission				-
	(c) Others, please specify.				-
	Total (2)				-
	Total (B)=(1+2)				-
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act.				-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

SGM Builders Pvt. Ltd.

 Director

SGM Builders Pvt. Ltd.

 Director

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

SGM Builders Pvt. Ltd. SGM Builders Pvt. Ltd.

Suyash Kumar
Director

Uday Kumar
Director



Independent Auditor's Report

TO THE MEMBERS OF SGM BUILDERS PRIVATE LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of SGM BUILDERS PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information.

2. 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 and presentation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud 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.

3. 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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.



4. 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, 2017 and its Profit for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

5.1 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 is not applicable to the company and hence no comment is made on the matters specified therein.

5.2 As required by section 143(3) of the Act, we report that:

- i) 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;
- ii) 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
- iii) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- iv) In our opinion, the aforesaid financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- v) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act;
- vi) The reporting requirement with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls has been done away with for a small company vide notification dated 13th June, 2017 and hence no comment is made thereon; and
- vii) 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:
 - a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - c. There was no amount which required to be transferred by the Company to the Investor Education and Protection Fund.
 - d. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

For KEJRIWAL & CO.
Chartered Accountants
FRN/319283E

Rajesh Kumar

(CA. Rajesh Kumar Kejriwal)
Proprietor
Membership no. 054761



Kolkata, 1st Day of September, 2017.

S.G.M. BUILDERS PRIVATE LIMITED

Balance Sheet as at 31st March, 2017

Particulars	Note No.	(Rupees)	
		As at 31/03/17	As at 31/03/16
I. EQUITY AND LIABILITIES			
(A) Shareholders' Funds			
(a) Share Capital	1	1,037,000.00	1,037,000.00
(b) Reserves and Surplus	2	6,014,711.16	5,983,894.16
(B) Current Liabilities			
(a) Short-Term Borrowings	3	54,351,965.50	18,249,443.00
(b) Trade Payables	4	19,911,552.30	7,316,323.00
(c) Other Current Liabilities	5	200,971,817.10	112,162,437.73
(d) Short-Term Provisions	6	7,254.00	-
Total		282,294,300.06	144,749,097.89
II. ASSETS			
(A) Non-Current Assets			
(a) Fixed Assets	7		
(i) Tangible assets		1,935,149.39	632,505.96
(b) Non-current investments	8	3,071,575.05	872,364.39
(c) Long term loans and advances	9	1,901,727.80	570,899.50
(B) Current Assets			
(a) Inventories	10	248,365,057.12	132,372,175.15
(b) Cash and cash equivalents	11	515,575.93	4,144,862.93
(c) Short-term loans and advances	12	20,987,527.50	2,188,524.00
(d) Other current assets	13	5,517,687.27	3,967,765.96
Total		282,294,300.06	144,749,097.89
Notes to Financial statements	21		



In terms of our report attached
For KEJRIWAL & CO
CHARTERED ACCOUNTANTS

Rajesh Kumar

(RAJESH KUMAR KEJRIWAL)
Proprietor
Firm Registration No.: 319283E
Membership No.: 054761

Kolkata, 1st September, 2017

(DIN: 03574264) (DIN: 07630260)
(DIRECTORS)

SGM Builders Pvt. Ltd. SGM Builders Pvt. Ltd.
Suyashan *Aswini A. Sanyal*
Director Director

S.G.M. BUILDERS PRIVATE LIMITED

Statement of Profit and loss for the year ended 31st March 2017

Sr. No.	Particulars	Note No.	(Rupees)	
			Current Year	Previous Year
	Revenue from operations		-	-
	Other Income		-	-
	Total Revenue (I +II)	14	1,052,496.33	395,394.20
			1,052,496.33	395,394.20
	Expenses:			
	Purchase of Stock-in-Trade	15	63,364,037.00	10,651,340.50
	Construction Expenses	16	44,170,007.06	31,425,180.36
	Changes in inventories of work-in-progress and Stock-in-Trade	17	(115,992,881.97)	(46,359,544.09)
	Employee Benefit Expense	18	4,597,942.00	2,665,591.00
	Finance Costs	19	3,867,673.91	1,636,495.23
	Depreciation and Amortization Expense	7	479,217.33	262,658.99
	Other Expenses	20	528,430.00	301,269.92
	Total Expenses		1,014,425.33	582,991.91
	Profit before exceptional and extraordinary items and tax (III-IV)		38,071.00	(187,597.71)
	Exceptional Items		-	-
	Profit before extraordinary items and tax (V - VI)		38,071.00	(187,597.71)
	Extraordinary Items		-	-
	Profit before tax (VII - VIII)		38,071.00	(187,597.71)
	Tax expense:			
	(1) Current tax		7,254.00	-
	Less: MAT Credit Entitlement		-	-
	(2) Deferred tax		-	-
	Profit (Loss) for the period from continuing operations (IX-X)		30,817.00	(187,597.71)
	Profit/(Loss) from discontinuing operations		-	-
	Tax expense of discontinuing operations		-	-
	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
	Profit/(Loss) for the period (XI + XIV)		30,817.00	(187,597.71)
	Earning per equity share:			
	(1) Basic		0.30	(1.81)
	(2) Diluted		0.30	(1.81)
	Notes to Financial statements	21		

In terms of our report attached
For KEJRIWAL & CO.
CHARTERED ACCOUNTANTS

Kejriwal

Proprietor
Firm Registration No.: 319283E
Membership No.: 054761



SGM Builders Pvt. Ltd.

Suyashan
Director

SGM Builders Pvt. Ltd.

Madhna A Saig
Director

(DIN: 03574264)

(DIN: 07630260)

(DIRECTORS)

Kolkata, 1st September, 2017

S.G.M. BUILDERS PRIVATE LIMITED

Notes to Financial statements

Note No.:1

Share capital

Share Capital	As at 31/03/17		As at 31/03/16	
	Number	Amount	Number	Amount
a) <u>Authorised</u>				
Equity Shares of Rs.10 each	110,000	1,100,000.00	110,000	1,100,000.00
b) <u>Issued, Subscribed & Paid up</u>				
Equity Shares of Rs. 10 each	103,700	1,037,000.00	103,700	1,037,000.00
Total	103,700	1,037,000.00	103,700	1,037,000.00

Additional Information:

(1) The movement in subscribed and paid up share capital is set out below:

	As at 31/03/17		As at 31/03/16	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	103,700	1,037,000.00	103,700.00	1,037,000.00
Shares allotted during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	103,700	1,037,000.00	103,700.00	1,037,000.00

(2) The rights, powers and preferences relating to each class of share capital and the qualifications, limitations and the company has only one class of share capital namely Equity shares having a face value of Rs.10/- per share.

In respect of every Equity share (whether fully paid or partly paid), voting right shall be in the same proportion as the

In the event of liquidation, the shareholders of equity shares are eligible to receive the remaining assets of the

(3) Shareholders holding more than 5 percent shares in the company:

Name of Shareholder	As at 31/03/17		As at 31/03/16	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Anvind Kumar Saraf	-	-	14500	13
Aastha Agarwal Saraf	20500	19	-	-
Ashok Saraf	-	-	8600	8
Bindu Saraf	-	-	20300	19
Indra Saraf	19900	19	19900	19
Ramesh Kumar Kejriwal	7000	6	-	-
SKS Enterprises Pvt. Ltd.	19800	19	19800	19
Suyash Saraf	10100	9	-	-
Sugam Equipments Pvt. Ltd.	20500	19	20500	19
Vijaya Kejriwal	5800	5	-	-

Contd....



SGM Builders Pvt. Ltd.

Suyash Saraf
Director

SGM Builders Pvt. Ltd.

Anvina A Saraf
Director

Note No.:2

Reserves and surplus

	As at 31/03/17	As at 31/03/16
(a) Securities Premium Account		
Opening Balance	250,000.00	250,000.00
Closing Balance	250,000.00	250,000.00
(b) Surplus in the Statement of Profit and Loss		
Opening balance	5,733,894.16	5,921,491.87
(-) Net (loss) for the current year	30,817.00	(187,597.71)
Closing Balance	5,764,711.16	5,733,894.16
Total	6,014,711.16	5,983,894.16

Note No.:3

Short Term Borrowings

	As at 31/03/17	As at 31/03/16
<u>Secured</u>		
(a) Overdraft from Axis Bank	31,822,010.50	-
Collateral- Land measuring 307 cottahs 15sq. Ft. comprised in municipal premises no. 158A, Picnic Garden Road, P.S. Tiljala, Kolkata 700039 under KMC ward no. 66 owned by Metflow Corporation Pvt. Ltd. and Wellmet Calcutta Pvt. Ltd. Entire loan is guaranteed by Ashok Saraf, Arvind Kumar Saraf , Bindu Saraf, Sugam Griha Nirmaan Limited, Metflow Corporation Pvt. Ltd., Wellmet Calcutta Pvt. Ltd.,Bengo Sales Pvt. Ltd., Banbury Homes Pvt. Ltd. and Pleasant Niryat Pvt. Ltd. Rate of Interest-11.65% (Linked with Twelve months MCLR)		
<u>Unsecured</u>		
(a) Loans and advances from related parties	1,000,000.00	-
(b) Other loans and advances	21,529,955.00	18,249,443.00
Total	54,351,965.50	18,249,443.00
Related Party Transaction		
-Ashok Saraf	1,000,000.00	-

Additional information:

- The loans are repayable on demand.

Note No.:4

Trade Payables

	As at 31/03/17	As at 31/03/16
(a) Creditors for suppliers/services	19,911,552.30	7,316,323.00
Total	19,911,552.30	7,316,323.00



Contd..

SGM Builders Pvt. Ltd.

Suyashankar
Director

SGM Builders Pvt. Ltd.

Madana A Saraf
Director

Note No.:5

Other Current Liabilities

	As at 31/03/17	As at 31/03/16
(a) Current maturities of long-term debt from HDFC Bank	-	236,285.09
(b) Liabilities for Expenses	3,597,177.65	8,920,005.70
(c) Cr. Balance in capital a/c of AOP- Sugam Park	1,804,588.10	24,813,740.77
(d) Other Liabilities	1,952,524.00	2,599,601.31
(e) Advances from customers	191,797,524.02	74,401,549.43
(f) Security Deposits from Contractors/Suppliers	7,300.00	7,300.00
(g) HDFC Bank (Excess cheques issued)	1,812,703.33	1,183,955.43
Total	200,971,817.10	112,162,437.73

Additional information:

The Company is a member of an AOP viz, "Sugam Park" with 10 other members, having 3% share, formed to develop, construct and sell housing/commercial projects. The profit distributed during the year is duly accounted for in the accounts.

Note No.:6

Short Term Provisions

	As at 31/03/17	As at 31/03/16
(a) Income Tax	7,254.00	-
Total	7,254.00	-

Note No.:8

Non-current investments

	As at 31/03/17	As at 31/03/16
A Trade Investments (Refer Annexure below)		
(a) Investment In Mutual Funds	3,071,575.05	872,364.39
Total (A)	3,071,575.05	872,364.39
Total	3,071,575.05	872,364.39
Aggregate amount of quoted investments (Aggregate FMV of investments in Mutual Funds Rs. 31,17,474.30) (Previous Year: Rs. 8,93,972.07)	3,071,575.05	872,364.39
Aggregate amount of unquoted investments	-	-

Note No.:9

Long Term Loans and Advances

	As at 31/03/17	As at 31/03/16
(a) Advance payment against taxes Unsecured, considered good Income Tax (Net of Provision)	1,901,727.80	570,899.50
Total	1,901,727.80	570,899.50



Contd..

SGM Builders Pvt. Ltd. SGM Builders Pvt. Ltd.
Suyashan Director *Wardha K. Singh* Director

Fixed Assets

Fixed Assets	GROSS BOOK VALUE			ACCUMULATED DEPRECIATION			NET BOOK VALUE	
	Balance as at 1 April 2016	Additions (Disposals)	Accumulated Depreciation (Disposals) combinations	Balance as at 31 March 2017	Depreciation charge for the year	Balance as at 31 March 2017	Balance as at 1 April 2016	Balance as at 31 March 2017
Tangible Assets								
Nissan Terrano Car	1,226,015.00	-	-	1,226,015.00	161,667.43	877,989.36	511,803.07	350,025.64
Biometric	-	19,950.00	-	19,950.00	4,501.95	4,581.95	-	15,368.05
Cube Testing Machine	-	86,625.00	-	86,625.00	18,925.76	18,925.76	-	67,699.24
Computer	62,967.00	43,313.00	-	106,280.00	43,358.97	56,098.75	50,227.22	50,181.25
Computer Software	-	294,775.00	-	294,775.00	114,996.23	114,996.23	-	179,778.77
DG Set	-	740,000.00	-	740,000.00	4,199.15	4,199.15	-	735,800.85
Printer	22,532.00	8,348.00	-	30,880.00	3,587.34	22,005.27	4,114.07	8,874.73
Furniture	10,255.00	503,216.76	-	513,471.76	86,082.28	86,554.91	9,782.37	428,916.85
Level Machine	18,000.00	-	-	18,000.00	3,057.36	4,120.63	16,946.73	13,879.37
Mobile	45,710.00	23,998.00	-	69,708.00	24,621.84	32,467.34	37,864.50	37,240.66
Server	-	61,635.00	-	61,635.00	13,939.02	13,939.02	-	47,695.98
Xerox Machine	33,750.00	-	-	33,750.00	-	32,062.00	1,688.00	1,688.00
Total	1,421,229.00	1,761,860.76	-	3,203,089.76	479,217.33	1,267,940.37	632,605.86	1,935,149.39
Previous Year	1,277,105.00	144,124.00	-	1,421,229.00	262,658.99	788,723.04	751,040.95	632,505.96



SGM Builders Pvt. Ltd.
Suyashankar
 Director

SGM Builders Pvt. Ltd.
Aradhna A. Jeej
 Director

Note No. 4
 Non-current Investments
 Details of Trade Investments

(1)	(2)	Part of Shares / Units		Product / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)			Whether stated at Cost / Yes / No	If Answer to Column (1) is 'No' Basis of Valuation
		2016-17 (4)	2015-16 (5)			2016-17 (8)	2015-16 (9)	2016-17 (10)		
(a)	Investments in Mutual Fund									
	RLF IP DGP Growth Option	785,781	241,940	Unquoted	NA	-	-	3,071,575.05	872,364.39	(13)
	Total							3,071,575.05	872,364.39	N.A.



SGM Builders Pvt. Ltd. SGM Builders Pvt. Ltd.
Syabhanand *Vasna A Sawf*
 Director Director

Note No.-10
Inventories

	As at 31/03/17	As at 31/03/16
(a) Project at Picnic Garden		
Land at Picnic Garden	8,218,949.09	8,218,949.09
Work-in-progress	211,266,443.30	122,356,738.70
Raw Materials	28,879,664.73	1,796,487.36
Total	248,365,057.12	132,372,175.15

Note No.-11
Cash and cash equivalents

	As at 31/03/17	As at 31/03/16
(a) Balance with Axis Bank in Current A/c	31,942.23	31,942.23
(b) Cash in hand	119,445.70	12,920.70
(c) Balance with Yes Bank Limited in Current A/c	364,188.00	4,100,000.00
Total	515,575.93	4,144,862.93

Note No.-12
Short-term loans and advances

	As at 31/03/17	As at 31/03/16
(a) Others	20,987,527.50	2,188,524.00
Total	20,987,527.50	2,188,524.00

Note No.-13
Other Current Assets

	As at 31/03/17	As at 31/03/16
(a) Related Parties	4,116,003.62	2,116,003.62
(b) Others	1,401,683.65	1,851,762.34
Total	5,517,687.27	3,967,765.96
Related Party Transaction		
Bengo Sales Pvt. Ltd.	78,175.12	78,175.12
Pleasant Niryat Pvt. Ltd.	750,000.00	750,000.00
Sugam Griha Nirmaan Ltd. A/c Picnic Garden	3,287,828.50	1,287,828.50



SGM Builders Pvt. Ltd.
Suryakant
Director

SGM Builders Pvt. Ltd.
Ushma A Saraf
Director

Annexure No. 14

Other Income

	2016-17	2015-16
(a) Profit from AOP 'Sugam Park'	309,152.67	206,908.94
(b) Short Term Capital Gain without STT	599,210.66	166,360.11
(c) Interest on TDS Refund	399.00	2,435.50
(d) Income from CESC Ltd.	-	626.65
(e) Income from Unit Cancellation	136,956.00	-
Project at Picnic Garden		
(f) Miscellaneous Income	4,353.00	18,998.00
(g) Rate Difference	2,425.00	65.00
Total	1,052,496.33	395,394.20

Additional information:

Since Miscellaneous Income & Rate Difference are relatable to the project "Sugam Habitat", the same are reduced from Construction cost

Annexure No. 15

Purchases of Stock-in-Trade

	2016-17	2015-16
(a) For Development		
(i) Land at Picnic Garden		
(ii) Cement	1,344,480.00	659,000.00
(iii) Chemical & Paints	14,025.00	1,300.00
(iv) Electrical Goods and Accessories	454,321.00	363,098.50
(v) Furniture, Fixtures & Windows	87,390.00	16,000.00
(vi) Glass & Mirror	151,027.00	-
(vii) Hardware	5,965.97	-
(viii) Home Appliance	340,100.00	-
(ix) Iron & Steel	21,005,103.00	2,553,244.00
(x) Light and fittings	114,162.00	-
(xi) Marble & Granites	231,723.00	-
(xii) Paints and Accessories	35,940.00	-
(xiii) Pipe & Pipe Fittings	73,652.61	89,248.00
(xiv) Pipes & Fittings	8,147.00	232,904.00
(xv) Plywood & Wood	23,088.00	-
(xvi) Pump Set	-	85,073.00
(xvii) Ready Mix Concrete	39,316,348.00	6,309,985.00
(xviii) Portable Cabin	-	300,000.00
(xix) Sanitary Fittings	65,508.42	1,962.00
(xx) Wooden Materials	93,056.00	39,526.00
Total	63,364,037.00	10,651,340.50

Additional information:

The company had purchased 2 adjacent properties at 158 & 158A, Picnic Garden Road, Kolkata along with other companies to commercially exploit the same. These two properties have been amalgamated and numbered as Plot No. 158A, Picnic Garden Road, Kolkata.



Contd....

SGM Builders Pvt. Ltd. SGM Builders Pvt. Ltd.
Suryadran Director *Madhna A. Gray* Director

Construction expenses

Project at Picnic Garden		2016-17	2015-16
(a)	Accounting Charges	< 160,000.00	60,000.00
(b)	Advertisement	< 9,502,491.75	11,032,646.16
(c)	Architect Fees	-	4,206,781.00
(d)	Bad Debts	< 27,131.00	-
(e)	Bank Charges	< 4,035.51	342.50
(f)	Car Hire Charges	-	2,200.00
(g)	Car Insurance	< 15,100.00	16,672.00
(h)	Car Maintenance	< 121,265.07	51,941.97
(i)	Card Expenses A/c	< 38,818.95	15,879.67
(j)	Commission	< 6,398,665.00	3,235,280.50
(k)	Computer & Accessories	< 67,392.00	26,783.00
(l)	Conference Fee	< 98,000.00	9,000.00
(m)	Consultancy Fees	-	196,980.00
(n)	Coffee bags	< 1,115.00	-
(o)	Conveyance	< 86,284.00	32,230.00
(p)	Corporation Tax	< 553,084.00	553,084.00
(q)	Credai Bengal Realty Awards 2017 Nomination Charges	< 46,000.00	-
(r)	Cricket Tournament	< 28,800.00	-
(s)	Custom Duty	< 4,821.00	-
(t)	Diesel	< 215,344.00	-
(u)	Electricity Expenses	< 476,080.00	93,670.00
(v)	Entertainment Expenses	< 28,906.29	6,030.00
(w)	Fooding & Lodging	-	-
(x)	Foreign Travelling Expenses	< 1,100,597.79	421,679.58
(y)	General Expenses	< 63,474.08	29,394.00
(z)	Hospitality	< 189,544.44	29,561.46
(aa)	Insurance	< 561,509.00	463,973.00
(ab)	Labour Charges	< 11,466,859.70	3,436,044.60
(ac)	Landscaping	< 147,310.00	9,200.00
(ad)	Late Filing Levy u/s 234E	-	400.00
(ae)	Legal Charges	< 12,565.00	85,150.00
(af)	Machine Hiring charges	< 1,471,483.40	947,832.50
(ag)	Membership Expenses	< 34,467.00	8,900.00
(ah)	NOC Charges	-	260,000.00
(ai)	Nomination fee for Golden Bricks Award	-	25,125.00
(aj)	Office Maintainance	-	1,881.00
(ak)	Papers & Periodicals	< 5,547.27	778.00
(al)	Postage and Telegram	< 55,110.00	-
(am)	Printing & Stationery	< 58,702.78	70,674.00
(an)	Professional Charges	< 2,286,310.00	2,086,804.00
(ao)	Repairs & Maintenance	< 7,530.00	26,592.00
(ap)	Registration Expenses	-	33,800.00
(aq)	Retainership	< 380,771.00	130,319.00
(ar)	Royalty Charges	< 100,000.00	-
(as)	Sales Promotion	< 2,367,694.66	1,469,555.00
(at)	Sanction fees	< 3,944,341.00	-
(au)	Security Charges	< 95,264.00	228,223.00
(av)	Software Charges	< 20,203.62	110,900.60
(aw)	Site Expenses	< 148,557.00	188,383.00
(ax)	Sundries Written Off	< 22,297.65	-
(ay)	Telephone Expenses	< 70,474.00	34,352.00
(az)	Temporary Structure	< 168,450.00	908,208.00



Contd....

SGM Builders Pvt. Ltd.

Suyasana
Director

SGM Builders Pvt. Ltd.

Asarna A Saraf
Director

(aaa) Testing Charges	63,944.00	610.00
(aab) Trade Fair		
(aac) Training Expenses	496,980.00	-
(aad) Transport Charges	49,390.00	29,500.00
(aae) Travelling Expenses	134,932.00	508,573.00
(aaf) Auditor's Remuneration :	679,725.10	281,426.82
(i) for statutory audit		
(ii) for tax audit	34,000.00	25,300.00
(iii) for company law matters	31,000.00	16,100.00
(iv) for other services	9,549.00	-
	18,090.00	16,420.00
Total	44,170,007.06	31,425,180.36

Note No.:17

Changes in inventories of finished goods work-in-progress and Stock-in-Trade

	2016-17	2015-16
Opening Stock :		
(a) Land at Picnic Garden		
(b) Work-in-Progress	8,218,949.09	8,218,949.09
(c) Raw Materials	122,356,738.70	77,588,681.97
Cement		
Iron & Steel	676,386.36	45,000.00
Chemical & Paints	854,100.00	160,000.00
Electrical Fittings & Accessories	1,300.00	-
Furniture, Fixtures & Windows	44,927.00	-
Pipe & Pipe Fittings	16,000.00	-
Wooden Materials	89,248.00	-
Ready Mix Concrete	39,526.00	-
	75,000.00	-
Closing Stock :		
(a) Land at Picnic Garden		
(b) Work-in-Progress	8,218,949.09	8,218,949.09
(c) Raw Materials	211,266,443.30	122,356,738.70
Cement		
Iron & Steel	1,669,530.00	676,386.36
Chemical & Paints	13,792,760.59	854,100.00
Electrical Fittings & Accessories	7,060.00	1,300.00
Furniture, Fixtures & Windows	60,994.14	44,927.00
Home Appliance	90,790.00	16,000.00
Pipe & Pipe Fittings	39,800.00	-
Wooden Materials	6,870.00	89,248.00
Ready Mix Concrete	-	39,526.00
	13,211,860.00	75,000.00
Total	(115,992,881.97)	(46,359,544.09)

Note No.:18

Employee Benefit Expenses

	2016-17	2015-16
Project at Picnic Garden		
(a) Director's Remuneration	654,390.00	1,190,800.00
(b) Salaries and incentives	3,405,560.00	1,234,278.00
(c) Bonus	362,827.00	164,344.00
(d) Transport Allowance	161,960.00	70,000.00
(e) Staff Welfare	13,205.00	6,169.00
Total	4,597,942.00	2,665,591.00



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SGM Builders Pvt. Ltd.

Sujatana
Director

SGM Builders Pvt. Ltd.

Sasmita A. Sanyal
Director

Note No.:19

Finance Cost

Project at Picnic Garden		2016-17	2015-16
(a)	Interest Paid	2,083,670.00	1,589,517.00
(b)	Loan Processing fees	1,193,700.00	-
(c)	Interest on Bank O/D	573,332.00	-
(d)	Interest on car finance	8,946.91	41,572.23
(e)	Interest on TDS	6,652.00	4,450.00
(f)	Interest on Service Tax	1,373.00	956.00
Total		3,867,673.91	1,636,495.23

Note No.:20

Other Expenses

		2016-17	2015-16
(a)	Filing Fee	2,400.00	1,200.00
(b)	Donation	515,000.00	295,000.00
(c)	Late Filing Levy u/s 234E	7,200.00	-
(d)	Penalty on Service Tax	500.00	-
(e)	Rates and taxes	3,330.00	1,950.00
(f)	Sundries Written Off	-	3,119.92
Total		528,430.00	301,269.92



SGM Builders Pvt. Ltd.

Singhania

Director

SGM Builders Pvt. Ltd.

Dasgupta

Director

S.G.M. BUILDERS PRIVATE LIMITED
2/5, Sarat Bose Road, Unit-1F
Kolkata - 700 020

CIN: U70101WB1995PTC075684
E-Mail: sales@sugamhomes.com

Phone: +9133 30521200
Fax: +9133 24749919

Form No.: 21

Notes to Financial statements

1) Significant Accounting Policies

- a) The accounts are prepared on the historical cost basis and on the accounting principles of a going concern.
 - b) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.
 - c) Fixed Assets are stated at cost less depreciation.
 - d) Depreciation on fixed assets is provided on written down value method (WDV) in the manner prescribed in Schedule II to the Companies Act, 2013 over the useful life of an asset after deducting residual value of 5% of the original cost of the asset. Where the remaining useful life of an asset is nil, it is carried at the residual value and where the written down value is less than the residual value of 5% of the cost of the asset, its residual value is reduced to the amount of written down value and no depreciation is charged on such asset.
 - e) Investments are intended to be held for more than 12 months after the reporting date, so are classified as non-current investments.
 - f) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured and other specific recognition criteria must also be met before revenue is recognized.
 - g) Earning per share is calculated by dividing the net loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
 - h) Work-in-progress at Picnic Garden is valued at lower of cost and net realizable value. Cost includes direct and indirect expenses incidental to the acquisition and development of the land at Picnic Garden & also Interest on the amount borrowed pursuant to AS-16 issued by the Institute of Chartered Accountants of India. Selling cost viz. Advertisement, Sales Promotion & Commission to the tune of Rs.1,82,68,851.41 is also added to the WIP in order to carry it forward to match the expenses with corresponding revenue, which will be reduced from the cost & charged to expenses in the year in which the relevant project will be substantially completed and revenue will be booked. Miscellaneous amount directly relatable to the project is reduced from the cost of inventory. The company follows the project completion method to recognise its revenue.
- 2) The company is a Small and Medium-sized Company (SMC) as defined in the general instructions in respect of the accounting standard notified under the Companies Act, 1956. Accordingly the company has complied with the accounting standard as applicable to the Small and Medium-sized Company (SMC).
 - 3) Figures of previous year have been re-grouped and/or re-arranged. Nomenclature has also been changed, wherever necessary
 - 4) Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 :-

	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	390,000.00	22,380.70	412,380.70
(+) Permitted Receipts	-	395,000.00	395,000.00
(-) Permitted Payments	-	(43,903.00)	(43,903.00)
(-) Amount deposited in Banks	(390,000.00)	(60,000.00)	(450,000.00)
Closing cash in hand as on 30.12.2016	-	313,477.70	313,477.70



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SGM Builders Pvt. Ltd. SGM Builders Pvt. Ltd.

Sugam Singh
Director

Uday Kumar Singh
Director

Names of Related Parties, nature of their relationship and transactions taken place with them pursuant to AS-18 regarding Related party disclosures, are reported below:

S. No.	Relationship	Name
1	Key Management Personnel (KMP)	Ashok Saraf (resigned w.e.f. 24/10/16) (DIN: 00502607) Arvind Kumar Saraf (resigned w.e.f. 24/10/16) (DIN: 00501516) Suyash Saraf (Appointed w.e.f. 29.09.16) (DIN - 03574264) Aastha Agarwal Saraf (Appointed w.e.f. 29/09/16) (DIN :07630260)
2	Relatives of Key Management Personnel, where transactions have taken place	Ashok Saraf
3	Joint Venturer where transactions have taken place	Bengo Sales Pvt. Ltd. Sugam Griha Nirmaan Ltd. Banbury Homes Private Limited
4	Enterprises over which KMP or their relatives are able to exercise significant influence, where transactions have taken place	Sugam Griha Nirmaan Ltd. Sugam Park Ashok Enterprises Sugam Infrastructure Ltd.

Transactions with Related Party

S. No.	Particulars	Name of Concern	Current Year Amount (in Rs.)	Previous Year Amount (in Rs.)
1	Loans & Advances taken/adjusted	Sugam Griha Nirmaan Ltd. Banbury Homes Private Limited	- -	4,000,000.00 1,500,000.00
2	Loans & Advances repaid/adjusted	Sugam Griha Nirmaan Ltd. Ashok Saraf Sugam Builders Pvt. Ltd.	- - 8,997.57	4,095,496.95 15,000.00 -
3	Loans & Advances given	Sugam Griha Nirmaan Ltd. A/c Picnic Garden Ashok Enterprises Arvind Kumar Saraf	2,000,000.00 - -	5,383,325.45 600,000.00 7,746.00
4	Loans & Advances Recovered	G D Properties Pvt. Ltd. Rajputana Supply Pvt. Ltd. Nani Overseas Pvt. Ltd. Flexwell Commerce Pvt. Ltd. Brightways Merchants Pvt. Ltd. Sugam Griha Nirmaan Ltd. A/c Picnic Garden Ashok Enterprises Ashok Saraf Banbury Homes Private Limited	- - - - - - - 2,746.00 -	1,252,325.45 1,610,000.00 606,000.00 607,000.00 1,308,000.00 4,000,000.00 225,000.00 - 1,000,000.00
5	Investment as capital by the company	Sugam Park	27,300,000.00	4,900,000.00

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SGM Builders Pvt. Ltd.
Suyash Saraf
Director

SGM Builders Pvt. Ltd.
Aastha A Saraf
Director

		<u>Current Year Amount (in Rs.)</u>	<u>Previous Year Amount (in Rs.)</u>
6	Withdrawal of capital Sugam Park	4,600,000.00	14,175,000.00
7	Reimbursement Arvind Kumar Saraf	5,000.00	-
8	Profit distribution Sugam Park	309,152.67	206,908.94
9	Director's Remuneration Arvind Kumar Saraf Ashok Saraf	- 654,390.00	91,600.00 1,099,200.00
10	Salary Paid Ashok Saraf	504,810.00	-
11	Electrical Goods & Accessories Ashok Enterprises	107,630.00	90,455.00
12	Machine Hiring Charges Ashok Enterprises Sugam Infrastructure Ltd.	- 769,960.00	100,500.00 -

Related Party closing balances as on Balance Sheet Date:

Outstanding-net receivable/(payables)

Sugam Park	(1,804,588.10)	(24,813,740.77)
Sugam Griha Nirmaan Ltd.	3,287,828.50	1,287,828.50
Bengo Sales Pvt. Ltd.	78,175.12	78,175.12
Pleasant Niryat Pvt. Ltd.	750,000.00	750,000.00
Banbury Homes Private Limited	(1,500,000.00)	(1,500,000.00)
Ashok Enterprises	260,500.00	260,500.00
Arvind Kumar Saraf	-	5,000.00
Ashok Saraf	-	2,746.00
Sugam Infrastructure Ltd.	-	-

The tax effect of timing difference due to carried forward loss is giving rise to Deferred Tax Assets, but since there is no reasonable and virtual certainty that sufficient future taxable income will be available against such deferred tax asset can be realised, the deferred tax asset is not recognised in accordance with the Accounting Standard -22 issued by The Institute of Chartered Accountants of India.

Foreign currency transactions during the year were recorded at the exchange rates prevailing on the dates of transactions.

Foreign Currenct Transactions:

		<u>Current Year Amount</u>	<u>Previous Year Amount</u>
Foreign Travelling Expenses	USD	3,426.98	2,357.56
	INR	231,587.07	155,412.83
	AED	46.00	-
	INR	833.58	-
	CAD	2,839.10	-
	INR	149,336.56	-
	EURO	(348.40)	1,139.04
	INR	(26,039.00)	83,032.75
	GBP	3,862.71	1,178.98
	INR	329,668.14	118,066.00

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SGM Builders Pvt. Ltd.

Suyashankar
Director

SGM Builders Pvt. Ltd.

Madhna A Singh
Director