

M/S MAHAKOSH PROPERTY DEVELOPERS, NEW DELHI
BALANCE SHEET AS ON 31ST MARCH 2019

LIABILITIES	Sch. No.	AMOUNT	ASSETS	Sch. No.	AMOUNT
PARTNER'S FIXED CAPITAL ACCOUNT	A	24,90,000	FIXED ASSETS	D	37,52,318
PARTNER'S CURRENT ACCOUNT	A	38,30,75,478	CURRENT ASSETS, LOANS & ADVANCES		
UNSECURED LOAN: Revara Developer LLP		12,13,00,000	A) CURRENT ASSETS		
CURRENT LIABILITIES & PROVISIONS:			INVENTORY : (AT COST)		
A) CURRENT LIABILITIES:			Project Site At Tangra - Commercial WIP		46,36,50,983
(i) Sundry Creditors		3,56,29,668	Construction Material at Site		1,56,35,823
(ii) Advance From Customers		12,82,69,774	Land - at 5 Paymental Garden Lane, Kolkata		2,17,61,329
(iii) Due to RRHL Realty Limited [Developer] (In Current Account)		6,42,75,444	(As valued & certified by the managing partners)		
(iv) Statutory Liabilities	B	50,226	Cash and Bank Balance	E	4,61,940
(v) Other Current Liabilities	C	27,39,460	B) LOANS & ADVANCES		
			(Advance recoverable in cash or in kind or for value to be received)		
			Loans & Advances	F	21,29,05,586
			Sundry Deposits	G	1,96,62,070
TOTAL		73,78,30,050	TOTAL		73,78,30,050

Notes : Significant Accounting Policies & Notes on accounts forming part of financial statements are enclosed

Examined and Found in accordance with books of accounts.

For: P. D. Nagar & Co.
Chartered Accountants



P. D. Nagar

(P. D. Nagar)
Proprietor

M.No.8627 / FRN 001231C

Date: 27/05/2019
Place: Indore

Partner Partner

RRHL Realty Limited

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Authorized Signatory

M/S MAHAKOSH PROPERTY DEVELOPERS, NEW DELHI					
COMMERCIAL PROJECT (WORK IN PROGRESS) ACCOUNT FOR THE PERIOD ENDED ON 31ST MARCH 2019					
Particulars		Amount (Rs.)	Particulars		Amount (Rs.)
Opening Inventory			Closing Inventory		
Tangra Site - 'Commercial'-			Tangra Site - 'Commercial'-		
(i) Proportionate Land at Tangara	3,15,22,854	41,55,23,495	(i) Proportionate Land at Tangara	3,15,22,854	47,92,86,806
(ii) Work in Progress- Commercial	36,85,47,648		(ii) Work in Progress- Commercial	43,21,28,129	
(iii) Construction Material	1,54,52,993		(iii) Construction Material	1,56,35,823	
Direct Expenses Related to Commercial Project at Tangra Site					
To Construction Material	1,43,77,422	6,36,65,775			
To Construction Exp.	2,22,92,992				
To Municipal Sanction Fee	1,47,91,536				
To Other Exp.	76,49,343				
To Architect & Consultants Fees	45,54,482				
To Admin Expenses:					
Security Service Charges	67,337	97,536			
Marketing & Selling Expenses	30,199				
SUB TOTAL		47,92,86,806	SUB TOTAL		47,92,86,806
PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON 31ST MARCH 2019					
Particulars		Amount (Rs.)	Particulars		Amount (Rs.)
Partner's Remuneration		33,00,000	Sales Consideration		
Interest to Partners		3,69,74,000	33% Share of gross receipts of Residential units from Developer at Tangra Site		61,12,124
Legal & Professional Expenses		59,360			
Salary, Bonus & Allowances		6,95,638			
Travelling & Conveyance & Hotel Expenses		8,68,801			
Audit Fees		47,200			
Bank Charges		17,062			
Insurance Expenses		1,37,763	Other Income (Sch. 'H')		
Professional Tax		2,500			1,43,545
Printing & Stationery Exps.		69,542	Net Loss Divided amongst partners		3,73,12,283
Repairs and Maintenance		7,76,893			
Misc. Expenses		1,30,216			
Interest on Delay Payment of Taxes		658			
Depreciation		4,88,320			
		4,35,67,952			4,35,67,952

Notes : Significant Accounting Policies & Notes on accounts forming part of financial statements are enclosed

Examined and Found in accordance with books of accounts.
For: P. D. Nagar & Co.
Chartered Accountants



(Signature)
(P. D. Nagar)
Proprietor

Date: 27/05/2019

Place: Indore

Partner

Partner

RRHL Realty Limited

(Signature)
Authorized Signatory

M/S. MAHAKOSH PROPERTY DEVELOPERS

Schedule Forming Part of Audited Balance Sheet As on 31/03/2019

Schedule "A"

Partners Fixed Capital A/c as on 31/03/2019

Name of the Partner	Profit Sharing Ratio	Balance as on 01/04/2018	Balance as on 31/03/2019
M/s Anik Industries Ltd.	21%	1,00,000	1,00,000
M/s Osprey Traders & Agencies P. Ltd.	15%	50,000	50,000
Shri Sureshchand Shahra (HUF)	21%	10,50,000	10,50,000
Smt. Mriduladevi Shahra	11%	10,50,000	10,50,000
Shri Nitesh Shahra	11%	1,00,000	1,00,000
Shri Manish Shahra	21%	1,40,000	1,40,000
Total		24,90,000	24,90,000

Partners Current A/c as on 31/03/2019

Name of the Partner	Balance as on 01/04/18	Deposits during the year	Interest Credited	Remuneration on Credited	Withdrawals during the year	Share in Net Profit	Balance as on 31/03/2019
M/s Anik Industries Ltd.	22,87,73,445	31,58,77,000	2,91,96,631	-	19,81,50,000	(78,35,580)	36,78,61,496
Osprey Trades & Agencies Pvt Ltd.	(3,09,66,612)	-	-	-	60,000	(55,96,843)	(3,66,23,454)
Shri Sureshchand Shahra (HUF)	7,23,55,499	62,55,000	41,31,665	-	3,99,86,000	(78,35,580)	3,49,20,585
Smt. Mriduladevi Shahra	(85,79,437)	66,02,216	-	-	57,00,000	(41,04,351)	(1,17,81,572)
Shri Nitesh Shahra	4,05,07,817	-	36,45,704	-	-	(41,04,351)	4,00,49,169
Shri Manish Shahra	(98,94,167)	3,11,50,000	-	33,00,000	2,80,71,000	(78,35,580)	(1,13,50,746)
Total	29,21,96,545	35,98,84,216	3,69,74,000	33,00,000	27,19,67,000	(3,73,12,283)	38,30,75,478

M/S. MAHAKOSH PROPERTY DEVELOPERS

Schedule "B"

Statutory Liabilities as on 31/03/2019

Particulars	Amount
(i) TDS Payable:	
On Contractor Payments	36,458
On Professional Fees	10,700
On Rent of Plant, Machinery & Equipments	3,020
(ii) Professional Tax Payable	48
Total	50,226

Schedule "C"

Other Current Liabilities as on 31/03/2019

Particulars	Amount
Salary Payable	22,75,415
Electricity Expenses Payable	4,64,045
Total	27,39,460



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M/S. MAHAKOSH PROPERTY DEVELOPERS

Schedule "D"

Fixed Assets forming part of Balance Sheet as on 31/03/2019

Particulars	Rate of Depn.	Op. Balance on 01/04/2018	Additions		Balance as on 31.03.2019	Depreciation	Net Balance as on 31/03/2019
			Before Sept.	After Sept.			
Vehicles							
Car	15%	2,23,904	-	-	2,23,904	33,586	1,90,318
Cycle	15%	526	-	-	526	79	447
Computer	60%	128	-	-	128	77	51
Electrical Instruments	15%	3,40,743	-	-	3,40,743	51,111	2,89,632
Furniture & Fixtures	10%	29,56,671	-	-	29,56,671	2,95,667	26,61,004
Office Equipments							
Air Conditioner	15%	1,79,852	-	-	1,79,852	26,978	1,52,874
Aquagaurd	15%	7,395	-	-	7,395	1,109	6,286
Office Equipment	15%	2,748	-	-	2,748	412	2,335
Theodilite & Auto Level Insutrumnt	15%	6,249	-	-	6,249	937	5,312
Fire Extinguisher	15%	370	-	-	370	55	314
Generator	15%	10,650	-	-	10,650	1,597	9,052
Mobile	15%	14,296	-	-	14,296	2,144	12,152
Refrigerator	15%	91,853	-	-	91,853	13,778	78,075
Digital Camera	15%	2,942	-	-	2,942	441	2,500
LCD	15%	35,379	-	-	35,379	5,307	30,072
Micro wave Oven	15%	1,137	-	-	1,137	171	967
Weighbridge	15%	3,65,794	-	-	3,65,794	54,869	3,10,925
Total		42,40,638	-	-	42,40,638	4,88,320	37,52,318



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M/S. MAHAKOSH PROPERTY DEVELOPERS	
Schedule "E"	
Cash & Bank Balances as on 31/03/2019	
Particulars	Amount
Cash in Hand	11,812
State Bank of India	73,945
IDBI Bank Ltd. 2615 INDORE	33,409
Central Bank of India, INDORE	11,000
Axis Bank Ltd.-A/C No.913020027518992	3,31,774
Total	4,61,940
Schedule "F"	
Loan & Advances as on 31/03/2019	
Particulars	Amount
Advances to Employee against Salary	1,17,500
Advances to Employee against Expenses	14,000
Advance to Supplier	5,40,089
Service Tax Receivable (Refunded to Customers)	26,32,955
Abet Infratech Private Limited	1,62,144
VSB Vastram Pvt.Ltd.	3,687
Satvik Gold LLP	1,55,667
Nakshatra Devcon LLP	14,74,39,000
KMC Fees for Residential project	4,58,74,680
CGST Credit Available	83,90,026
SGST Credit Available	69,76,917
IGST Credit Available	5,85,166
Prepaid Expenses	13,756
Total	21,29,05,586
Schedule "G"	
Sundry Deposits as on 31/03/2019	
Particulars	Amount
Interest Receivable on Deposits with CESC Ltd.	1,78,419
Security Deposits	55,60,020
Income Tax Deposited (Appeal A.Y 2014-15)	5,73,917
Income Tax Deposited (Appeal A.Y 2015-16)	1,04,27,592
Income Tax Deposited (Appeal A.Y 2016-17)	25,00,000
Income Tax Refund A.Y.2011-12	30,595
Income Tax Refund A.Y.2018-19	2,78,683
Income Tax Refund A.Y.2019-20	1,12,844
Total	1,96,62,070
Schedule "H"	
Other Misc. Income as on 31/03/2019	
Particulars	Amount
Rent Received form CESC	63,646
Interest Received	57,400
Credit Balances Written off	22,499
Total	1,43,545

RRHL Realty Limited

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M/S. MAHAKOSH PROPERTY DEVELOPERS, NEW DELHI

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED ON 31.03.2019.

A) SIGNIFICANT ACCOUNTING POLICIES:

1. The accounts are prepared under the historical cost basis.
2. Mercantile system of accounting has been followed by the firm.
3. a) Fixed assets are valued at cost including cost of acquisition.
b) Depreciation has been provided at the rates prescribed under the Income Tax rules.

B) NOTES ON ACCOUNTS

1. The Firm was constituted on 01.05.2004 to carry on real estate business. It had purchased a property located at 54/10, D.C. Dey Road, Kolkata, popularly known as Tangra Site, Kolkata from Tyre Corporation of India Ltd. consisting of land, factory building, plant & machinery & fittings etc. Plant & Machinery including factory building and other fixtures attached to plot of land were dismantled & sale consideration thereof was reduced from the cost of asset purchased.
2. The firm, thereafter, had entered into an agreement with M/s. Ruchi Reality Holdings Limited now known as RRHL Realty Ltd on 31.03.2008 for development of aforesaid property in accordance with the sanctioned map. As per the site plan entire land was de-marketed for two different projects i.e. a) Residential Tower and b) Commercial Tower. The construction of all residential towers was covered in development agreement with "Ruchi" whereas right to construct commercial tower was retained by the firm. Therefore, proportionate cost of land allocated for "Commercial tower" valued at Rs.3,15,22,854/- was excluded while arriving at the surplus on residential Towers.
3. The significant accounting aspects of the agreement executed with M/s. Ruchi Reality Holdings Limited now known as RRHL Realty Ltd (hereinafter referred to as "Ruchi" are:
 - i) Entire cost of construction & development expenses excluding fees payable to statutory bodies (Municipal Corporation) be borne by "Ruchi" - the "Developer".
 - ii) Architect fees and other direct and indirect expenditure including depreciation, interest on term loan to be borne by the firm "Mahakosh Property Developers".
 - iii) The responsibility of construction, risk of development subsequent to the execution of agreement, the power to sell the developed units of the property to be vested in "Ruchi" i.e. the Developer.
 - iv) M/s. "Ruchi" (developer) shall have absolute rights to market and sell the apartments so constructed as a principal and not as an agent. "Mahakosh" need not be a confirming party to the agreement with flat owners i.e. prospective buyers. The contracts and/are agreement will be entered into between prospective buyers and "Ruchi" pursuant to the development agreement as the principal. The firm "Mahakosh" would have no obligation, whatsoever, save and except signing and executing sale deeds / documents.


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4. On execution of the joint venture agreement with "Ruchi", the status of "Mahakosh" became a passive participant in the joint venture with an right to receive an amount equal to 33% of the gross sale proceeds collected by "Ruchi" from prospective buyers against its costs incurred till the date of the agreement.
5. The joint venture agreement with "Ruchi" covered the construction of six residential towers as per map sanctioned by Municipal Corporation out of which four towers were already constructed and sold, revenue of which has already been recognized by "Mahakosh" in terms said agreement. The construction of remaining two towers could not be completed and due to lapse of time, the map already sanctioned required renewal thereof. The sanctioned map was renewed with certain modifications covering remaining two residential towers and Commercial Tower being constructed by the firm at its own. The firm deposited Municipal fee of Rs.6,06,67,173/- for renewal of map such such cost has been apportioned based on saleble area of two residential towers and Commercial Tower. Accordingly, a sum of Rs. 1,47,91,736/- has been allocated to Commercial Tower (WIP). Remaining amount of Rs. 4,58,75,437/- relating to two residential towers has been treated as advance being additional cost of two towers to be adjusted as and when income accrues through Developer "Ruchi" as per terms of joint venture agreement with said Company.
6. As the agreement with the flat owners are being entered into by "Ruchi" in its capacity as principal and not agent, passing of substantial risk and reward in favor of the flat owners is absolute responsibility of "Ruchi" Therefore, 33% of the gross sale proceeds was appropriated towards cost and the surplus over and above the cost is being considered as income of "Mahakosh".
7. By the end of the financial year 2013-14 construction of four "Residential Towers" out of six was over in all respect. The firm did not follow percentage completion method since 31.03.2008 and proportionate cost of land and other administrative & finance cost have already been recovered in full till Financial year 2012-13 hence thereafter entire receipts from the developer (33% share) have been considered as revenue receipts to arrive at the "Surplus" or net profit from residential project.

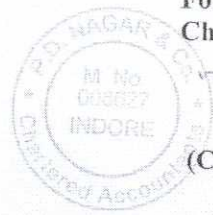
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8. Remaining site located at "Tangra" was allocated for "Commercial tower" valued at Rs.3,15,22,854/- has been treated as stock in trade. Such proportionate cost of land therefore does not form part of profit and loss account. The firm had commenced construction of commercial Tower and also received advances against booking of offices in Commercial Tower based on agreements being executed with prospective buyers. As the construction of such offices are continued, therefore, the firm decided to recognize the revenue by following percentage completion method. The significant risks and rewards of ownership of Commercial Space can be considered to have transferred only on execution of registered sale deeds with the buyers and during the year, registered sale deeds in favour of any buyer have not been executed hence revenue is not being recognized for the year ended on 31.03.2019 in relation to Commercial Tower Project. Expenditure incurred which are directly related to construction of Commercial project have been capitalized and considered as "work in progress".

Place: Indore
Date: 27.05.19



For: P.D.Nagar & Co.
Chartered Accountants

P.D. Nagar
(CA P.D. Nagar)
Proprietor
M. No.: 8627
FRN: 001231C

RRHL Realty Limited

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Authorized Signatory