

## Independent Auditor's Report

To  
The Members  
MEGASPACE INFRASTRUCTURE PRIVATE LIMITED  
Ranchi.

### Report on the financial statements

We have audited the accompanying (Standalone) financial statements of Megaspac Infrastructure Private Limited which comprise the Balance Sheet as at March 31, 2018 the statement of Profit and Loss, Cash Flow Statement of the year then ended, and a summary of significant accounting policies and other explanatory information. Entries related to GST has not been properly passed in the books of accounts of the assessee, and proper documents related to GST has not been provided by the assessee, hence we are unable to comment on it. TDS has not been deducted on some transactions where it should have been deducted

### Management's Responsibility for the (Standalone) Financial Statements

The company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("The Act") with respect to the preparation of these (Standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the companies (Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these (Standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those standards require the 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 or material misstatement of the financial statements, whether due of 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 operation effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (Standalone) financial statements



### Opinion

In our opinion and to the best of our information and according to the explanations given to us the aforesaid (Standalone) financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its Profit/Loss and its Cash flow for the year ended on the date.

### Report on Other Legal and Regulatory Requirements

1.As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give the "Annexure A(if any)" 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 sought and obtained all the information and explanations which of the best of our knowledge and belief were necessary for the purpose of our audit;

b.In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c.The Balance Sheet, the statements of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d.In our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e.On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

f.With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g.With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company does not have any pending litigations which would impact its financial position.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable lossess

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Ranchi

Dated: 28/08/2018



Manish Jaiswal & Associates  
(Chartered Accountants)

*Kamal Kishor*  
Kamal Kishor  
(Partner)

Membership No.- 423494  
FRN: 016822C

Add:-Mani Bhawan, Besides Canara Bank  
S.N. Ganguly Road, Main Road, Ranchi-834001

**MEGASPACE INFRASTRUCTURE PRIVATE LIMITED**

**HINOO, RANCHI  
RANCHI, JHARKHAND**

(Amount in Rupees)

**Balance Sheet as on 31.03.2018**

Particulars	Note No.	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
<b>I. EQUITY AND LIABILITIES:</b>			
<b>1 Shareholders' funds</b>			
(a) Share Capital	1	₹200,000.00	200,000.00
(b) Reserves and surplus	2	₹268,930.00	304,105.00
(c) Money received against share warrants		-	-
<b>2 Share application money pending allotment</b>			
<b>3 Non-current Liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities		-	-
(c) Other Long term liabilities		-	-
(d) Long-Term provisions		-	-
<b>4 Current liabilities</b>			
(a) Short-term borrowings	2a	₹1,797,222.00	-
(b) Trade payables	3	₹1,626,500.00	439,710.00
(c) Other Current liabilities	4	₹3,785,000.00	67,340.00
(d) Short-term provisions	5	₹80,803.00	124,659.00
<b>TOTAL</b>		<b>7,758,455.00</b>	<b>1,135,814.00</b>
<b>II. ASSETS:</b>			
<b>Non-current assets</b>			
<b>1 (a) Fixed assets</b>			
(i) Tangible assets	6	2,284,927.00	23,794.00
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		₹36,333.00	5,465.00
(d) Long-term loans and advances		-	-
(e) Other non-current assets		-	-
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories (WIP)		₹4,375,600.00	318,265.00
(c) Trade receivables	7	-	262,340.00
(d) Cash and cash equivalents	8	₹612,035.00	437,040.00
(e) Short term loans and advances		-	-
(f) Other current assets	9	₹449,560.00	88,910.00
<b>3 Miscellaneous Exp.</b>			
(To the Extent not written off)			
(a) Pre - Operative Exp.		-	-
(b) Preliminary Expenses		-	-
(c) Capital Expenditure		-	-
(d) Deferred Revenue Expenditure		-	-
<b>TOTAL</b>		<b>7,758,455.00</b>	<b>1,135,814.00</b>

Accounting policies & Notes on Account are forming part of Balance Sheet.

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IN TERMS OF OUR REPORT OF EVEN DATE

**Directors**

1. Damini Dixit Tiwari  
DIN: 08001730

2. Rajesh Kumar Tiwari  
DIN: 06366567

Place : Ranchi  
Dated: 28/09/2018



Address: Mami Bhawan, Besides Canara Bank  
S.N.Ganguly Road, Main Road  
Ranchi, Jharkhand

**MEGASPACE INFRASTRUCTURE PRIVATE LIMITED**

HINOO, RANCHI  
RANCHI, JHARKHAND

Profit and Loss Statement for the year ended 31.03.2018

(Amount in Rupees)

Particulars	Note No.	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
I. Revenue from operations			
(a) Sale of product		6,199,308.00	7,126,920.00
(b) Sale of Services			
(c) Other Operative Revenue			
II. Other income		-	-
III. Total Revenue (I+II)		<u>6,199,308.00</u>	<u>7,126,920.00</u>
IV. Expenses:			
Cost of materials consumed	10	9,197,101.00	5,971,646.00
Purchase of Stock-in-Trade			
Changes in inventories of finished goods		(4,375,600.00)	-
Work-in-progress and Stock-in-Trade			
Employee benefits expense	11	360,000.00	312,000.00
Finance cost		60,968.00	-
Depreciation and amortization expense		295,979.00	11,855.00
Other expenses	12	711,765.00	640,340.00
Total Expenses		<u>6,250,213.00</u>	<u>6,935,841.00</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		(50,905.00)	191,079.00
VI. Exceptional items		-	-
VII. Profit before extraordinary item and tax (V-VI)		<u>(50,905.00)</u>	<u>191,079.00</u>
VIII. Extraordinary items		-	-
IX. Profit before tax (VII-VIII)		<u>(50,905.00)</u>	<u>191,079.00</u>
X. Tax expenses:			
(1) Current tax		15,138.00	58,994.00
(2) Deferred tax		30,868.00	1,982.00
XI. Profit (Loss) for the period from continuing operations		<u>(35,175.00)</u>	<u>134,067.00</u>
XII. Profit/(loss) from discontinuing operations		-	-
XIII. Tax expenses of discontinuing operations		-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit (Loss) for the period (XI-XIV)		<u>(35,175.00)</u>	<u>134,067.00</u>
XVI. Earnings per equity share:			
(1) Basic		(1.76)	6.70
(2) Diluted		(1.76)	6.70

Accounting policies & Notes on Account are forming part of Balance Sheet.

IN TERMS OF OUR REPORT OF EVEN DATE

**Directors**

1. Damini Dixit Tiwari  
DIN: 08001730

2. Rajesh Kumar Tiwari  
DIN: 06366567

Place : Ranchi  
Dated: 23/09/2018

**MEGASPACE INFRASTRUCTURE PRIVATE LIMITED**

**NOTE : 1**

**SHARE CAPITAL**

31st March 2018

31st March 2017

**Disclosure 1**

Authorised	No. of Shares	Amount	No. of Shares	Amount
Preference Shares @ Rs. 10/- each				
Equity Shares @ Rs. 10/- each	20,000.00	2,00,000.00	20,000.00	2,00,000.00
<b>Issued</b>				
Preference Shares @ Rs. 10/- each				
Fully paid up for cash				
Equity Shares @ Rs. 10/- each	20,000.00	2,00,000.00	20,000.00	2,00,000.00
Fully paid up for cash	20,000.00	2,00,000.00	20,000.00	2,00,000.00

**Disclosure 2**

Particulars	Equity Shares		Preference Shares	
	No. of Shares	Amount	No. of Shares	Amount
Shares O/s at the begining	0	-	-	-
Shares issued during the year	20000	2,00,000.00	-	-
Shares write off during the year	0	-	-	-
Shares O/s at the end	0	-	-	-

**Disclosure 3**

**Shareholders holding more than 5% shares**

Name of Shareholder	31st March 2018		31st March 2017	
	No. of Shares	% of holding	No. of Shares	% of holding
Rajesh Kumar Tiwari	10000	50%	10000	50%
Anand Kumar	0	0%	10000	50%
Damini Dixit Tiwari	10000	50%	0	0%

**NOTE : 2**

**RESERVE & SURPLUS**

**Other Reserve - Amalgamation Reserve**

Opening Balance		-
Add: Current Year Transfer		-
Less: Written Back in current year		-
Closing Balance		-

**Securities Premium Account**

Opening Balance		-
Add : Security Premium Credit on Share		-
Less: Premium Utilised for Various Reasons		-
Premium on Redemption on Debentures		-
For Issing Bonus Shares		-
		-

**Surplus**

**Profit and Loss Account**

Opening Balance		3,04,105.00	1,70,038.00
Add : Net Profit / (Loss) for the year		(35,175.00)	1,34,067.00
Add : Trfd from Reserve		-	-
Less : Trfd to Reserve		-	-
Less : Dividend		-	-
		2,68,930.00	3,04,105.00
	Total Rs.	2,68,930.00	3,04,105.00



*Manish Jaiswal*  
*Damini Dixit*

*Rajesh*

**MEGASPACE INFRASTRUCTURE PRIVATE LIMITED**

**NOTE: 3 TRADE PAYABLES**

Sundry Creditors & Others	16,26,500.00	4,39,710.00
	<u>16,26,500.00</u>	<u>4,39,710.00</u>

**NOTE: 2A SECURED LOAN**

JCB Loan	17,97,222.00	-
	<u>17,97,222.00</u>	<u>-</u>

**NOTE: 4 OTHER CURRENT LIABILITIES**

Other Current Liabilities	37,85,000.00	67,340.00
	<u>37,85,000.00</u>	<u>67,340.00</u>

**NOTE : 5 SHORT TERM PROVISIONS**

Audit Fees Payable	8,000.00	8,000.00
Filing Fees Payable	2,400.00	2,400.00
Income Tax (F.Y-2012-13)	-	-
Income Tax (F.Y-2013-14)	-	-
Income Tax (F.Y-2014-15)	-	-
Income Tax (F.Y-2015-16)	55,265.00	55,265.00
Income Tax (F.Y-2016-17)	15,138.00	58,994.00
Total Rs.	<u>80,803.00</u>	<u>1,24,659.00</u>

**NOTE: 7 TRADE RECEIVABLES**

Sundry Debtors	-	2,62,340.00
	<u>-</u>	<u>2,62,340.00</u>

**NOTE : 8 CASH & CASH EQUIVALENTS**

SBI (C/A No. 445220)	5,93,383.99	3,98,946.92
Cash in hand (As Certified by the management)	18,651.01	38,093.08
Total Rs.	<u>6,12,035.00</u>	<u>4,37,040.00</u>

**NOTE: 9 OTHER CURRENT ASSETS**

TDS (F.Y-2015-16)	-	30,760.00
TDS (F.Y-2016-17)	-	13,000.00
TDS (F.Y-2017-18)	23,960.00	
Other Current Assets	4,25,600.00	45,150.00
	<u>4,49,560.00</u>	<u>88,910.00</u>

**NOTE : 10 MATERIAL CONSUMED**

Cost of Construction	91,97,101.00	59,71,646.00
	<u>91,97,101.00</u>	<u>59,71,646.00</u>

**NOTE: 11 EMPLOYEE BENEFIT EXPENSES**

Director's Remuneration	3,60,000.00	3,12,000.00
	<u>3,60,000.00</u>	<u>3,12,000.00</u>

**NOTE : 12 OTHER EXPENSES**

Staff Salary	4,72,000.00	2,72,000.00
Travelling & Conveyance	42,650.00	36,218.00
Advertising Expenses	9,230.00	7,524.00
Telephone & Mobile Expenses	36,250.00	28,690.00
Rent	-	1,20,000.00
Newspaper & Periodicals	1,920.00	1,870.00
Postage & Courier	612.00	927.00
Printing & Stationary	6,790.00	8,273.00
Electricity & Generator Expenses	32,570.00	52,367.00
Repairs & Maintenance	24,168.00	23,654.00
Office Expenses	29,598.00	36,186.00
Bank Charges	6,448.73	3,626.08
Misc. Expenses	39,119.00	34,570.00
Rounded off	9.27	8.92
Filing Fees	2,400.00	2,400.00
Audit Fees	8,000.00	8,000.00
Misc. Expenditure Written Off	-	4,026.00
Total Rs.	<u>7,11,765.00</u>	<u>6,40,340.00</u>



NOTES "6"  
FIXED ASSETS AS PER COMPANIES ACT.

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at 01.04.17	Rate	Addition during the Year	Sales During the Year	Total 31.03.2018	Total as at 01.04.17	During the Year	Total 31.3.2018	As at 01.04.17	As at 31.03.2018
Furniture & Fixtures	45,600.00	25.89%	-	-	45,600.00	33,267.00	3,193.00	36,460.00	12,333.00	9,140.00
Machinery & Tools	26,750.00	18.10%	-	-	26,750.00	15,289.00	2,074.00	17,363.00	11,461.00	9,387.00
JCB	-	18.10%	23,96,040.00	-	23,96,040.00	-	1,45,356.00	1,45,356.00	-	22,50,684.00
Computer & Others	-	63.16%	1,61,072.00	-	1,61,072.00	-	1,45,356.00	1,45,356.00	-	15,716.00
	72,350.00		1.25	25,57,112.00	26,28,462.00	48,556.00	2,95,979.00	3,44,535.00	23,794.00	22,84,927.00

"SCHEDULE-A"  
FIXED ASSETS AS PER INCOME TAX ACT

PARTICULARS	W.D.V as at		Addition		Sold During the Year	Total as at 31.03.2017	Rate%	Depreciation Amount	Net Block 31.03.2018
	01.04.2017	Before 180 Days	After 180 Days	the Year					
Furniture	28,422.00	-	-	-	-	28,422.00	10%	2,842.00	25,590.00
Machinery & Tools	12,916.00	-	-	-	-	12,916.00	15%	1,937.00	10,979.00
Machinery & Tools	-	-	23,96,040.00	29,11,2017	-	23,96,040.00	15%	1,79,703.00	22,16,337.00
Computer	-	-	29,000.00	10,07,2017	-	29,000.00	40%	11,600.00	17,400.00
Total	41,338.00	29,000.00	23,96,040.00	-	-	24,66,378.00	0.80	1,96,082.00	22,70,296.00



**MEGASPACE INFRASTRUCTURE PRIVATE LIMITED**  
**CALCULATION OF INCOME TAX FOR THE YEAR ENDED ON 31.03.2018**

Particulars	Amount (Rs.)
Profit before Tax as per P/L	(50,905.00)
Add : Disallowed Interest on Income Tax	
Add : Interest on TDS	
Add : Depreciation as per Co. Law	295,979.00
	245,074.00
Less : Depreciation as per IT Act	196,082.00
<b>Total Taxable Income</b>	<b>48,990.00</b>
Tax @ 29%	14,697.00
E.Cess & SHEC @ 3%	441.00
<b>Total tax Liabilities</b>	<b>15,138.00</b>
Rounding off	15,138.00
Less:- Advance tax	-
Less:- TDS	-
<b>Tax payable/ (Refundable)</b>	<b>15,138.00</b>

**CALCULATION OF DEFERRED TAX**

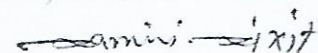
Particulars	Amount (Rs.)
Profit as per P/L A/c	(50,905.00)
Add : Disallowed Interest	-
Add: Depreciation as per Co. Act	295,979.00
	245,074.00
Less: Depreciation as per I.T. Act	196,082.00
<b>Taxable Income</b>	<b>48,992.00</b>
Tax @ 30 %	14,697.00
Add:-Ed.cess & SHEC @ 3%	441.00
<b>Tax on Taxable Income:-</b>	<b>15,138.00</b>
<b>Rounding Off U/S 288</b>	<b>15,138.00</b>
<b>Accounting Profit</b>	<b>(50,905.00)</b>
	<b>(50,905.00)</b>
Tax @ 30%	(15,272.00)
Add:-Ed.cess & SHEC @ 3%	(458.00)
<b>Tax on Accounting Income:-</b>	<b>(15,730.00)</b>
<b>Rounding Off U/S 288</b>	<b>(15,730.00)</b>
Current year Deferred Tax Assets/ (Liabilities)	30,868.00
Add:- Last year Deferred Tax Assets/ (liabilities)	5,465.00
<b>Total Deferred Tax Assets/ (Liabilities)</b>	<b>36,333.00</b>

Megaspace Infrastructure Pvt. Ltd.



Director

Megaspace Infrastructure Pvt. Ltd.



Director



**MEGASPACE INFRASTRUCTURE PRIVATE LIMITED**  
**NOTES OF ACCOUNT AS ON 31 MARCH 2018**

**1) SIGNIFICANT ACCOUNTING POLICIES :**

**a. Basis of Preparation :**

The financial statement have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013, to the extent applicable.

**b. Use of estimates :**

The preparation of the financial statements in conformity of the generally accepted accounting principles (GAAP) required management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. Contingent liabilities are usually not provided for unless it is probable that the future outcome may be materially detrimental to the Company.

**c. Revenue Recognition :**

Revenue from sale of goods is recognized on transfer of all significant risks and rewards of ownership to the buyer. Income from services is recognized on rendering of services to clients. Sales and service income are recognized exclusive of sales tax, service tax and trade discounts wherever granted.

**d. Fixed Assets :**

Fixed Assets are stated at cost less accumulated depreciation. Cost of fixed assets includes duties, levies and any directly attributable cost of bringing the asset to its working condition for intended use.

Advances paid towards acquisition of fixed assets and the cost of fixed assets acquired but not ready for use at the balance sheet are disclosed under capital work in progress. All upgradations or enhancements are generally charged to profit and loss account unless they being significant additional benefits.

**e. Depreciation and amortization :**

Calculation of Depreciation requires systematic allocation of the depreciable amount of an asset over its useful life as per prescribed under Schedule II of the Companies Act, 2013.

**f. Inventories :**

Inventories are carried at the lower of cost and net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis. Cost includes the purchase price and other incidental costs incurred in bringing inventories to the present location.

**g. Taxation :**

Income tax expenses comprises of current tax, deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax act. Deferred 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. 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 there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**h. Contingencies & Event occurring after Balance Sheet Date:**

Accounting for contingencies (gains and losses) arising out of contractual obligations, are made only on the basis of mutual acceptances.

**i. Employee Benefit**

Wages, Salaries and paid annual leave are accrued in the year in which the services are rendered by the employees. The company does not permit accumulating of unused leave. The Company does not provide any long-term benefits.

