

**NNB ENGINEERS PRIVATE LIMITED**  
**(FORMERLY: NAV NIRMAN BUILDERS AND DEVELOPERS PRIVATE LIMITED)**  
**Holiday Inn Plaza, Main Road, Adityapur, Jamshedpur-831013**

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**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF NNB ENGINEERS PRIVATE LIMITED**

**Report on the Standalone AS Financial Statements**

We have audited the accompanying Standalone financial statements of NNB ENGINEERS PRIVATE LIMITED, (FORMERLY : NAV NIRMAN BUILDERS AND DEVELOPERS PRIVATE LIMITED), ("The Company") which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including other comprehensive income) for the year ended, and a summary of significant accounting policies and other explanatory information.

**Management Responsibility for the Standalone AS 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, and financial performance (including other comprehensive income) of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified in the companies (Accounting Standards) Rules, 2016 (as amended) 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 judgment 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 Standalone AS 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 that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone AS 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.

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In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone 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 Company's Directors, as well as evaluating the overall presentation of the Standalone 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 including the Accounting Standard(AS), of the state of affairs of the Company as at 31<sup>st</sup> March, 2018, and its profit (including other comprehensive income) 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"), as amended, 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 sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet and the Statement of Profit and Loss (including other comprehensive income), 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 Indian 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 31<sup>st</sup> March, 2018 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31<sup>st</sup> March 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)" and
  - 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:

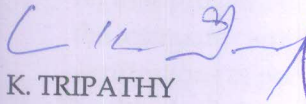
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1. The Company has disclosed the impact, if any; pending litigations on its Standalone financial statements against the company, except various appeals lying for disposal before various statutory authorities.
2. The Company did not have any long-term contracts including derivative contracts for which there is no provision required for material foreseeable losses.
3. There were no amounts which were required to be transferred to the investor education and protection fund by the Company, since in our opinion and according to the information and explanation given to us, the same is not applicable to the company.

For, A. R. MITRA & CO.  
Chartered Accountants  
Firm Regn. No. : 003749C

  
C. K. TRIPATHY  
Partner  
Membership No. : 072719



Place : Jamshedpur

Date : 04 SEP 2018

**NNB ENGINEERS PRIVATE LIMITED**  
**(FORMERLY: NAV NIRMAN BUILDERS AND DEVELOPERS PRIVATE LIMITED)**  
**Holiday Inn Plaza, Main Road, Adityapur, Jamshedpur-831013**

“ANNEXURE (A)” TO THE INDEPENDENT AUDITOR’S REPORT

With reference to the Annexure referred to in paragraph 1 under the heading “Report on other Legal and Regulatory Requirements” of the independent Auditor’s report to the members of NNB ENGINEERS PRIVATE LIMITED, (FORMERLY : NAV NIRMAN BUILDERS AND DEVELOPERS PRIVATE LIMITED), on the financial statements for the year ended 31<sup>st</sup> March 2018, we report that:

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of all fixed assets.  
(b) All the assets have not been physically verified by the management during the year but there is regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verifications as per the records of the company.  
(c) The title deeds of immovable properties are held in the name of the company.
2. (a) As per the explanations given to us, the Management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.  
(b) The procedure of physical verification of inventory followed by the management has not been verified by us.  
(c) As per the explanations given to us, the Company is maintaining proper records of inventory and the discrepancies noticed on verification of inventories were not material.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, reporting under clauses 3 (iii) (a) to (c) of the order is not applicable.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.



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- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks or Financial Institutions. The Company has not taken any loan from the government and has not issued any debentures.
  9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
  10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
  11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
  12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
  13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
  14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
  15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
  16. In our opinion, the company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For, A. R. MITRA &amp; CO.

Chartered Accountants

Firm Regn. No. : 003749C

C. K. TRIPATHY

Partner

Membership No. : 072719



Place : Jamshedpur

Date :

04 SEP 2018

**NNB ENGINEERS PRIVATE LIMITED**  
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"ANNEXURE (B)" TO THE INDEPENDENT AUDITOR'S REPORT OF  
EVEN DATE ON THE FINANCIAL STATEMENTS OF  
NNB ENGINEERS PRIVATE LIMITED

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 NNB ENGINEERS PRIVATE LIMITED, ("the Company") as of March 31, 2018 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 of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". 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 judgement, 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.



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### **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 authorizations of management and directors of the company; and

- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 March 31, 2018, 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, **A. R. MITRA & CO.**

Chartered Accountants

Firm Regn. No. : 003749C

  
C. K. TRIPATHY

Partner

Membership No. : 072719



Place : Jamshedpur

Date :

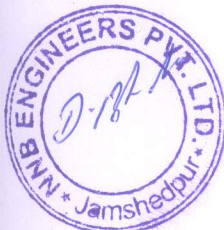
**04 SEP 2018**

NNB ENGINEERS PRIVATE LIMITED  
(FORMERLY : NAV NIRMAN BUILDERS AND DEVELOPERS PRIVATE LIMITED)  
HOLIDAY INN PLAZA, MAIN ROAD, ADITYAPUR  
JAMSHEDPUR - 831013

BALANCE SHEET AS AT 31ST MARCH, 2018

Sl. No.	Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017
<b>I EQUITY AND LIABILITIES</b>				
(1) Shareholder's Funds :				
	(a) Share Capital	1	1,352,040.00	1,352,040.00
	(b) Reserves and Surplus	2	91,023,769.16	84,176,774.90
	(c) Money received against share warrants		-	-
	(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities :				
	(a) Long - Term borrowings	3	15,368,990.88	8,679,019.66
	(b) Deffered tax liabilities ( Net)		-	-
	(c) Other Long term liabilities		117,688,906.09	113,705,177.09
	(d) Long Term Provisions		-	-
(4) Current Liabilities :				
	(a) Short term borrowings	4	19,739,036.00	63,134,637.54
	(b) Trade payables	5	71,379,180.36	52,230,792.27
	(c) Other Current liabilities	6	108,867,826.90	60,256,133.50
	(d) Short-term provision		4,075,000.00	4,521,770.00
	<b>Total</b>		<b>429,494,749.39</b>	<b>388,056,344.96</b>
<b>II ASSETS</b>				
(1) Non-Current assets :				
	(a) Fixed assets			
	(i) Tangible assets	7	63,307,322.04	65,498,553.04
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(b) Non-Current investments	8	107,995,407.44	121,706,192.44
	(c) Deferred tax assets (net)		960,493.00	859,784.00
	(d) Long term loans and advances	9	1,141,085.53	1,131,022.28
	(e) Other non-current assets		-	-
(2) Current assets :				
	(a) Current investments	10	42,932,213.34	47,236,274.19
	(b) Inventories		-	-
	(c) Work - In- Progress (Bhagwati Homes)	11	81,007,354.00	71,106,105.00

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(d) Trade receivables	12	80,150,015.00	36,936,886.00
(e) Cash and cash equivalent	13	314,692.09	2,233,797.80
(f) Short- term loan and advances	14	33,064,458.65	28,435,944.27
(g) Other current assets	15	18,621,708.30	12,911,785.94
Total		<u>429,494,749.39</u>	<u>388,056,344.96</u>

Notes to Accounts and Significant Accounting Policies 23

Note : The Notes referred above forms an integral part of the Balance Sheet.

Place : Jamshedpur

Date : 04 SEP 2018



Subject to our report of even date ;  
For, A. R. MITRA & CO.  
Chartered Accountants  
Firm Regn. No. : 003749C

*C. K. Tripathy*  
C. K. TRIPATHY  
Partner  
Membership No. : 072719

For and on Behalf of Board of Directors of  
NNB ENGINEERS PRIVATE LIMITED

*D. B. Bhadoria*  
(DHARAMVEER BHADORIA)  
Director  
DIN: 00517170

*Naveen Singh*  
(NAVEEN SINGH)  
Director  
DIN: 00517200



NNB ENGINEERS PRIVATE LIMITED  
(FORMERLY : NAV NIRMAN BUILDERS AND DEVELOPERS PRIVATE LIMITED)  
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JAMSHEDPUR - 831013

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2018

Sl. No.	Particulars	Note No.	For the year ended 31st March,2018	For the year ended 31st March,2017
I.	Revenue from Operation	16	156,654,106.00	366,134,113.00
II.	Other Income	17	5,649,564.37	5,954,395.81
III.	Total Revenue (I + II)		162,303,670.37	372,088,508.81
IV.	Expenses :			
	Cost of materials consumed	18	28,192,093.45	89,576,829.77
	Employee benefit expenses	19	9,775,304.00	32,266,666.00
	Financial Costs	20	2,859,011.88	3,130,593.45
	Depreciation and amortization expenses	7	12,633,119.00	11,699,079.00
	Bhagwati Home Project Expenses	21	8,911,524.10	65,833,823.28
	Other expenses	22	86,868,941.50	152,165,512.41
	Total Expenses		149,239,993.93	354,672,503.91
V	Profit before exceptional and extraordinary items and tax (III - IV)		13,063,676.44	17,416,004.90
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V + VI)		13,063,676.44	17,416,004.90
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII + VIII)		13,063,676.44	17,416,004.90
X	Tax Expenses :			
	Current tax		4,075,000.00	4,521,770.00
	Deferred tax		(100,709.00)	2,052,502.36
XI	Profit(Loss) for the period (IX - X)		9,089,385.44	10,841,732.54

Notes to Accounts and Significant Accounting Policies 23

Note : The Notes referred above forms an integral part of the Balance Sheet.

Place : Jamshedpur

Date : **04 SEP 2018**

Subject to our report of even date ;  
For, A. R. MITRA & CO.  
Chartered Accountants  
Firm Regn. No. : 003749C



*C. K. Tripathy*  
C. K. TRIPATHY  
Partner  
Membership No. : 072719

For and on Behalf of Board of Directors of  
NNB ENGINEERS PRIVATE LIMITED

*D. 19/10/18*  
(DHARAMVEER BHADORIA)  
Director  
DIN: 00517170



*A. Singh*  
(NAVEEN SINGH)  
Director  
DIN: 00517200