

## **DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2018-2019.**

To The Members of EASTERN ESTATE CONSTRUCTION & DEVELOPERS PRIVATE LIMITED

Your directors have pleasure in presenting the Directors' Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2019.

### **Financial Highlights**

During the year under review, performance of your company as under:

Particulars	(Amount in Rupees)	
	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
Turnover	102,171,464.62	214,573,954.22
Profit/(Loss) before taxation	6,434,446.84	10,416,196.29
Less: Tax Expense	1,691,861.00	3,218,605.00
<b>Profit/(Loss) after tax</b>	<b>4,742,585.84</b>	<b>7,197,591.29</b>
Add: Balance B/F from the previous year	22,362,577.56	15,164,986.27
Miscellaneous Expenditure	(100,000.00)	(120,000.00)
<b>Balance Profit / (Loss) C/F to the next year</b>	<b>27,005,163.40</b>	<b>22,242,577.56</b>

The consolidated performance of the group as per consolidated financial statements is as under:

Particulars	(Amount in Rupees)	
	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
Turnover		
Profit/(Loss) before taxation		
Less: Tax Expense		
<b>Profit/(Loss) after tax</b>		<b>N.A</b>
Add: Balance B/F from the previous year		
Balance Profit / (Loss) C/F to the next year		

### **State of Company's Affairs and Future Outlook**

Your Company, during the year under review, was engaged in the business of construction of Buildings & Apartments out of which some of the buildings & apartments are completed and some are under construction. Your Company is constantly striving for booking order of flats for sale which is increasing day by day. The Board of Directors is consistently making plan for increasing the business of the Company. Your Company is very ambitious towards its business and has only motto to give best & satisfactory service to the customers. Your Company is constantly striving to enter in the all field of construction in future.

### **Change in nature of business, if any**

There is no change in the nature of business of the Company during the Financial Year 2018-2019

### **Dividend**

During the F.Y. 2018-2019, the Company has not declared dividend.

### **Amounts Transferred to Reserves**

Since no dividend has been declared, hence no amount has been transferred to reserves during the financial year 2018-2019.

### **Changes in Share Capital, if any**

During the Financial Year 2018-2019, there was no change in the Share Capital of the Company.

**Disclosure regarding Issue of Equity Shares with Differential Rights**

There was no issue of Equity Shares with differential rights in the Financial Year 2018-2019.

**Disclosure regarding issue of Employee Stock Options**

There was no issue of Employees Stock Options in the Financial Year 2018-2019.

**Disclosure regarding issue of Sweat Equity Shares**

There was no issue of Sweat Equity Shares in the Financial Year 2018-2019.

**Extract of Annual Return**

The extract of Annual Return, in format MGT -9, for the Financial Year 2018-2019 has been enclosed with this report.

**Number of Board Meetings**

The Board of Directors of the Company met 05 times during the year on 30/06/2018, 01/09/2018, 16/12/2018, 25/02/2019 and 30/03/2019 in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**Particulars of Loan, Guarantees and Investments under Section 186**

The Company has not provided any loan, guarantees or investment under section 186 of the Companies Act, 2013.

**Particulars of Contracts or Arrangements with Related Parties**

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 for the Financial Year 2018-2019 in the prescribed format, AOC-2 has been enclosed with the report.

**Explanation to Auditor's Remarks**

Since there is no qualification, reservation, adverse remark or disclaimer made by the statutory auditor in his report, hence there is no explanation or comment by the Directors on the same.

**Material Changes Affecting the Financial Position of the Company**

There is no material change in the Company which would affect the Financial Position of the Company.

**Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo**

During the Financial Year 2018-2019, no step towards the Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo has been taken by the Board of Directors of the Company since this clause is not applicable on the company.

**a) Conservation of Energy:**

Steps taken for conservation	NONE
Steps taken for utilizing alternate sources of energy	NONE
Capital investment on energy conservation equipments	NONE

**b) Technology Absorption:**

Efforts made for technology absorption	NONE
Benefits derived	NONE
Expenditure on Research & Development, if any	NONE
Details of technology imported, if any	NONE
Year of import	NONE
Whether imported technology fully absorbed	NONE
Areas where absorption of imported technology has not taken place, if any	NONE

**c) Foreign Exchange Earnings/ Outgo:**

Earnings	NONE
Outgo	NONE

**Details of Subsidiary, Joint Venture or Associates**

The Company neither have any subsidiary, Joint Venture or Associates, nor is it the subsidiary, or associate of any company.

**Risk Management Policy**

Since the clause is not applicable on the Company hence during the Financial Year 2018-2019, no step has been taken for framing of risk management policy of the Company.

**Details of Directors and Key Managerial Personnel**

No new director has been appointed during the financial year 2018-2019. Also none of the Directors have resigned during the period. None of the director is eligible to retire by rotation during the ensuing Annual General Meeting.

**Details of significant & material orders passed by the regulators or courts or tribunal**

There was no order passed by the authorities which would impact the going concern status and company's operations in future.

**Voluntary Revision of Financial Statements or Board's Report**

There was no voluntary revision of the Financial Statements or Board's Report during any of the 3 preceding financial years.

**Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements**

The Company's internal control systems are adequate and commensurate with the nature and size of the Company and it ensures:

- optimum utilization, efficient monitoring, timely maintenance and safety of its assets.
- compliance with applicable laws, regulations and management policies.

• timely

**Deposits**

The following details of deposits, covered under Chapter V of the act:

1 Deposits Accepted during the year	NONE
2 Remained unpaid or unclaimed as at the end of the year	NONE
3 Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-	
A At the beginning of the year	NONE
B Maximum during the year	NONE
C At the end of the year	NONE
4 The details of deposits which are not in compliance with the requirements of Chapter	NONE

**Receipt of any commission by MD / WTD from the Company or for receipt of commission / remuneration from it holding or subsidiary**

During the Financial Year 2018-2019, the MD/WTD is not in the receipt of any commission from the company and/or receipt of commission / remuneration from its holding or subsidiary.

**Declaration by Independent Director**

The declaration by Independent Director i.e. declaration to affirm the points given u/s 149(6) of Companies Act, 2013 are applicable only to the Listed and Select Public Companies. The given Company is neither listed nor is Select Public Company hence this clause not applicable.

### **Re-appointment of Independent Auditor**

The provisions of appointment and re-appointment of independent Auditor are applicable to the Listed and select public Companies. Since the Company is neither Listed nor fall under the category of select public Companies hence this clause is not applicable to the Company.

### **Secretarial Audit Report**

Secretarial Audit report is required to be attached to the Annual Report of the listed and select Public Companies in Form MR-3. Since the company is neither listed nor fall under the category of Select Public Company hence Secretarial Audit is not required to be obtained by the Company.

### **Corporate Social Responsibility (CSR) Policy**

Since the Company does not trigger the limit for Corporate Social Responsibility hence no step has been taken by the Company in this regard.

### **Audit Committee**

Audit Committee is required to be constituted only in the listed and Select Public Company. Since the company is neither listed nor fall under the category of Select Public Company hence no Audit Committee has been constituted.

### **Statement Indicating the Manner in which Formal Annual Evaluation has been made by the Board of its own Performance, its Directors, and that of its Committees**

The clause is required to be complied by the Listed Companies and select Public Companies. Since the company is neither listed nor fall under the category of Select Public Company hence this clause is not applicable to the Company.

### **Nomination & Remuneration Committee Policy**

Nomination & Remuneration Committee Policy is required to be framed in Listed Companies and select Public Companies. Since the company is neither listed nor fall under the category of Select Public Company hence this clause is not applicable to the Company.

### **Disclosure on Establishment of a Vigil Mechanism**

Establishment of a Vigil Mechanism is mandatory in Listed Companies and Select Public Companies. Since the company is neither listed nor fall under the category of Select Public Company hence this clause is not applicable to the Company.

### **Corporate Governance**

Obtaining the Corporate Governance Certificate is mandatory for the equity listed companies. Since the Company is not the one hence the clause is not applicable.

### **Managerial remuneration**

Statistical disclosure relating to the managerial remuneration pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is mandatory listed Companies only. Since the Company is unlisted Company hence this clause is not applicable to the Company.

### **Statutory Auditors**

During the Financial Year 2018-2019 Statutory Auditors of the company was "M/s Rajeev Jha & Associates, He was resigned on 26th January 2019 and meanwhile New Chartered Accountants, "M/s Dushyant Kumar & Co., Chartered Accountants, Patna has been appointed as auditor for the F. Y. : 2018-19. The appointment is to be ratified at the ensuing Annual General Meeting, for the ensuing financial Year i.e. 2018-2019. Also the name of the New auditors have been proposed in the Board meeting of the Company.

### Cost Auditors

Not Applicable

### Management Discussion and Analysis Report

The clause is applicable only to the listed Companies. Since the Company is not the one hence it is not applicable to the Company.

### Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

There was no case filed during the year, under the sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.

### Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 and of the loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) 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.

### Acknowledgment

The Directors express their sincere appreciation to the valued shareholders, bankers and clients for their support

Date: 02/09/2019

Place: Patna

FOR EASTERN ESTATE CONSTRUCTION &  
DEVELOPERS PRIVATE LIMITED

  
SANJEEV KUMAR  
(Managing Director)  
DIN : 05239853

FOR EASTERN ESTATE CONSTRUCTION &  
DEVELOPERS PRIVATE LIMITED

  
ANJU SINHA  
(Director)  
DIN : 05239855

**FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis**

(a) Name(s) of the related party and nature of relationship	NONE
(b) Nature of contracts/arrangements/transactions	NONE
(c) Duration of the contracts / arrangements/transactions	NONE
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	NONE
(e) Justification for entering into such contracts or arrangements or transactions	NONE
(f) Date of approval by the Board	NONE
(g) Amount paid as advances, if any	NONE
(h) Date on which the special resolution was passed in general meeting as required under first	NONE

**2. Details of material contracts or arrangement or transactions at arm's length basis**

(a) Name(s) of the related party and nature of relationship	NONE
(b) Nature of contracts/arrangements/transactions	NONE
(c) Duration of the contracts / arrangements/transactions	NONE
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	NONE
(e) Date(s) of approval by the Board, if any	NONE
(f) Amount paid as advances, if any	NONE

Note: Form shall be signed by the persons who have signed the Board's report.

Date: 02/09/2019

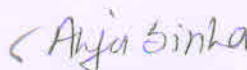
Place: Patna

FOR EASTERN ESTATE CONSTRUCTION &



SANJEEV KUMAR  
(Managing Director)  
DIN : 05239853

FOR EASTERN ESTATE CONSTRUCTION &



ANJU SINHA  
(Director)  
DIN : 05239855

**DIRECTOR'S REPORT**

to the members of EASTERN ESTATE CONSTRUCTION &amp; DEVELOPERS PRIVATE LIMITED

Form No. MGT-9

**EXTRACTS OF ANNUAL GENERAL MEETINGS****as on the financial year ended on 31-03-2019**

[Pursuant to section 92(3) of the companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i) CIN	:	U45201BR2012PTC018555
ii) Registration Date	:	26/04/2012
iii) Name of the company	:	EASTERN ESTATE CONSTRUCTION & DEVELOPERS PRIVATE LIMITED
iv) Category / Sub-Category of the Company	:	Company Limited By Shares/ Indian Non Government Company
v) Address of the registered office and contact details	:	HOUSE NO. 2, MIHIR PATH, EAST BORING CANAL ROAD, PATNA - 1
vi) Whether listed company :	:	Unlisted
vii) Name address and contact details of Registrar and transfer Agent, if any	:	N.A

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

SL. No.	Name and Description of main products/services	NIC Code of the Product/service	Turnover	% to total turnover of the company
1	Trade services of vacant and subdivided land / Real estate appraisal services on a fee or contract basis	99721300	100568800	100.00
2	Real Estate / Builders for	99541126	0	0.00

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

SL. No.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary And Associate	% of shares held	Applicable section
1	NIL				
2					

**(iii) Change in Promoters' Shareholding ( please specify, if there is no change)**

No Change

SL. No.	Particulars	Shareholding at the beginning 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
1	<b>At the beginning of the year</b>	310,000	100.00	310,000	100.00
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	<b>NO CHANGE</b>			
3	<b>At the End of the year</b>	310,000	100.00	310,000	100.00

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl.No.	For each of the top 10 shareholders	Shareholding at the beginning 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
1	At the beginning of the year	NOT APPLICABLE			
2	Date wise Increase / Decrease in Top ten Shareholders Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/sweat equity etc.):	NO CHANGE			
3	At the End of the year				

## (v) Shareholding of Directors and Key Managerial Personnel:

Sl.No.	For Each of the Directors and KMP	Shareholding at the beginning 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
1	At the beginning of the year	310,000	100.00	310,000	100.00
2	Date wise Increase / Decrease in Directors and KMP Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/sweat equity etc.):	NO CHANGE			
3	At the End of the year	310,000	100.00	310,000	100.00

## V. INDEBTEDNESS

## Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	4,344,732.74	11,100,000.00	-	15,444,732.74
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>4,344,732.74</b>	<b>11,100,000.00</b>	-	<b>15,444,732.74</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction	1,070,814.91	-	-	1,070,814.91
Net Change	-1,070,814.91	-	-	-1,070,814.91
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3,273,917.83	11,100,000.00	-	14,373,917.83
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>3,273,917.83</b>	<b>11,100,000.00</b>	-	<b>14,373,917.83</b>



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
	Sanjeev Kumar	Anju Sinha			
Gross salary					
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,000,000.00	3,600,000.00			9,600,000.00
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-			-
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-			-
Stock Option	-	-			-
Sweat Equity	-	-			-
Commission	-	-			-
:- as % of profit	-	-			-
Rent	-	-			-
Travelling Expenses	-	-			-
Total (A)	6,000,000.00	3,600,000.00	-	-	9,600,000.00
Ceiling as per the Act	No limit for private limited Company				

B. Remuneration to other directors:

Particulars of Remuneration					Total Amount
Independent Directors	NIL				
Fee for attending board / committee meetings					
Commission					
Directors Remuneration					
<b>Total (1)</b>					
Other Non-Executive Directors					
Fee for attending board / committee meetings					
Commission					
Others, please specify					
<b>Total (2)</b>					
<b>Total (B)=(1+2)</b>					
Total Managerial Remuneration					
Overall Ceiling as per the Act					

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

Particulars of Remuneration	Key Managerial Personnel				Total
	CEO	Company Secretary		CFO	
Gross salary					
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
Stock Option					
Sweat Equity					
Commission					
:- as % of Profit					
:- others, specify...					
Others, please specify					
Total					

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(giveDetails)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment					
Compounding					
<b>C. Others offices in default</b>					
Penalty					
Punishment					
Compounding					

NIL

IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total Equity)

D) 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		
	Demat	Physical	Total	Demat	Physical	Total
<b>A. Promoters</b>						
<b>1) Indian</b>						
a) Individual/ HUF	-	310,000	310,000	-	310,000	310,000
b) Central Govt	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-
<b>Sub-total (A) (1) :-</b>	-	<b>310,000</b>	<b>310,000</b>	-	<b>310,000</b>	<b>310,000</b>
<b>2) Foreign</b>						
a) NRIs - Individuals	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-
<b>Sub -total (A) (2) :-</b>	-	-	-	-	-	-
<b>Total shareholding of Promoter</b>	-	<b>310,000</b>	<b>310,000</b>	-	<b>310,000</b>	<b>310,000</b>
<b>B. Public Shareholding</b>						
<b>1) Institutions</b>						
a) Mutual Funds	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-

2) Non Institutions											
a) Bodies Corp.											
i) Indian											
ii) Overseas											
b) Individuals											
i) Individual shareholders holding											
ii) Individual shareholders holding											
c) Others (specify)											
Sub-total (B)(2):-											
Total Public Shareholding											
C. Shares held by Custodian for GDRs & ADRs											
Grand Total (A+B+C)		310,000		310,000		100.00		310,000		100.00	

(ii) Shareholding of Promoters

Sl. No.	Shareholder's 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	SANJEEV KUMAR	305,000	98.39	-	305,000	98.39	-	-
2	ANJU SINHA	5,000	1.61	-	5,000	1.61	-	-
	<b>Total</b>	<b>310,000</b>	<b>100.00</b>	<b>-</b>	<b>310,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>

**EASTERN ESTATE CONSTRUCTION AND DEVELOPERS PRIVATE LIMITED**

**DETAILS OF MEMBERS, DEBENTURE HOLDERS AND OTHER SECURITIES HOLDER**

**AUTHORISED SHARE CAPITAL** ----- **500,000**  
**PAID-UP CAPITAL** ----- **310,000**

SL.N O.	L.F. NO.	NAME	TYPE OF SECURITY	FATHER'S NAME	NO. OF EQUITY SHARE	FACE VALUE	ADDRESS
1		SANJEEV KUMAR	Equity Share	NAND KISHORE PRASAD	305,000	10	FLAT NO. 502, SARAN VIHAR APARTMENT, NEW PATLIPUTRA COLONY, BORING ROAD, PATNA-800013
2		ANJU SINHA	Equity Share	RAGHUVANSH PRASAD SRIVASTAVA	5,000	10	FLAT NO. 502, SARAN VIHAR APARTMENT, NEW PATLIPUTRA COLONY, BORING ROAD, PATNA-800013
3							
4							
5							
6							
7							
8							
9							
<b>TOTAL</b>					<b>310,000</b>		

FOR EASTERN ESTATE CONSTRUCTION & DEVELOPERS PRIVATE LIMITED

*(Signature)*  
**SANJEEV KUMAR**  
 (Managing Director)  
 DIN : 05239853

*(Signature)*  
**ANJU SINHA**  
 (Director)  
 DIN : 05239855

# DUSHYANT KUMAR & Co.

## (CHARTERED ACCOUNTANTS)

Flat no 203, 2<sup>nd</sup> Floor, Veena Shyam Apartment  
Rose Buds School Lane (Behind Roti Restaurant)  
North S. K. Puri, Patna - 800 001

### INDEPENDENT AUDITORS' REPORT

*To The Members of Eastern Estate Construction & Developers Private Limited*

We have audited the Standalone financial statements of M/s. **Eastern Estate Construction & Developers Private Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2019, Statement of Profit and Loss and cash Flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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, 2019, and Profit for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the company as it is an unlisted company.



## Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibility of Management 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 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. 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 implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

## Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **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 **March 31, 2019**, and its **Profit** for the year ended on that date.

### **Emphasis on Matter**

GST liabilities for the year has been taken as per books of accounts. Change in liability, if any, after audit under the provisions of GST Laws shall be accounted for in the year in which the audit is completed. In the opinion of the management there will be no significant change in the liability and will not impact significantly the profitability or the financial position of the company.

### **Report on Other Legal and Regulatory Requirements**





As required by paragraphs 3 and 4 of 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 Companies Act, 2013, are applicable and report of the same is annexed herewith as annexure "A".

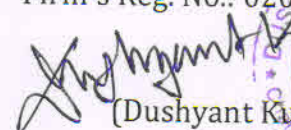
As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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, Statement of Profit and Loss and 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 the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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:
  1. The Company does not have any pending litigations which would impact its financial position.
  2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Dushyant Kumar & Co.,**

Chartered Accountants

Firm's Reg. No.: 020157C

  
(Dushyant Kumar)  
(Partner)

Membership No. - 409195

Place: - Patna

Date: - 29/06/2019

## ANNEXURE-A TO AUDITORS' REPORT

Referred to in our Independent auditor's Report of even date to members of M/s *Eastern Estate Construction & Developers Private Limited* on the financial statement as of and for the year ended **March 31,2019**, we report that,

- (i) (a) the company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;  
(b) As per explanation given to us, fixed assets have been physically verified by the management at reasonable intervals; as informed to us no material discrepancies were noticed on such verification.  
(c) The title deeds of immovable properties are held in the name of the company itself.
- (ii) (a) The management has conducted the physical verification of inventory at reasonable intervals.  
  
b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- (iii) The company has not granted any Loans, secured or unsecured Loan to companies, firms, Limited Liability Partnership or other parties, covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) As per explanation and information provided by the company, in respect of loans, investments, guarantees, and security the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) 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, 2014 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, The Company has maintained the Cost Records which been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, The Company has regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, cess and any other statutory dues to the appropriate authorities and there is none of amount which has dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, which have not been deposited on account of any disputes.

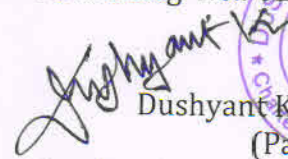


- (viii) The Company has taken loan from financial institutions or bank during the year. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan from the government and has not issued any debentures.
- (ix) According to the records of the company and the information and explanation given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised.
- (x) According to information and explanation given to us, no material fraud on or by the company has been noticed or reported during the course of our audit.
- (xi) Since the provisions of Section 197 read with Schedule V of the Companies Act, 2013, are not applicable to the Private Companies, hence This Para of order is not applicable.
- (xii) Company is not a Nidhi Company; This Para of order is therefore not applicable.
- (xiii) According to information and explanation given to us, all transactions with the related parties are in compliance with 188 of Companies Act, 2013 although it is a private Company, therefore, Section 177 of Companies Act, 2013 is not applicable, and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) 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.
- (xv) According to information and explanation given to us, the company has not entered into any non-cash transactions under section 192 of the Companies Act, 2013 with the directors or persons connected with him.
- (xvi) 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 Dushyant Kumar & Co.,**

Chartered Accountants

Firm's Reg. No.: 0201576

  
Dushyant Kumar  
(Partner)

Membership No.- 409195

Place: - Patna

Date: - 29/06/2019

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## **ANNEXURE-B TO AUDITORS' REPORT**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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We have audited the internal financial controls over financial reporting of **M/s Eastern Estate Construction & Developers Private Limited** ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

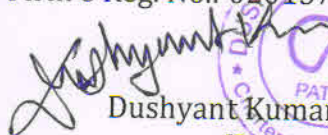
## OPINION

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 31 March 2019, 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 Dushyant Kumar & Co.,**

Chartered Accountants

Firm's Reg. No.: 020157C

  
Dushyant Kumar

(Partner)

Membership No.- 409195



Place: - Patna

Date: - 29/06/2019

**EASTERN ESTATE CONSTRUCTION & DEVELOPERS PRIVATE LIMITED**

**AT. HOUSE NO. 2, MIHIR PATH, EAST BORING CANAL ROAD, PATNA - 800 001**

**BALANCE SHEET AS AT 31ST MARCH, 2019**

Particulars	Note No.	Figures as at 31-03-19		Figures as at 31-03-18	
		Rs.	P.	Rs.	P.
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholder's Funds</b>					
(a) Share Capital	1	3,100,000.00		3,100,000.00	
(b) Reserves and Surplus	2	27,005,163.40		22,242,577.56	
(c) Money received against share warrants					
<b>(2) Share application money pending allotment</b>					
	3				
<b>(3) Non-Current Liabilities</b>					
(a) Long-term borrowings	4	3,273,917.83		4,344,732.74	
(b) Deferred tax liabilities (Net)	5	(54,090.40)		(173,310.40)	
(c) Other Long term liabilities	6	11,100,000.00		11,100,000.00	
(d) Long term provisions					
<b>(4) Current Liabilities</b>					
(a) Short-term borrowings	7				
(b) Trade payables	8	755,520,402.33		608,331,509.26	
(c) Other current liabilities	9	4,426,756.36		26,558,203.72	
(d) Short-term provisions	10	1,572,641.00		3,044,769.00	
<b>Total</b>		<b>805,944,790.52</b>		<b>678,548,481.88</b>	
<b>II.Assets</b>					
<b>(1) Non-current assets</b>					
(a) Fixed assets					
(i) Tangible assets	11	5,657,157.99		6,307,473.51	
(ii) Intangible assets					
(iii) Capital work-in-progress					
(iv) Intangible assets under development					
(b) Non-current investments					
(c) Deferred tax assets (net)					
(d) Long term loans and advances	13				
(e) Other non-current assets					
<b>(2) Current assets</b>					
(a) Current investments					
(b) Inventories	14	749,158,409.97		617,453,540.70	
(c) Trade receivables	15	7,620,375.00		19,050,227.00	
(d) Cash and cash equivalents	16	1,560,903.56		5,677,135.67	
(e) Short-term loans and advances	17	41,947,944.00		30,060,105.00	
(f) Other current assets	12				
<b>Total</b>		<b>805,944,790.52</b>		<b>678,548,481.88</b>	

Contingent Liability

For Eastern Estate Construction & Developers Pvt. Ltd.

Mg. Director

Place : Patna  
Date: 29/06/2019

Director

In terms of Separate report of even date

For Dushyant Kumar & Co.

Chartered Accountants

Firm Regn. No. 020157C

(Dushyant Kumar)

Partner

Membership No.-409195



**EASTERN ESTATE CONSTRUCTION & DEVELOPERS PRIVATE LIMITED**

**AT. HOUSE NO. 2, MIHIR PATH, EAST BORING CANAL ROAD, PATNA - 800 001**

**Statement of Profit and Loss Account for the year ended 31st March, 2019**

Particulars	Note No	Figures as at 31-03-2019	Figures as at 31-03-2018
I. Revenue from operations	18	102,171,464.62	214,573,954.22
<b>III. Total Revenue (I +II)</b>		<b>102,171,464.62</b>	<b>214,573,954.22</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	19	209,551,329.83	302,139,639.35
Purchase	20	785,000.00	6,893,000.00
Change in Inventories	21	(131,704,869.27)	(126,820,797.37)
Employee benefit expense	22	12,915,805.00	13,661,252.00
Financial costs	23	359,033.09	459,583.94
Depreciation and amortization expense	11	650,315.52	650,315.52
Direct Expenses	24	-	-
Other expenses	25	3,180,403.61	7,174,764.49
<b>Total Expenses</b>		<b>95,737,017.78</b>	<b>204,157,757.93</b>
V. Profit before exceptional and extraordinary items and tax (III - IV)		6,434,446.84	10,416,196.29
VI. Exceptional Items		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>6,434,446.84</b>	<b>10,416,196.29</b>
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax (VII - VIII)</b>		<b>6,434,446.84</b>	<b>10,416,196.29</b>
X. Tax expense:			
(1) Current tax		1,572,641.00	3,044,769.00
(2) Deferred tax		119,220.00	173,836.00
XI. Profit(Loss) from the period from continuing operations (VII-VIII)		4,742,585.84	7,197,591.29
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations (XII - XIII)		-	-
XIV. Profit/(Loss) from Discontinuing operations		-	-
<b>XV. Profit/(Loss) for the period (XI+XIV)</b>		<b>4,742,585.84</b>	<b>7,197,591.29</b>
XVI. Earning per equity share:			
(1) Basic		15.30	23.22
(2) Diluted		15.30	23.22

**In terms of Separate report of even date**

**For Eastern Estate Construction & Developers Pvt. Ltd.**

Mg. Director

Place : Patna

Date: 29/06/2019

**For Dushyant Kumar & Co.**

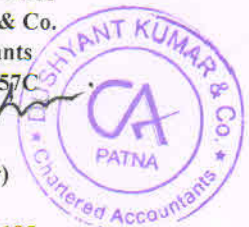
Chartered Accountants

Firm Regn. No. 020157C

(Dushyant Kumar)

Partner

Membership No.-409195



**EASTERN ESTATE CONSTRUCTION & DEVELOPERS PRIVATE LIMITED**

AT: HOUSE NO. 2, MIHIR PATH, EAST BORING CANAL ROAD, PATNA - 800 001

Notes annexed to and forming part of the accounts as at 31st March, 2019

Particulars	Current year		Previous year	
	Rs.	P.	Rs.	P.
<b>1.Share Capital</b>				
<u>Authorised</u>				
5,00,000 Equity Shares of Rs. 10/- each			5,000,000.00	5,000,000.00
<u>Issued, Subscribed and Paid up</u>				
3,10,000 Equity Shares of Rs. 10/- each, fully Paid up.			3,100,000.00	3,100,000.00
			3,100,000.00	3,100,000.00

Particulars	Period ending 31/03/2019			Year ending 31/03/2018		
	No. of shares	Par value	Amount	No. of shares	Par value	Amount
i) Authorised Share Capital	500,000	10.00	5,000,000.00	500,000	10.00	5,000,000.00
ii) Issued, Subscribed and Paid-up	310,000	10.00	3,100,000.00	310,000	10.00	3,100,000.00
iii) <u>Reconciliation of No. of share Outstanding Share Capital as on opening date</u>	310,000	10.00	3,100,000.00	310,000.00	10.00	3,100,000.00
<u>Share capital raised during the year</u>						
a) Fresh Issue	-	10.00	-	-	10.00	-
b) Issued as fully paid up bonus shares (Bonus shares have been issued from share premium account)	-	-	-	-	-	-
Outstanding Share Capital as on closing date	310,000	10.00	3,100,000.00	310,000	10.00	3,100,000.00

Particulars	No. of shares	Par value	Amount	Period of issue
Share allotted as fully paid-up pursuant to contract without payment being received in cash	-	-	-	-
Shares allotted as fully paid up by way of bonus shares from 26.04.2012 to 31.03.2013	-	-	-	-
Aggregate number and class of shares bought back	-	-	-	-

**Shareholders holding shares in excess of 5%**

Name of the Shareholders	As at 31/03/2019		As at 31/03/2018	
	No. of shares held	% of Share Holding	No. of shares held	% of Share Holding
1 Sanjeev Kumar	305,000	98.39	305,000	98.39
2 Anju Sinha	5,000	1.61	5,000	1.61

**2.Reserve & Surplus**

General Reserve

Surplus Opening	22,362,577.56	15,164,986.27
Surplus current year	4,742,585.84	7,197,591.29
Miscellaneous Expenditure (to the extent not written off)	(100,000.00)	(120,000.00)
	<u>27,005,163.40</u>	<u>22,242,577.56</u>





**EASTERN ESTATE CONSTRUCTION & DEVELOPERS PRIVATE LIMITED**

AT, HOUSE NO. 2, MIHIR PATH, EAST BORING CANAL ROAD, PATNA - 800 001

Notes annexed to and forming part of the accounts as at 31st March, 2019

Particulars	Current year		Previous year	
	Rs.	P.	Rs.	P.
<b>3. Share application money pending allotment</b>				
Share Application Money	-	-	-	-
<b>4. Long-term borrowings</b>				
(a) Secured Loan (Vehicle Loan from HDFC Bank Ltd.)	3,273,917.83		4,344,732.74	
	3,273,917.83		4,344,732.74	
<b>5. Deferred Tax Liabilities (Net)</b>				
As per Last Account (Liability)		(173,310.40)		(347,146.40)
Tax effect of items constituting deferred tax liability				
On difference between book balance and tax balance of fixed assets	119,220.00		173,836.00	
Net Deferred Tax Liability	(54,090.40)		(173,310.40)	
<b>6. Other Long term liabilities</b>				
(i) Unsecured Loan	11,100,000.00		11,100,000.00	
	11,100,000.00		11,100,000.00	
<b>7. Short-term borrowings</b>				
	-		-	
<b>8. Trade payables</b>				
Sundry Creditors for Suppliers	15,044,826.33		17,608,948.26	
Advance from customers (Short Term)	740,475,576.00		590,722,561.00	
	755,520,402.33		608,331,509.26	
<b>9. Other current liabilities</b>				
Liabilities for Expenses	772,653.78		1,451,715.78	
Service Tax Payable	-		8,726,711.42	
GST Payable	2,396,497.58		13,345,767.52	
EPF Payable	38,556.00		11,952.00	
ESI Payable	24,978.00		4,342.00	
TDS Payable	1,194,071.00		3,017,715.00	
	4,426,756.36		26,558,203.72	
<b>10. Short-term provisions</b>				
Provision for taxation	1,572,641.00		3,044,769.00	
	1,572,641.00		3,044,769.00	
<b>12. Other Current Assets</b>				
	-		-	
	-		-	
<b>13. Long term loans and advances</b>				
	-		-	
<b>14. Inventories</b>				
Stock in trade	749,158,409.97		617,453,540.70	
(Valued at the lower of cost or Net realisable Value)				
(As taken, valued and certified by the management)				
	749,158,409.97		617,453,540.70	
<b>15. Trade Receivables</b>				
Trade Receivables for a period:				
Less than Six months	7,620,375.00		19,050,227.00	
Exceeding Six months	-		-	
	7,620,375.00		19,050,227.00	
<b>16. Cash &amp; cash equivalents</b>				
Cash balance on hand (As certified)	346,410.99		1,117,668.99	
Cash at Bank	1,214,492.57		4,559,466.68	
(annexure enclosed)				
	1,560,903.56		5,677,135.67	
<b>17. Short Term Loan &amp; Advances</b>				
Advance Income Tax	300,000.00		800,000.00	
Advance for Land & Others	36,171,986.00		23,842,460.00	
TDS RECEIVABLE 2018-19	1,806,836.00		-	
TDS RECEIVABLE 2017-18	-		4,258,602.00	
INCOME TAX REFUNDABLE	3,669,122.00		1,147,827.00	
GST - REVERSE CHARGE	-		11,216.00	
	41,947,944.00		30,060,105.00	





**EASTERN ESTATE CONSTRUCTION & DEVELOPERS PRIVATE LIMITED**  
 AT HOUSE NO.-2, MIHR PATH, EAST BOKING CANAL ROAD, PATNA-800 001  
**SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2019**  
**AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

**NOTE - '11' : FIXED ASSETS**

SL. NO.	PARTICULARS	RATE OF DEPN	GROSS BLOCK			DEPRECIATION			NET BLOCK			
			GROSS BLOCK AS ON 01.04.2018	ADDITION DURING THE YEAR	SALE DURING THE YEAR	GROSS BLOCK AS ON 31.03.19	UP TO 31.03.18	DEP. DURING THE YEAR	SALE / ADJ.	UP TO 31.03.19	AS ON 31.03.18	AS ON 31.03.19
1	COMPUTER MACHINE	16.21%	96,430.00	-	-	96,430.00	76,904.54	3,777.39	-	80,681.93	15,748.07	19,525.46
2	OFFICE EQUIPMENT	7.07%	11,781.00	-	-	11,781.00	6,232.13	422.15	-	6,654.28	5,126.72	5,548.87
3	FURNITURE & FIXTURE	6.33%	240,350.00	-	-	240,350.00	74,512.49	11,206.91	-	85,719.40	154,630.60	165,837.51
4	VEHICLE	9.50%	9,683,461.00	-	-	9,683,461.00	3,814,737.68	616,053.83	-	4,430,791.51	5,252,669.49	5,868,723.32
5	AIR CONDITIONER	7.07%	322,660.00	-	-	322,660.00	74,821.65	18,855.24	-	93,676.89	228,983.11	247,838.35
	<b>TOTAL</b>		<b>10,354,682.00</b>	-	-	<b>10,354,682.00</b>	<b>4,047,208.49</b>	<b>650,315.52</b>	-	<b>4,697,524.01</b>	<b>5,657,157.99</b>	<b>6,307,473.51</b>

Place : Patna

Date: 29/06/2019

For Eastern Estate Construction & Developers Pvt. Ltd.

*Durgashuman*  
Mg. Director

*Aryu Sinha*  
Director

Signed for Identification only

For Dushyant Kumar & Co.

Chartered Accountants

Firm Regn. No. 020157C

*Dushyant Kumar*  
Partner

Partner

Membership No.-409195



**M/s EASTERN ESTATE CONSTRUCTION & DEVELOPERS PRIVATE LIMITED**  
**HOUSE NO. 02, MIHIR PATH, EAST BORING CANAL ROAD,**  
**BUDHA COLONY, PATNA-800 001, BIHAR**

**Significant Accounting policy and notes on accounts forming parts of the  
Balance Sheet and Profit & Loss account for the year ended on that date.**

**ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2019.**

**A. Significant Accounting Policies & Notes to Accounts**

1. The Company has followed mercantile system of accounting. Accounting policies not referred to otherwise are in consistent with generally accepted accounting principles.
2. Contingent liability is not provided for and is disclosed by way of notes, if any.
3. Investments, if any, are stated at cost.
4. Sales and services are accounted when the sale of goods or services are completed on accrual basis.
5. The financial statements are prepared on the basis of going concern assumption under historical convention with revenue recognition and expenses accounted for on mercantile basis.
6. The valuation of inventories has done at cost which is not in accordance with accounting standard-2 (revised) issued by the Institute of Chartered Accountant of India.
7. Provisions are made in respect of all known liabilities. However, no provisions are made for doubtful debts, if any because the provision is not deductible business expenditure unless it is actually written off. After the debts became bad it is written off directly in the books of accounts.
8. There are no employees who are entitled for gratuity.



**DUSHYANT KUMAR & CO.**  
(CHARTERED ACCOUNTANT)  
FLAT NO. 203, 2<sup>ND</sup> FLOOR,  
VEENA SHYAM APARTMENT,  
**ROSE BUBS SCHOOL LANE (BEHIND ROTI RESTURANT)**  
**NORTH S. K. PURI, PATNA - 800 013. (BIHAR)**

**FORM NO. 3CA:**

[See rule 6G (1)(a)]

**AUDIT REPORT UNDER SECTION 44AB OF THE INCOME TAX ACT, 1961  
IN THE CASE WHERE THE ACCOUNTS OF THE BUSINESS OR  
PROFESSION OF A PERSON HAVE BEEN AUDITED UNDER ANY OTHER  
LAW**

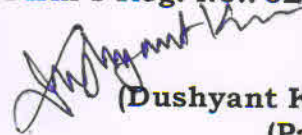
We report that the statutory audit of **M/s Eastern Estate Construction & Developers Private Limited**, Permanent Account No. **AADCE1004E**, was conducted by us in pursuance of the provisions of the companies Act, 2013 and we annex hereto a copy of our audit report dated **29.06.2019** along with a copy each of-

- a. The audited profit and loss account for the period beginning from **01.04.2018** to **31.03.2019**.
- b. the audited Balance Sheet as at **31st March, 2019**; and
- c. Documents declared by the said Act to be part of, or annexed to the profit and loss account and balance sheet.

The statement of particulars required to be furnished under section 44AB is annexed herewith in Form No.3CD.

In our opinion and to the best of our information and according to explanations given to us, the particulars given in the said Form No.3CD are true and correct.

**For Dushyant Kumar & Co.,  
Chartered Accountants  
Firm's Reg. No.: 020157C**

  
**(Dushyant Kumar)  
(Partner)**

**Membership No.- 409195  
UDIN No.**



**Place: - Patna**

**Date : - 25/10/2019**

## ANNEXURE "A"

We have audited the Balance Sheet and Profit & Loss Account of **M/s Eastern Estate Construction & Developers Private Limited**, having its registered office at **House No. 02, Mihir Path, East Boring Canal Road, Budha Colony, Patna-800 001, Bihar**, as at 31st March, 2019 under reference to the report.

1. The assessee is responsible for the preparation of the aforesaid financial statements that give a true and fair view of the financial position and financial performance (if applicable) in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India. This responsibility includes the design, implementation and maintenance of internal control 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.
  
2. The assessee is also responsible for the preparation of the statement of particulars required to be furnished under section 44AB of the Income-tax Act, 1961 annexed herewith in Form No. 3CD read with Rule 6G (1) (b) of Income Tax Rules, 1962 that give true and correct particulars as per the provisions of the Income-tax Act, 1961 read with Rules, Notifications, circulars etc that are to be included in the Statement.
  
3. Our responsibility is to express an opinion on these financial statements based on my/our audit. We have conducted this audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.
  
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The



procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
6. We are also responsible for verifying the statement of particulars required to be furnished under section 44AB of the Income-tax Act, 1961 annexed herewith in Form No. 3CD read with Rule 6G (1) (b) of Income-tax Rules, 1962. We have conducted our verification of the statement in accordance with Guidance Note on Tax Audit under section 44AB of the Income-tax Act, 1961, issued by the Institute of Chartered Accountants of India.
7. GST liabilities for the year has been taken as per books of accounts. Change in liability, if any, after audit under the provisions of GST Laws shall be accounted for in the year in which the audit is completed. In the opinion of the management there will be no significant change in the liability and will not impact significantly the profitability or the financial position of the company.

***This is a specific audit under section 44 AB of IT Act 1961.***

**ANNEXURE- "B"**

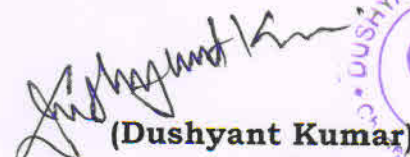
1. According to Explanation given to us the Firm has not received any memorandum (as required to be filed by the suppliers with the notified authority the Micro, Small and Medium Enterprises



Development Act, 2006) claiming their status as micro, small or medium enterprises. Consequently the amount paid/payable to these parties during the year is nil.

2. The assessee has valued the inventory of closing stock 'at cost' or net realizable value whichever is less as required under AS-2 issued by the Institute of Chartered Accountants of India.
3. Sales are accounted when sale of goods are completed on accrual basis.
4. Expenses supported by internal vouchers are certified by the management to be bonafide business expenditure.
5. Fixed assets are stated at WDV. Depreciation on fixed assets has charged as per IT Act, 1961.
6. Further, wherever the information is stated to be "**NIL**" or "**NOT APPLICABLE**" (**N.A**), these have been concluded on the basis of management certificate/ representation.

**For Dushyant Kumar & Co.,  
Chartered Accountants  
Firm's Reg. No.: 020157C**

  
**(Dushyant Kumar)  
(Partner)**

**Membership No.- 409195**

**UDIN No.**



Place: Patna  
Date: 25/10/2019



**EASTERN ESTATE CONSTRUCTION & DEVELOPERS PRIVATE LIMITED**  
Cash Flow Statement for the year ended 31 March, 2019

Particulars	For the year ended 31-03-2019		For the year ended 31-03-2018	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and Tax	64,34,446.84		1,04,16,196.29	
<i>Adjustments for:</i>				
Depreciation and Amortisation	6,50,315.52		6,50,315.52	
Preliminary expenses	20,000.00		20,000.00	
Other Adjustments				
<b>Operating profit / (loss) before Working Capital Changes</b>		<b>71,04,762.36</b>		<b>1,10,86,511.81</b>
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	(13,17,04,869.27)	(13,21,62,856.27)	(12,68,20,797.37)	(14,48,59,448.91)
Trade Receivables	1,14,29,852.00		(1,05,03,380.00)	
Other current Liabilities	-		-	
Long-term Loans & Advances				
Short-term Loans & Advances	(1,18,87,839.00)		(75,35,271.54)	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Other Long Term Liabilities	-	12,37,04,537.71	1,11,00,000.00	13,44,08,733.60
Trade Payables	14,71,88,893.07		10,21,90,584.88	
Other current Liabilities	(2,21,31,447.36)		2,09,11,270.72	
Short-term Provisions	(14,72,128.00)		33,042.00	
Deferred tax Liability	1,19,220.00		1,73,836.00	
<i>Cash flow from extraordinary items</i>				
<b>Cash generated from operations</b>		<b>(13,53,556.20)</b>		<b>6,35,796.50</b>
Adjustment for Income tax (paid) / refunds		(16,91,861.00)		(32,18,605.00)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(30,45,417.20)</b>		<b>(25,82,808.50)</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital	-		(2,46,490.00)	
Sale of Fixed Assets	-		-	
Purchase of Investments	-		-	
<i>Cash flow from extraordinary items</i>				
<b>Net cash flow from / (used in) investing activities (B)</b>				<b>(2,46,490.00)</b>
<b>C. Cash Flow from Financing Activities</b>				
Proceeds from Issue of Equity Shares	-		-	
Share Application Money	-		-	
Subsidy Reserve	-		-	
Security Premium	-		-	
Repayment of Long-term Borrowings				
Proceeds from Long-term Borrowings	(10,70,814.91)		(9,74,515.06)	
Proceeds from other Short-term Borrowings	-		-	
<i>Cash flow from extraordinary items</i>				
<b>Net Cash Flow from / (used in) Financing Activities (C)</b>		<b>(10,70,814.91)</b>		<b>(9,74,515.06)</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>		<b>(41,16,232.11)</b>		<b>(38,03,813.56)</b>
Cash and cash equivalents at the beginning of the year		56,77,135.67		94,80,949.23
<b>Cash and cash equivalents at the end of the year *</b>		<b>15,60,903.56</b>		<b>56,77,135.67</b>
(a) Cash on hand	3,46,410.99		11,17,668.99	
(b) Cheques, drafts on hand	-		-	
(c) Balances with banks	12,14,492.57		45,59,466.68	
(d) Other (Marketable Securities, etc)	-		-	
<b>See accompanying notes forming part of the financial statements</b>		<b>15,60,903.56</b>		<b>56,77,135.67</b>
<i>In terms of our report attached.</i>		(0.00)		(0.00)

For Dushyant Kumar & Co.  
Chartered Accountants  
Firm Regn. No. 020157C  
  
(Dushyant Kumar)  
Partner  
Membership No.-409195

For and on behalf of the Board of Directors

Mg. Director

Director

Place : Patna

Date: 29/06/2019