

**CIN: U45200GJ2015PTC082484**

**ESSEM INFRA PRIVATE LIMITED**  
**(Subsidiary of Ganesh Housing Corporation Limited)**

**2<sup>ND</sup> ANNUAL REPORT**  
**2015-2016**

**ESSEM INFRA PRIVATE LIMITED**

**BOARD OF DIRECTORS** : Mr. Dipak G. Patel - Chairman (DIN: 00004766)  
Mr. Shekhar G. Patel - Director (DIN: 00005091)  
Mr. Dipak B. Patel - Director (DIN: 01343136)  
Mr. Mehul B. Patel - Director (DIN: 02015626)  
Mr. Ashish H. Modi - Director (DIN: 02506019)  
Mr. Paresh M. Patel - Director (DIN: 00185346)

**AUDITORS** : J. M. Parikh & Associates  
Chartered Accountants  
Ahmedabad

**REGISTERED OFFICE** : Ganesh Corporate House  
100 ft. Hebatpura – Thaltej Road,  
Nr. Sola Bridge,  
Off S. G. Highway, Thaltej,  
Ahmedabad – 380 054

**BANKER** : Tamilnad Mercantile Bank Ltd,  
Axis Bank Ltd.

**ESSEM INFRA PRIVATE LIMITED**  
**CIN: U45200GJ2015PTC082484**

**DIRECTORS' REPORT**

To,  
The Members of  
Essem Infra Private Limited

Dear Members,

Your Directors are pleased to present the Second Annual Report together with the Statement of Accounts for the year ended at 31<sup>st</sup> March, 2016.

**STATEMENT OF COMPANY'S AFFAIRS:**

PARTICULARS	( In Rs.)	
	Year Ended 31/03/2016 Amount (In Rs.)	Year Ended 31/03/2015 Amount (In Rs.)
Total Income	1025903589	0
Total Expenditure	(492465960)	(39005050)
Profit /(Loss) before tax	533437629	(39005050)
Provision for tax	(165000000)	0
Provision for Deferred Tax	(12049933)	12052560
Profit /(Loss) after Tax	356387696	(26952490)
<b>Add: Opening Balance of Profit &amp; Loss A/c</b>	(26952490)	0
Profit /(Loss) transferred to Balance Sheet	329435206	(26952490)

**NATURE OF BUSINESS:**

The Company has launched three (3) projects namely Maple Shopola, Maple Trade Centre and Maple Tree for construction of Shops, Commercial Offices and Residential Apartments respectively near Surdhara Circle, SAL Road, Ahmedabad. The Company acquired the land for construction of the above mentioned schemes by way of auction organized by Charity Commissioner, Ahmedabad. At present the construction work for all these three (3) schemes are in full swing.

**EXTRACT OF ANNUAL RETURN**

Extract of Annual Return of the Company is annexed herewith as **Annexure A** to this Report.

**NUMBER OF BOARD MEETINGS**

During the year under review, 10 (ten) Board Meetings were held.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provision contained in Section 134(5) of the Companies Act, 2013, the Directors of your Company state that:

- a) in the preparation of the annual accounts for the financial year 31st March, 2016 the applicable accounting standards had been followed. There are no material departures in the adoption of the applicable Accounting Standards;
- b) the Directors have selected such appropriate 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 at the end of the financial year and of the loss of the company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a "going concern" basis;
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **HOLDING COMPANY**

Ganesh Housing Corporation Limited is the holding company and holds 75% of the total paid up Equity share capital of the Company and became Holding Company w.e.f 1st April, 2015.

## **ISSUE, ALLOTMENT AND REDEMPTION OF UNLISTED SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES**

The Board of Directors have issued and allotted 200,00,000 Unlisted Secured Redeemable Non-convertible Debentures at their meeting held on 5<sup>th</sup> March, 2015 in first tranche. Further, the Board of Directors have issued and allotted ((in demat form) 14,75,000 Unlisted Secured Redeemable Non-convertible Debentures at their meeting held on 5<sup>th</sup> May, 2015 in second tranche and 10,25,000 Unlisted Secured Redeemable Non-convertible Debentures at their meeting held on 22<sup>nd</sup> May, 2015 in third tranche for the face value of Rs. 100 each.

Further, during the year under review the Company has redeemed 4500 Unlisted Secured Redeemable Non-Convertible Debentures of the face value of Rs. 100 each.

## **REGISTERED OFFICE**

The Registered Office of the Company has been shifted from B – 003, Elanza Crest, Nr Sigma House, Nr Sindhubhavan Road, Bodakdev, Ahmedabad – 380054 to Ganesh Corporate House, 100 Ft Hebatpura – Thaltej Road, Near Sola Bridge, Off. S.G. Highway, Thaltej, Ahmedabad - 380 054, with effect from 1<sup>st</sup> June, 2015.

## **PARTICULAR OF LOANS, INVESTMENTS AND GUARANTEES UNDER SECTION 186 OF COMPANIES ACT, 2013**

The Company has not made any Investments in the Securities of any body corporate and has also not provided any guarantee or security in connection with the loan to any body corporate or person. Further, particulars of loans given for business purpose are stated in financial statement. Please refer to note no. 14 of the Notes forming part of accounts for the same.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

There were no Contracts or arrangements entered into by the company in accordance with the provisions of section 188 (1) of the Companies Act, 2013 with related parties.

Members may refer to the note No. 32 to the accounts for details of related party transactions as per Accounting Standards (AS) - 18.

## **DIVIDEND AND TRANSFER TO RESERVES**

To Strengthen the Company's long term resources, your directors do not recommend any dividend for the financial year 2015 – 2016. Further as the Company has not recommended any dividend for the year under review, no amount has been transferred to General Reserves.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The provisions of Section 134 (3) (m) of the Companies Act-2013 read with Rule 8(2) of Companies (Accounts) Rules 2014 do not apply to our Company as the Company has not carried out any activities relating to conservation of energy and technology absorption. The Particulars regarding foreign exchange earnings and outgo as required to be disclosed in this regard is NIL.

## **RISK MANAGEMENT POLICY**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

## **INTERNAL FINANCIAL CONTROL**

The company has put in place the requisite internal financial control system.

## **DETAILS OF DIRECTOR:**

Mr. Dipak B. Patel, Director of the company will retire by rotation at the forth coming Annual General Meeting and being eligible has offered himself for re-appointment.

The Company has received a declaration from the Independent Directors of the Company which was placed at the first meeting of Board of Directors of the Company held for the financial year 2016-2017.

The company is not required to appoint any Key Managerial Personnel as per Companies Act, 2013.

## **NOMINATION AND REMUNERATION COMMITTEE AND POLICY**

The Board of Directors of the Company constituted Nomination and Remuneration Committee at its meeting held on 8<sup>th</sup> January, 2016. The composition of Nomination and Remuneration Committee ("the Committee") is as follows:

1. Mr. Shekhar G. Patel
2. Mr. Paresh M. Patel
3. Mr. Ashish H. Modi

The policy of the company on directors appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is attached as Annexure- B to the Board's report. We affirm that remuneration paid, if any, to the directors and key managerial personnel is as per the terms laid out in the Nomination and Remuneration policy of the company.

## **AUDIT COMMITTEE**

The Board of Directors of the Company constituted Audit Committee at its meeting held on 8<sup>th</sup> January, 2016. The composition of Audit Committee ("the Committee") is as follows:

1. Mr. Shekhar G. Patel
2. Mr. Paresh M. Patel
3. Mr. Ashish H. Modi

All the recommendations made by the Audit Committee were accepted by the Board.

## **AUDITORS**

### Statutory Auditor:

As per the provisions of section 139 of the Companies Act, 2013, the appointment of M/S J. M. Parikh & Associates (FRN: 118007W), Chartered Accountants, Ahmedabad auditors of the Company is proposed to be ratified by the members in the ensuing Annual General Meeting and remuneration may be fixed by the members. They hold the office from the conclusion of this annual general meeting until the conclusion of 6th Annual General Meeting subject to ratification of Appointment at every Annual General Meeting. Accordingly the appointment of M/S J. M. Parikh & Associates is placed for ratification by shareholders at the ensuing 2nd AGM of the company.

Further the auditors have confirmed their willingness and eligibility for appointment and have also confirmed that their appointment, if made, will be within the limits under section 141 (3) (g) of the Companies Act, 2013.

There is no qualification, reservation or adverse remark or disclaimer made by the auditors in their report.

Hence, there is no need to offer any explanations or comments by your Board.

### Cost Auditor:

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost records and audits) Rules, 2014, as amended, Construction Industry is required to include Cost Records in their books of accounts covered from the financial years commencing on or after 1st April, 2014. Further, as per the

said rules, the Company is required to get its cost records audited by the Practicing Cost Accountant. Accordingly, the Board of Directors at their meeting held on 23<sup>rd</sup> May, 2016 appointed M/s J. B. Mistri & Co., Cost Accountants, Ahmedabad, as Cost Auditors for auditing the cost records of your Company for the year ended 31<sup>st</sup> March, 2017.

#### **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDERESSAL) ACT, 2013**

As the Company is not having any employees, the disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made there under or any other guidelines made there under is not Applicable.

#### **GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items or the same were not applicable to the Company during the year under review:

1. The provisions relating to submission of Secretarial Audit Report are not applicable to the Company.
2. The Company does not have any Subsidiary, Joint venture or Associate Company.
3. The Company has neither accepted nor renewed any deposits during the year under review.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. No material changes and commitments affecting Financial Position of the Company have taken place after completion of the financial period up to the date of this report which may have substantial effect on business and finances of the company and which are required to be disclosed in this Report.
6. The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.
7. During the year under review, there was no employee in receipt of salary for whom information as per Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is required to be given in the Directors' Report.

#### **APPRECIATION**

Your Directors wish to place on record their appreciation for the co-operation and continued support extended to the Company by all Government Authorities, Bankers and Shareholders.

**On behalf of the Board of Directors**



**Place: Ahmedabad  
Date: 23/05/2016**

**Dipak G. Patel  
Chairman  
[DIN: 00004766]**

**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration ) Rules, 2014**I REGISTRATION & OTHER DETAILS:**

i	CIN	U45200GJ2015PTC082484
ii	Registration Date	04-03-2015
iii	Name of the Company	ESSEM INFRA PRIVATE LIMITED
iv	Category/Sub-category of the Company	Company Limited by Shares India Non-Government Company
v	Address of the Registered office & contact details	Ganesh Corporate House, 100 Feet Hebatpura – Thaltej Road, Near Sola Bridge, off S.G. Highway, Thaltej, Ahmedabad - 380054 Gujarat (O): 079 61608888
vi	Whether listed company	NO
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	MCS SHARE TRANSFER AGENT LTD

**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 & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Construction of Buildings	4100	100

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	GANESH HOUSING CORPORATION LIMITED	L45200GJ1991PLC015817	HOLDING	75%	Section 2 (87) of the Companies Act, 2013





<b>(2) Non Institutions</b>									
a) Bodies corporates	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0	0	0	0	0	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>15000</b>	<b>15000</b>	<b>100</b>	<b>15000</b>	<b>0</b>	<b>15000</b>	<b>100</b>	<b>0</b>

**(ii) SHARE HOLDING OF PROMOTERS**

Name of Shareholders	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	
Mehul B. Patel	1875	12.5	NIL	1875	13	13	0
Dipak B. Patel	1875	12.5	NIL	1875	13	13	0
Ganesh Housing Corporation Limited	11250	75	NIL	11250	75	75	0
<b>Total</b>	<b>15000</b>	<b>100</b>	<b>NIL</b>	<b>15000</b>	<b>100</b>	<b>100</b>	<b>0</b>

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

Sl. No.	Particulars	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
<b>1</b>	<b>Mehul B Patel</b>				
	At the beginning of the year	1875	12.5	1875	12.5
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/ sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	1875	12.5	1875	12.5
<b>2</b>	<b>Dipak B. Patel</b>				
	At the beginning of the year	1875	12.5	1875	12.5
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/ sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	1875	12.5	1875	12.5
<b>3</b>	<b>Ganesh Housing Corporation Limited</b>				
	At the beginning of the year	11250	75	11250	75
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/ sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	11250	75	11250	75

**(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
	At the beginning of the year	<b>Not Applicable</b>			
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year				

**(v) Shareholding of Directors & KMP**

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
<b>1</b>	<b>Mehul B Patel</b>				
	At the beginning of the year	1875	12.5	1875	12.5
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/ sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	1875	12.5	1875	12.5
<b>2</b>	<b>Dipak B. Patel</b>				
	At the beginning of the year	1875	12.5	1875	12.5
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/ sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	1875	12.5	1875	12.5
<b>3</b>	<b>DIPAK G PATEL</b>				
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	0	0	0	0

<b>4</b>	<b>SHEKHAR G PATEL</b>				
	At the beginning of the year	0			
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	0	0	0	0
<b>5</b>	<b>PARESH M PATEL</b>				
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	0	0	0	0
<b>6</b>	<b>ASHISH H MODI</b>				
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	0	0	0	0

## 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	2000000000	1961515111	0	3961515111
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>2000000000</b>	<b>1961515111</b>	<b>0</b>	<b>3961515111</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	2500000000	820355400	0	1070355400
Reduction	450077	214598715	0	215048792
<b>Net Change</b>	<b>249549923</b>	<b>605756685</b>	<b>0</b>	<b>855306608</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	249549923	2567271796	0	4816821719
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>249549923</b>	<b>2567271796</b>	<b>0</b>	<b>4816821719</b>

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:			
Sl. No	Particulars of Remuneration	Name for the MD/WTD/Manager	Total Amount
	<b>Gross salary</b>	NIL	
	(a) Salary as per		
	(b) Value of perquisites		
	(c) Profits in lieu of		
2	Stock option		
3	Sweat Equity		
4	Commission		
	as % of profit		
	others (specify)		
5	Others, please specify		
	<b>Total (A)</b>		
	<b>Ceiling as per the Act</b>		

**B. Remuneration to other directors:**

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

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN**

SI. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Compan y	CFO	Total
1	<b>Gross Salary</b>	NIL			
	(a) Salary as per provisions contained in				
	(b) Value of perquisites u/s 17(2) of the				
	(c) Profits in lieu of salary under section				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	as % of profit				
	others, specify				
5	Others, please specify				
	<b>Total</b>				

VII PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES

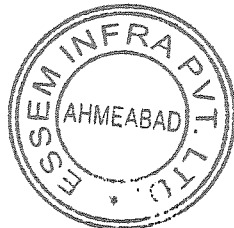
Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	Not Applicable				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	Not Applicable				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Not Applicable				
Punishment					
Compounding					

Place : Ahmedabad  
Date : 23/05/2016

On behalf of Board of Directors

*Dipak*

Dipak G. Patel  
Chairman  
DIN : 00004766





**ESSEM INFRA PRIVATE LIMITED**

**NOMINATION  
AND  
REMUNERATION  
POLICY**

Corporate Identification Number [CIN]: U45200GJ2015PTC082484  
Registered Office: Ganesh Corporate House, 100 Feet Hebatpura Thatltej Road,  
Near Sola Bridge, Off S. G. Highway, Thaltej, Ahmedabad 380 054

## **ESSEM INFRA PRIVATE LIMITED**

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### **1. INTRODUCTION:**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and senior management personnel of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated and recommended by the Committee and approved by the Board of Directors.

### **2. OBJECTIVE AND PURPOSE OF THE POLICY:**

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size, financial position and trends and practices on remuneration prevailing in peer companies and also in the real estate industry.
- To carry out periodic evaluation of the performance of Directors, Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To attract, retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on 8<sup>th</sup> January, 2016.

### **3. EFFECTIVE DATE:**

This policy shall be effective from 8<sup>th</sup> January, 2016.

## ESSEM INFRA PRIVATE LIMITED

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### CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE:

The Board had constituted Nomination and Remuneration Committee at its meeting held on 8<sup>th</sup> January, 2016. The Nomination and Remuneration Committee comprises of following Directors:

Sr. No.	Name	Position	Category
1.	Mr. Shekhar G. Patel	Chairman	Director
2.	Mr. Paresh M. Patel	Member	Independent Director
3.	Mr. Ashish H. Modi	Member	Independent Director

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

#### 4. DEFINITIONS:

- **“Act”** means Companies Act, 2013
- **“Board”** means Board of Directors of the Company.
- **“Director”** means Directors of the Company.
- **“Committee”** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time.
- **“Company”** means ESSEM INFRA PRIVATE LIMITED
- **“Independent Director”** means a director referred to in Section 149(6) of the Companies Act, 2013.
- **“Key Managerial Personnel” (KMP)** means-
  - (i) Managing Director;
  - (ii) Chief Executive Officer;
  - (iii) Manager;
  - (iv) Whole-time Director;
  - (v) Company Secretary;
  - (vi) Chief Financial Officer
  - (vii) Such other officer as may be prescribed under the applicable statutory provisions / regulations.

- **“Senior Management”** means personnel’s of the Company occupying the position of one level below the Board. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

**5. APPLICABILITY:**

The Policy is applicable to all:

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management

**6. GENERAL:**

- This Policy is divided in three parts:  
Part – A covers the matters to be dealt with and recommended by the Committee to the Board;  
Part – B covers the appointment and nomination and  
Part – C covers remuneration and perquisites etc.
- The key features of this Company’s policy shall be included in the Board’s Report.

**PART – A:- Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial Personnel and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management.

**PART – B: - Policy for appointment and removal of Director, KMP and Senior Management**

**(a) Appointment criteria and Qualifications:**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director or Manager who has attained the age of seventy years.

Provided that where any person has attend the age of seventy years and where his appointment or reappointment is approved by passing a special resolution in the General Meeting based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years. In any other case the same shall be approved by Central Government.

**(b) Term / Tenure:**

1. Managing Director/Whole-time Director:  
The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
2. Independent Director:
  - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report.

## ESSEM INFRA PRIVATE LIMITED

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- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years from cessation of Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

**(c) Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

**(d) Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**(e) Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company, if any. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **ESSEM INFRA PRIVATE LIMITED**

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### **PART – C: - Policy relating to the remuneration for the Managing Director, Whole-Time Director, KMP and Senior Management**

#### **(a) General:**

1. The committee will determine and recommend to Board the remuneration / compensation / commission etc. to the Managing Director, Whole-time Director, KMP and Senior Management Personnel for approval. The remuneration/compensation/ commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Managing Director or Whole-time Director shall be in accordance with the limits or conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder as amended from time to time.
3. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director or Whole-time Director. Increments will be effective from the date mentioned in the respective resolutions in case of a Managing Director and Whole-time Director and 1st April in respect of other employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

#### **(b) Remuneration to Whole-time Director, Managing Director/ Manager, KMP and Senior Management:**

##### **1. Fixed pay:**

The Managing Director/Manager, Whole-time Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be

## ESSEM INFRA PRIVATE LIMITED

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approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to provident fund, superannuation or annuity fund, gratuity, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director or Whole-time Director or manager in accordance with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

3. Provisions for excess remuneration:

If any Managing Director or Whole-time Director or manager draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

4. Stock Options:

In case, Managing Director/Manager, Whole-time Director, Company Secretary and Chief Financial Officer, are not being Promoter Director or Director holding either himself or along with his relatives more than 10% of equity shares of the company or Independent Director, they shall be entitled to any stock options of the Company as qualified by the normal employees of the Company. Provided the same shall be subject to the Companies Act, 2013 and rule 12 of Companies (Share Capital and Debentures Rules, 2014)

Senior Management Personnel shall be eligible for stock options as normal employees of the Company.



**(c) Remuneration to Non- Executive / Independent Director:**

1. Remuneration / Commission:

The remuneration / commission shall be fixed as per the limits and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. The sitting fees shall be decided by the Board of Directors of the Company at its meeting where quorum consists of disinterested directors. In case all the directors are interested, the same shall be decided by the Resolution passed by the Members of the Company.

Provided that the amount of such fees shall not exceed Rupees One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.



# J.M. PARIKH & ASSOCIATES

CHARTERED ACCOUNTANTS

B - 705, 7<sup>TH</sup> FLOOR, NIRMAN COMPLEX, OPP : HAVMOR RESTAURANT,  
NAVRANGPURA, AHMEDABAD - 380 009. PHONE: 26563949, 26569093  
E-mail : [jvparikh@yahoo.com](mailto:jvparikh@yahoo.com)

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF:  
ESSEM INFRA PRIVATE LIMITED,

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of ESSEM INFRA PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

### AUDITOR'S RESPONSIBILITY

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

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

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

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 judgments, including the assessment of 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 company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An Audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

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

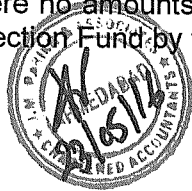


## OPINION

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 31<sup>st</sup> March, 2016, and its profit and its cash flows for the period ended on that date.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, 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 beliefs were necessary for the purposes of our audit;
  - b. In our opinion proper books of accounts as required by Law have been kept by the Company so far as it appears from our examinations of those books;
  - c. The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on 31st March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure – B.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. There are no litigations by or against the company as at 31st March, 2016 and hence, shall have no effect on its financial position in its financial statements.
    - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the company.



PLACE:- AHMEDABAD

DATE :- 23/05/2016

FOR, J.M.PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN:- 118007W

*Kaushal Shah*

KAUSHAL SHAH  
PARTNER

MEMBERSHIP NO.:- 127379

**J. M. PARIKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant

**ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
ESSEM INFRA PRIVATE LIMITED,**

Referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory requirements" of our Report of even date

- (i)
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) All the assets have not been physically verified by the management during the year but there is a regular programme 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 verification.
  - (c) The company does not have any immovable property. Hence, the question of the title deeds of immovable properties are held in the name of the Company does not arise. Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable to the Company.
- (ii) The company is accounting various construction projects being built by it, as inventory. There is a continuous monitoring of the construction projects. Hence, the question of physical verification of the project does not arise. In case of Inventory of Raw materials, it has been physically verified during the year by the management. The inventory shown in the accounts is in the nature of various construction projects. Hence, normal inventory records associated with manufacturing companies are not being kept. However, the company is maintaining the necessary records to our satisfaction. No discrepancies were noticed on verification between the physical stocks and book records.
- (iii) The company has not granted any loan to company, limited liability partnership, firm and other party covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly clauses 3(iii)(a), 3(iii)(b) & 3(iii)(c) of the Order are not applicable to the Company.
- (iv) 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 with respect to the loans, guaranties, securities and investments made.
- (v) The company has not accepted any deposit from public as per the provisions of sections 73 to 76 of the Companies Act, 2013. Accordingly, Clause 3(v) of the Order is not applicable to the Company.
- (vi) The company is not covered under the limit specified for the maintenance of cost records by the Central Government of India under sub-section (1) of section 148 of the Companies Act, 2013 read with the Companies (Cost records & Audit) Rules, 2014. Accordingly, Clause 3(vi) of the Order is not applicable to the Company.
- (vii)
- (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities have been generally regularly deposited.

According to the information and explanations given to us no other undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date of becoming payable.



- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Valued Added Tax and Cess, which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to debenture holders and NBFC. The company has not borrowed any money from a bank and Government.
- (ix) According to the information and explanations given to us, 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.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the year in course of our audit.
- (xi) According to the information and explanations given to us, The Company has not paid / provided for any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, 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.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence the question of complying with provisions of section 192 of Companies Act, 2013 does not arise. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.



PLACE:- AHMEDABAD  
DATE :- 23/05/2016

FOR J.M.PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN:- 118007W

*Kaushal Shah*

KAUSHAL SHAH  
PARTNER  
MEM. NO. 127379.

J. M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Navina Complex,  
Old Ahmedabad Road, Gandhinagar,  
Navrangpura, AHMEDABAD-9.

**ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
ESSEM INFRA 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 ESSEM INFRA PRIVATE LIMITED ("the Company") as of March 31, 2016 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 ("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**

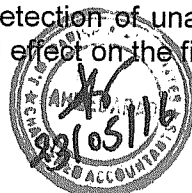
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, 2016, 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.

PLACE:- AHMEDABAD  
DATE :- 23/05/2016



FOR J.M.PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN:- 118007W

A handwritten signature in black ink that reads "Kaushal Shah".

KAUSHAL SHAH  
PARTNER  
MEM. NO. 127379.

**J. M. PARIKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant,  
Navrangpura, AHMEDABAD-9.

**ESSEM INFRA PRIVATE LIMITED**  
**BALANCESHEET AS AT 31/03/2016.**

[AMT. RS.]

PARTICULARS	NOTE	AS AT THE END	
		OF CURRENT REPORTING PERIOD 31-03-2016	OF CURRENT REPORTING PERIOD 31-03-2015
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS:-</b>			
Share Capital	2	150000	150000
Reserve & Surplus	3	329435206	(26952490)
		329585206	(26802490)
<b>2 NON CURRENT LIABILITIES:-</b>			
Long Term Borrowings	4	1949549923	2000000000
		1949549923	2000000000
<b>3 CURRENT LIABILITIES:-</b>			
Short Term Borrowings	5	2567271796	1961515111
Trade Payables	6	92580670	24681811
Other Current Liabilities	7	497984848	23613412
Short Term Provisions	8	163636545	0
		3321473859	2009810334
<b>TOTAL</b>		<b>5600608988</b>	<b>3983007844</b>
<b>II ASSETS</b>			
<b>1 NON CURRENT ASSETS:-</b>			
Fixed Assets			
-Tangible Assets	9	71978	0
Deferred Tax Assets (Net)	10	2627	12052560
		74605	12052560
<b>2 CURRENT ASSETS:</b>			
Inventories	11	4354952406	3932647129
Trade Receivable	12	681935820	0
Cash & Cash Equivalents	13	120913606	6151627
Short Term Loans & Advances	14	5000000	5000000
Other Current Assets	15	437732551	27156528
		5600534383	3970955284
<b>TOTAL</b>		<b>5600608988</b>	<b>3983007844</b>
<b>III Significant Accounting Policies &amp; Notes Forming Part of Accounts</b>			
	1 TO 32		

AS PER OUR REPORT OF EVEN DATE  
FOR J M PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN:- 118007W

*Kaushal Shah*  
KAUSHAL SHAH  
PARTNER  
MEM. NO. 127379



PLACE : AHMEDABAD  
DATE : 23/05/2016

ON BEHALF OF THE BOARD  
OF DIRECTORS

*Dipak G. Patel*  
DIPAK G. PATEL  
CHAIRMAN  
[DIN: 00004766]

*Shekhar G. Patel*  
SHEKHAR G. PATEL  
DIRECTOR  
[DIN: 00005091]

PLACE : AHMEDABAD  
DATE : 23/05/2016

**J. M. PARIKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant,  
Navrangpura, AHMEDABAD-9.



## ESSEM INFRA PRIVATE LIMITED

[AMT. RS.]

## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED ON 31ST MARCH 2016.

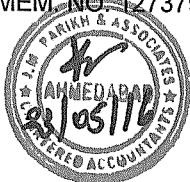
PARTICULARS	NOTE	FOR THE CURRENT	FOR THE CURRENT
		REPORTING PERIOD 2015-2016	REPORTING PERIOD 2014-2015
I INCOME:-			
Revenue from Operations	16	1013933940	0
Other Income	17	11969649	0
<b>TOTAL</b>		<b>1025903589</b>	<b>0</b>
II EXPENSES :-			
Project Expenses	18	343338692	3898607746
Changes in Inventories	19	(420479802)	(3927293948)
Finance Cost	20	461501252	31909883
Depreciation		22702	0
Other Expenses	21	108083116	35781369
<b>TOTAL</b>		<b>492465960</b>	<b>39005050</b>
III Profit / (Loss) Before Tax		533437629	(39005050)
IV Tax Expenses:			
Current Tax	(165000000)		0
Deferred Tax	(12049933)		12052560
		(177049933)	12052560
V Profit / (Loss) After Tax		356387696	(26952490)
VI Basic & Diluted Earning Per share [In Rs.]	28		
-Before extra ordinary items		23759.18	(21561.99)
-After extra ordinary items		23759.18	(21561.99)
VII Significant Accounting Policies & Notes Forming Part of Accounts	1 TO 32		

AS PER OUR REPORT OF EVEN DATE  
FOR J M PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN:- 118007W

ON BEHALF OF THE BOARD  
OF DIRECTORS

*Kaushal Shah*

KAUSHAL SHAH  
PARTNER  
MEM. NO. 127379



*Dipak Patel*

DIPAK G. PATEL  
CHAIRMAN  
[DIN: 00004766]

*Shekhar Patel*

SHEKHAR G. PATEL  
DIRECTOR  
[DIN: 00005091]

PLACE : AHMEDABAD  
DATE : 23/05/2016

PLACE : AHMEDABAD  
DATE : 23/05/2016

**J. M. PARIKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant,  
Navrangpura, AHMEDABAD-9.

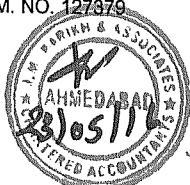
ESSEM INFRA PRIVATE LIMITED  
CASH FLOW STATEMENT FOR THE YEAR 2015-2016

[AMT. RS.]

PARTICULARS		NOTE	2015-2016	2014-2015
A	CASH FLOW FROM OPERATING ACTIVITIES:			
	NET PROFIT BEFORE TAX AND PERVIOUS YEAR 'S FIGURES		533437629	(39005050)
	LESS: INTERIM DIVIDEND & DIVIDEND TAX		0	0
	TOTAL		533437629	(39005050)
	ADD:- PROVISION FOR INCOME TAX		(165000000)	0
	ADD: DEFERRED TAX		(12049933)	12052560
			(177049933)	12052560
			356387696	(26952490)
	NET PROFIT AFTER TAX			
	ADD/LESS ADJUSTMENTS FOR			
	DEPRECIATION		22702	0
	INTEREST EXPENSES		461501252	31909883
	INTEREST INCOME		(8124621)	
	PRELIMINARY EXP.W/OFF		0	0
			453399333	31909883
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		809787029	4957393
	ADD/LESS ADJUSTMENTS FOR			
	INVENTORIES		(422305277)	(3932647129)
	TRADE RECEIVABLES		(681935820)	0
	OTHER CURRENT ASSETS		(410576023)	(27156528)
	TRADE PAYABLES		67898859	24681811
	OTHER CURRENT LIABILITIES		474371436	23613412
	SHORT TERM PROVISION		165000000	
	INCREASE IN DEFERRED TAX		12049933	(12052560)
			(795496892)	(3923560994)
	TAXES PAID (NET)		(1363455)	0
	CASH GENERATED FROM OPERATIONS		(796860347)	(3923560994)
B	CASH FLOW FROM INVESTING ACTIVITIES :			
	PURCHASE OF FIXED ASSETS		(94680)	0
	CAPITAL WORK IN PROGRESS		0	0
	SALE OF FIXED ASSETS		0	0
	INVESTMENTS MADE		0	0
	MOVEMENT IN LOANS & ADVANCES		0	(5000000)
	INTEREST RECEIVED		8124621	0
	NET CASH USED IN INVESTING ACTIVITIES		8029941	(5000000)
C	CASH FLOW FROM FINANCING ACTIVITIES :			
	PROCEEDS FROM LONG TERM BORROWINGS		(50450077)	2000000000
	PROCEEDS FROM SHORT TERM BORROWINGS		605756685	1961515111
	INCREASE OF SHARE CAPITAL			150000
	INCREASE OF SHARE APPLICATION MONEY		0	0
	INCREASE OF SECURITY PREMIUM			
	INTEREST PAID		(461501252)	(31909883)
	DIVIDEND PAID (INCLUDING DIVIDEND DISTRIBUTION TAX)		0	0
	NET CASH USED IN FINANCING ACTIVITIES		93805356	3929755228
	NET INCREASE IN CASH AND CASH EQUIVALENTS		114761979	6151627
	OPENING BALANCE OF CASH AND CASH EQUIVALENTS		6151627	0
	CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		120913606	6151627
<b>Components of Cash and Cash Equivalents</b>				
	Cash on hand		214567	234948
	Balances with a Banks		120699039	5916679
	<b>Total</b>		<b>120913606</b>	<b>6151627</b>
	Significant Accounting Policies	1		

AS PER OUR REPORT OF EVEN DATE  
FOR J M PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN:- 118007W

*Kaushal Shah*  
KAUSHAL SHAH  
PARTNER  
MEM. NO. 127879



**J. M. PARIKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS

PLACE: AHMEDABAD  
DATE : 23/05/2016

7th Floor, B/705, Nandan Complex,  
Gan. Navrangpura, Ahmedabad-9.

ON BEHALF OF THE BOARD  
OF DIRECTORS

*Dipak G. Patel*  
DIPAK G. PATEL  
CHAIRMAN  
[DIN: 00004766]

*Shekhar G. Patel*  
SHEKHAR G. PATEL  
DIRECTOR  
[DIN: 00005091]

PLACE : AHMEDABAD  
DATE : 23/05/2016

**ESSEM INFRA PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS**

**1. SIGNIFICANT ACCOUNTING POLICIES:-**

**1.1 NATURE OF OPERATIONS:**

The Company was incorporated in 2015. The company is a private limited company incorporated and domiciled in India. And has its registered office at Ahmedabad, Gujarat, India. The company's main business is real estate promotion and development in residential and commercial segment.

**1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

These financial statements have been prepared in accordance with the generally accepted accounting principles (GAAP) in India under the historical cost convention on going concern and accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**1.3 BASIS FOR CLASSIFICATION OF ASSETS & LIABILITIES:**

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets or processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current – non current classification of assets and liabilities.

**1.4 USE OF ESTIMATES:**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

1.5. The Company adopts the accrual concept in the preparation of the accounts.

**1.6. RECOGNITION OF INCOME & EXPENDITURE**

All Income & Expenditure are accounted for on accrual basis.

**1.7. FIXED ASSETS & DEPRECIATION:**

A. Fixed assets shall be stated at cost of acquisition or construction less depreciation. Cost comprises the purchase price and other attributable costs including financing costs relating to borrowed funds attributable to construction or acquisition of fixed assets upto the date the assets is ready for use and adjustments consequent to subsequent variations in rates of exchange.

**B. Depreciation on fixed assets:**

Depreciation shall be provided based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 on the "Written down value" method in respect of all assets.



**ESSEM INFRA PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS**

- 1.8. **BORROWING COST:**  
Borrowing costs attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for its intended use or sale) shall be capitalized as part of the cost of such asset upto the date when such asset is ready for its intended use or sale. Other borrowing costs are recognized as an expense in the period in which they are incurred.
- 1.9. **TAXES ON INCOME:**  
Provision for Current Tax is computed as per Total Income Returnable under the Income Tax Act, 1961 taking into account available deductions and exemptions.
- 1.10. **DEFERRED TAX:**  
Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- 1.11. **INCOME FROM REAL ESTATE DEVELOPMENT PROJECTS:**
- (a) The Company records revenue on all its Real Estate Development Projects based on Accounting Standard – 9. i.e. Revenue Recognition and also based on guidance note issued by the Institute of Chartered Accountants of India “Revenue Recognition for Real Estate Developers”.
  - (b) The full revenue is recognized on sale of property when the Company has transferred to the buyer all significant risks & rewards of ownership and when the seller has not to perform any substantial acts to complete the contract.
  - (c) However, when the Company is obliged to perform any substantial acts after transfer of all significant risks & rewards of ownership on sale of property, the revenue is recognized on proportionate basis as the acts are performed i.e. by applying the percentage completion method.
- 1.12. **INVENTORY:**
- A. In case of the stock of Raw-material are valued at cost using FIFO method.
  - B. The Closing stock of WIP has been valued at cost.
- 1.13. **RETIREMENT & OTHER EMPLOYEE BENEFITS:**
- A. The company has a system of providing accumulating compensating absences non-vesting and hence no provision is made in the books of accounts for the leaves.
  - B. The company is not liable to pay gratuity as it employs less than 10 persons.
  - C. As the company does not employ 10 or more employees P.F. is not applicable.
- 1.14. **TRANSACTIONS IN FOREIGN CURRENCY:**
- A. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
  - B. Monetary items denominated in foreign currencies at the period end are restated at year end rates.
  - C. Non monetary foreign currency items are carried at cost.
  - D. Any income or expense on account of exchange difference either on settlement or on transaction is recognised in the profit and loss account.



**ESSEM INFRA PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS**

1.15. INVESTMENTS:

Current investments shall be carried at lower of cost and quoted/fair value, computed category wise. Long term investments shall be stated at cost. Provision for diminution in the value of investments shall be made only if such a decline is other than temporary.

1.16. EARNINGS PER SHARE:

Earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

1.17. CASH FLOW STATEMENT:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.18. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

[AMT. RS.]

PARTICULARS AS AT 31/03/2016 AS AT 31/03/2015

NOTE - 2

SHARE CAPITAL :

AUTHORISED:-

15000 Equity Shares of Rs. 10/- Each	150000	150000
	<u>150000</u>	<u>150000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:-

15000 Equity Shares of Rs. 10/- Each	150000	150000
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TOTAL

<u>150000</u>	<u>150000</u>
---------------	---------------

NOTE :

1. The reconciliation of number of shares at the beginning of the year and at the close of the year is set out below:

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Equity shares at the beginning of the year	15000	0
Add: Shares issued during the period	0	15000
Equity shares at the end of the year	<u>15000</u>	<u>15000</u>

2. The 75% shareholding of the company is held by Ganesh Housing Corporation Limited which is its holding company.

3. Right, Preferences and Restrictions attached to shares:

The company has one class of equity shares having a par value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

NOTE - 3

RESERVES & SURPLUS:

(a) DEBENTURES REDEMPTION RESERVE

Balance As Per Last Balance Sheet	0	0
Add : Transfer from Profit & Loss A/c	50000000	0

TOTAL - 1

<u>50000000</u>	<u>0</u>
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(b) PROFIT & LOSS ACCOUNT

Balance As Per Last Balance Sheet	(26952490)	0
Add : Transfer from Profit & Loss Statement	356387696	(26952490)

	<u>329435206</u>	<u>(26952490)</u>
--	------------------	-------------------

Less: Transferred to Debentures Redemption Reserve	(50000000)	0
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TOTAL - 2

<u>279435206</u>	<u>(26952490)</u>
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TOTAL 1+2=

<u>329435206</u>	<u>(26952490)</u>
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ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

[AMT. RS.]

PARTICULARS AS AT 31/03/2016 AS AT 31/03/2015

NOTE - 4

LONG TERM BORROWINGS

**SECURED:-**

**Debentures:**

22495500 (Pre. Yr. 20000000) Non Convertible Debentures  
of Rs. 100/- each

1949549923

2000000000

1949549923

2000000000

**TOTAL**

[Refer note no. 18 for security details]

1949549923

2000000000

Maturity Profile & Rate of Interest of Non Convertible Debentures are as set out below:

Rate of Interest	2016-17	2017-18	2018-19	2019-20 & Beyond
16.75% (Pre. Yr. 19%) [Rate of interest is variable]	300000000	620000000	620000000	709549923

NOTE - 5

SHORT TERM BORROWINGS

**From Related Parties:-**

Inter Corporate Deposit

2118031653

1454165595

From Directors

292849516

292849516

2410881169

1747015111

**From others:-**

Inter Corporate Deposit

156390627

214500000

156390627

214500000

**TOTAL**

NOTE:- All unsecured loans are repayable on demand. As they are repayable on demand, they are shown as short term borrowing.

2567271796

1961515111

NOTE - 6

TRADE PAYABLES

Micro, Small & Medium Enterprise

0

0

Others

92580670

24681811

**TOTAL**

92580670

24681811

NOTE - 7

OTHER CURRENT LIABILITIES

Current Maturity of Long Term Debt

300000000

0

Statutory Liabilities

9040423

6410882

Advance From Customers

187844425

17202530

Booking Refundable

1100000

0

**TOTAL**

497984848

23613412

NOTE - 8

SHORT TERM PROVISION

Provision For Income Tax (Net of Income Tax & TDS)

163636545

0

**TOTAL**

163636545

0



ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

NOTE - 9

FIXED ASSETS	[AMT. RS.]											
	AS AT 01-04-2015		GROSS BLOCK		AS AT 31-03-2016		DEPRECIATION / DEDUCTIONS DURING YEAR		AS AT 31-03-2016		NET BLOCK	
	AS AT 01-04-2015	ADDITION DURING YEAR	DEDUCTIONS DURING YEAR	AS AT 31-03-2016	AS AT 01-04-2015	DEPRECIATION / AMORTISATION DURING THE YEAR	DEDUCTIONS DURING YEAR	AS AT 31-03-2016	AS AT 31-03-2016	AS AT 31-03-2016	AS AT 31-03-2016	
CUBE TESTING MACHINE	0	63630	0	63630	0	14573	0	14573	49057	0	0	
STABILISER	0	31050	0	31050	0	8129	0	8129	22921	0	0	
<b>TOTAL</b>	<b>0</b>	<b>94680</b>	<b>0</b>	<b>94680</b>	<b>0</b>	<b>22702</b>	<b>0</b>	<b>22702</b>	<b>71978</b>	<b>0</b>	<b>0</b>	
<b>PREVIOUS YEAR</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	





ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

PARTICULARS	[AMT. RS.]	
	AS AT 31/03/2016	AS AT 31/03/2015
<b>NOTE - 10</b>		
<b>DEFERRED TAX ASSETS (NET)</b>		
<u>Deferred Tax Assets:-</u>		
Timing Difference :-		
Disallowances under the Income Tax Act, 1961	2627	12052560
Total - A	2627	12052560
<u>Deferred Tax Liabilities:-</u>		
Timing Difference	0	0
Total - B	0	0
Total A - B = Net Deferred Tax Assets	2627	12052560
<b>NOTE - 11</b>		
<b>INVENTORIES</b>		
INVENTORIES (As taken, valued & certified by Management)		
Stock of WIP	4353126931	3932647129
Stock of Raw-material	1825475	0
<b>TOTAL</b>	<b>4354952406</b>	<b>3932647129</b>
<b>NOTE - 12</b>		
<b>TRADE RECEIVABLES</b>		
<b>[UNSECURED, CONSIDERED GOOD]</b>		
-More than Six Months	196511223	0
-Others	485424597	0
<b>TOTAL</b>	<b>681935820</b>	<b>0</b>
<b>NOTE - 13</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
Cash on hand	214567	234948
Balances with Banks in :-		
-Current Account	6359015	5916679
-Fixed Deposits Account [Maturity more than 12 months]	114340024	0
	120699039	5916679
<b>TOTAL</b>	<b>120913606</b>	<b>6151627</b>
<b>NOTE - 14</b>		
<b>SHORT TERM LOANS &amp; ADVANCES</b>		
<b>[UNSECURED, CONSIDERED GOOD]</b>		
Loan to Others:-		
J.P. Fincorp Services Private Limited	5000000	5000000
	5000000	5000000
<b>TOTAL</b>	<b>5000000</b>	<b>5000000</b>
<b>NOTE - 15</b>		
<b>OTHER CURRENT ASSETS</b>		
Cenvat credit of Service Tax	18228681	74261
AMC, Auda & Legal Charges	417731783	27048559
Advance to Suppliers	1007400	0
Prepaid Expenses	754687	33708
Vat Deposit	10000	0
<b>TOTAL</b>	<b>437732551</b>	<b>27156528</b>



ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

[AMT. RS.]

PARTICULARS

YEAR ENDED 31/03/2016 YEAR ENDED 31/03/2015

NOTE - 16

REVENUE FROM OPERATIONS

Sales	1013933940	0
<b>TOTAL</b>	<b>1013933940</b>	<b>0</b>

NOTE:- 17  
OTHER INCOME

Interest Income from:

-Bank on F.D.	8099582	0
-Others	25039	

Service Tax Cenvat availed of earlier Yr. reversed  
Sundry Credit Balances W/off.

8124621	0
3837571	0
7457	0

<b>TOTAL</b>	<b>11969649</b>	<b>0</b>
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NOTE - 18  
PROJECT EXPENSES

Carting Exp.	6999820	0
Electric Exp.	1678805	0
Labour Exp.	3112008	0
Land Purchase	0	3897121000
Machinery Rent	370462	105600
Professional Fees	4425050	1155058
Raw-material consumed	73289594	172550
Repairs & Maintenance Exp.	82141	0
Security Expenses	439909	17902
Site Exp.	570841	0
Site Office Exp.	169077	0
Survey Exp.	720110	0
Work contract Exp.	251480875	35636

<b>TOTAL</b>	<b>343338692</b>	<b>3898607746</b>
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NOTE:- 19  
CHANGES IN INVENTORIES

CLOSING STOCK:-

WIP	4353126931	3932647129
<b>TOTAL</b>	<b>4353126931</b>	<b>3932647129</b>

LESS: OPENING STOCK:-

WIP	3932647129	5353181
<b>TOTAL</b>	<b>3932647129</b>	<b>5353181</b>
(Increase) / Decrease in stock	(420479802)	(3927293948)
<b>TOTAL</b>	<b>(420479802)</b>	<b>(3927293948)</b>

NOTE - 20  
FINANCE COST

Interest to:-

-Debenture holders	393716277	28109589
-Others	23712646	576613
-On Late Payment of Taxes	7895273	0

Loan Processing Charges  
Bank Charges

425324196	28686202
36000000	3197350
177056	26331

<b>TOTAL</b>	<b>461501252</b>	<b>31909883</b>
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ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

[AMT. RS.]

PARTICULARS

YEAR ENDED 31/03/2016 YEAR ENDED 31/03/2015

NOTE - 21

OTHER EXPENSES

ADMINISTRATIVE & OTHER EXPENSES:-

Audit Fee	979875	11236
Computer Consumable Expenses	350	0
Depository Expenses	41005	0
Insurance Expenses	2272355	0
Internet Charges	35872	0
Management Fees Expenses	10139339	0
Miscellaneous Expenses	4744	21061
Office Expenses	29748	0
Legal & Professional Fees	2136299	34663084
Penalty	132800	0
Postage & Courier Expenses	212782	0
Preliminary Expenses W/off.	0	4370
Previous Year Expenses	168540	0
Roc Filing Fees	12000	1500
Stationery & Printing Expenses	28019	0
Sundry Debit Balances W/off.	16742	0
Swachchh Bharat Cess on Service Tax	69007	0
Travelling & Conveyance Expenses	1265	500498
Vat Expenses	1322452	0

17603194 35201749

MARKETING EXPENSES:-

Advertisement Expenses	51412758	13037
Brokerage Expenses	3697413	0
Brouchure Expenses	5599124	0
Sales promotion Expenses	29770627	566583

90479922 579620

TOTAL

108083116 35781369



**ESSEM INFRA PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS:**

22. Corresponding figures of the previous year have been regrouped to confirm with this year's classification wherever necessary. The previous year figures are for the period from 04/03/2015 and ending on 31/03/2015. So it is not comparable with the current year figure.
23. The details of security offered for the secured Debentures issued are as follows:  
Piramal Enterprises Limited:  
Charge secured by mortgage of immovable property and interest thereon, maintenance of F.D. with lien and hypothecation of receivables, book debts, outstanding moneys and claims, escrow accounts of two projects, etc of the company and its Group companies, pledge of shares of promoter Directors & Shareholders of the company, personal guarantee of promoter directors of the company and corporate guarantee / security of holding company. The trustees for the said NCD are IDBI Trusteeship Services Limited in whose name the necessary charge is created.
24. Balances of Short Term Borrowings, Trade Payables, Other Current Liabilities, Loans and Advances and Other Current Assets are subject to confirmation.
25. In the opinion of the Board of Directors, the Current Assets and Loans & Advances are approximately of the value stated, if realised in the ordinary course of business.
26. Details of Auditors' Remuneration are as follows: [AMT. RS.]

PARTICULARS	2015-2016	2014-2015
Audit fees	1116375	11236
For Certification & other matter	378639	16854
<b>Total</b>	<b>1495014</b>	<b>28090</b>

27. Based on the information available with the company, there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31<sup>st</sup> 2016. Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.
28. Earning per share:

A. Calculation of Weighted Average Number of Equity Shares of Rs.10/- each	2015-2016	2014-2015
Number of shares at the beginning of the year	15000	0
Total number of shares at the end of the year	15000	15000
Weighted average number of shares outstanding during the year	15000	1250
B. Net Profit/ loss after tax available for equity share holders [AMT. RS.]	356387696	(26952490)
C. Basic & Diluted Earnings per share [IN RS.]		
Before extra ordinary items	23759.18	(21561.99)
After extra ordinary items	23759.18	(21561.99)

29. The information required as per para 5 (viii) (a) of part II of schedule III of the Companies Act, 2013 regarding information about the value of imports calculated on CIF basis, in respect of imported raw materials, components & spare parts and capital goods is Rs. NIL.
30. The information required as per para 5 (viii) (b), (d) & (e) of part II of schedule III of the Companies Act, 2013 regarding expenditure in foreign currency, the dividend remitted in foreign currency and earning in foreign exchange is Rs. NIL.
31. The information required as per para 5 (viii) (c) of part II of schedule III of the Companies Act, 2013 regarding information about the total value of imported raw materials, spare parts & components consumed and the total value of indigenous raw-materials, spare parts & components consumed and percentage of each to the total consumption are as follows:



**ESSEM INFRA PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS:**

RESIDENTIAL FLATS & COMMERCIAL SHOPS & OFFICES PROJECT	[AMT. RS.]				
	PARTICULARS	%	2015-2016	%	2014-2015
<b>I) VALUE OF IMPORTED &amp; INDIGENOUS SPARE PARTS &amp; COMPONENTS CONSUMED</b>					
Imported	-	0	-	0	0
Indigenous	-	0	-	0	0
<b>TOTAL</b>	-	<b>0</b>	-	-	<b>0</b>
<b>II) VALUE OF IMPORTED &amp; INDIGENOUS RAW MATERIAL CONSUMED</b>					
Imported	-	0	-	0	0
Indigenous	100	73289594	100	172550	172550
<b>TOTAL</b>	-	<b>73289594</b>	-	-	<b>172550</b>

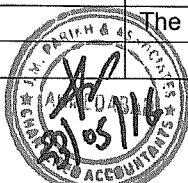
32. Related party disclosures:-

**1. HOLDING COMPANY:-**

Ganesh Housing Corporation Limited.

**2. ENTITIES OVER WHICH THE COMPANY OR SUBSIDIARY COMPANY OR KEY MANAGERIAL PERSONNEL OR THEIR RELATIVES EXERCISE SIGNIFICANT INFLUENCE:-**

PARTICULARS	
Shri Ganesh Construction Private Limited	Madhuj Realty Private Limited
Starnet Software (I) Limited	Madhumati Realty Private Limited
Mandar (Thaltej) Complex Private Limited	Tirth Developers Private Limited
Mitul (Thaltej) Complex Private Limited	Malvika Estate Private Limited,
Vinat Complex Private Limited	Mahavir (Thaltej) Complex Private Limited
Madhuram Resorts Private Limited	Sulabh Realty Private Limited
Maple Brandmark Private Limited	Rajratna Infrastructure Private Limited
Tarang Realty Private Limited	Shardul Buildcon Private Limited
Shahil Infrastructure Private Limited	Rajnigandha Developers Private Limited
Gamit Builders Private Limited	Gagan Infrastructure Private Limited
Vyom Realty Private Limited	Gitanjali Infrastructure Private Limited
Unmesh Complex Private Limited	Sujan Developers Private Limited
Shushna Complex Private Limited	Gatil Properties Private Limited
Viraj Complex Private Limited	Maheshwari (Thaltej) Complex Private Limited
Milind Complex Private Limited	Yash Organiser Private Limited
Mihika Buildcon Limited	Shaily Infrastructure Private Limited
Nilay Realty Private Limited	Siddhi Developers
Sanmukh Developers Private Limited	Siddhi Developers & Builders
Vimoh Land Developers Private Limited	Siddhi Corporation
Gaven Construction Private Limited	Aarohi Starz Club Private Limited
Vardhan Land Developers Private Limited	Festive Dealcom Private Limited
Vibhor Realty Private Limited	Inspiration Merchant Private Limited
Ganesh Infrastructure (I) Private Limited	Rohini Realty Private Limited
Ganeshsagar Infrastructure Private Limited	Shadval Complex Private Limited
Martand Estate Private Limited	Madhav (Thaltej) Complex Private Limited
Matang Properties Private Limited	Madhurkamal (Thaltej) Complex Private Limited
Maitrik Buildcon Private Limited	The Gujarat Institute of Housing & Estate Developers
Medhbhuti Complex Private Limited	



**ESSEM INFRA PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS:**

**3. KEY MANAGEMENT PERSONNEL:-**

Shri Dipak G. Patel
Shri Shekhar G. Patel
Shri Dipak B. Patel
Shri Mehul B. Patel

**4. RELATIVES OF KEY MANAGERIAL PERSONNEL:-**

Smt. Archanaben S. Patel

Nature of transactions with related parties and aggregate amount of such transactions for each class of related parties balances outstanding as on 31/03/2016.

(Related Party relationship is as identified by the Company and relied upon by the auditors.)

Transactions with Related Parties:-

[AMT. RS.]

Nature of Transaction by reporting company	Holding Company	Subsidiaries	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Total
Loan Taken	2118031653	NIL	NIL	292849516	NIL	2410881169
	<i>1454165595</i>	<i>NIL</i>	<i>NIL</i>	<i>292849516</i>	<i>NIL</i>	<i>1747015111</i>
Trade Payable	10595609	NIL	NIL	NIL	NIL	10595609
	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>
Expenses (Includes Management Fees)	11609543	NIL	NIL	NIL	428400	12037943
	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>

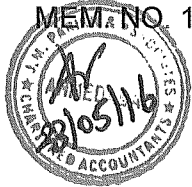
\* Figures in italics shown previous year figures.

As per our report of even date  
For J.M.PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN:- 118007W

On behalf of the Board of Directors

*Kaushal Shah*

KAUSHAL SHAH  
PARTNER  
MEM NO. 127379



**J. M. PARIKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant  
Navrangpura, AHMEDABAD-9.

*Dipak*

DIPAK G. PATEL  
CHAIRMAN  
[DIN: 00004766]

*Shekhar*

SHEKHAR G. PATEL  
DIRECTOR  
[DIN: 00005091]

PLACE: AHMEDABAD  
DATE : 23/05/2016

PLACE: AHMEDABAD  
DATE : 23/05/2016

**J. M. PARIKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant,  
Navrangpura, AHMEDABAD-9.