

MG HOMECRAFT LLP
BALANCE SHEET
F.Y. 2017 - 2018

MG HOMECRAFT LLP
STATEMENT OF ASSETS & LIABILITIES AS AT 31ST MARCH, 2018

Particulars	Notes	AS AT	AS AT
		31.03.2018	31.03.2017
		₹	₹
ASSETS			
Current assets			
Financial assets	3.1		
- Cash and cash equivalents	3.1.1	401,696	433,376
- Others	3.1.2	1,133	4,388
Current tax assets (Net)	3.2	3,999	1,540
		406,828	439,304
CONTRIBUTION AND LIABILITIES			
Partner Capital Account	4.1.1	100,000	100,000
Partner Current Account	4.1.2	281,828	310,554
		381,828	410,554
LIABILITIES			
Current liabilities			
Financial liabilities	5.1		
- Other financial liabilities	5.1.1	25,000	28,750
		25,000	28,750
Total Equity and Liability		406,828	439,304

Corporate Information & Significant Accounting Policies	1 & 2
Accompanying notes to the financial statements	1 to 12
As per our report of even date attached	

For VMSS & ASSOCIATES
Chartered Accountants
Firm Registration No: 328952E

Mahendra Jain

Mahendra Jain
Partner
Membership No: 413904

Place: New Delhi
Date: 16th May, 2018



Sanjay

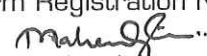
Sanjay


Designated Partners

MG HOMECRAFT LLP
STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR 31ST MARCH 2018

Particulars	Notes	2017-18	2016-17
		₹	₹
Income			
Other Income	6.1	24,605	15,468
Total Income		<u>24,605</u>	<u>15,468</u>
Expenses			
Rates & Taxes		2,256	600
Establishment Charges		14,070	13,800
Legal & Professional expenses		12,005	13,756
Bank Charges		-	115
Auditors' Remuneration :			
For Statutory Audit		25,000	28,750
		<u>53,331</u>	<u>57,021</u>
Profit/(Loss) before tax		<u>(28,726)</u>	<u>(41,553)</u>
Tax Expenses:			
Current Tax			
Profit/(Loss) for the Year		<u>(28,726)</u>	<u>(41,553)</u>
Other comprehensive income			
- Item that may be reclassified to Profit or Loss		-	-
- Item that will not be reclassified to Profit or Loss		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>(28,726)</u>	<u>(41,553)</u>
Tax Expenses :			
Tax Adjustments		-	-
Profit/(Loss) for the Year after tax		<u>(28,726)</u>	<u>(41,553)</u>
Appropriation of Profit/(Loss)	%		
Ashiana Housing Ltd.	98.5	(28,294)	(40,929)
Vishal Gupta	0.5	(144)	(208)
Ankur Gupta	0.5	(144)	(208)
Varun Gupta	0.5	(144)	(208)
		<u>(28,726)</u>	<u>(41,553)</u>

Corporate Information & Significant Accounting Policies 1 & 2
Accompanying notes to the financial statements 1 to 12
As per our report of even date attached

For VMSS & ASSOCIATES
Chartered Accountants
Firm Registration No: 328952E

Mahendra Jain
Partner
Membership No: 413904


VJ


VJ

Designated Partners

Place: New Delhi
Date: 16th May, 2018



MG HOMECRAFT LLP
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	2017-2018	2016-2017
	₹	₹
CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax and extraordinary items	(28,726)	(41,553)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(28,726)	(41,553)
Adjusted for :		
Trade and other receivables	-	-
Inventories	-	-
Interest Receivable	3,255	20,992
Trade Payables and other current liabilities	(3,750)	125
CASH GENERATED FROM OPERATIONS	(29,221)	(20,436)
Direct Taxes paid / adjusted	(2,459)	1,280
Cash flow before extra ordinary items	(31,680)	(19,156)
Extra Ordinary items	-	-
Net cash from Operating activities (A)	(31,680)	(19,156)
CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Fixed Assets	-	-
Net Cash from investing activities (B)	-	-
CASH FLOW FROM FINANCING ACTIVITIES :		
Contribution/(withdrawals) from partners	-	-
Net Cash from Financing activities (C)	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+ B+ C)	(31,680)	(19,156)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	433,376	452,532
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	401,696	433,376

01. Cash and Cash equivalents represent cash and bank balances only.

In terms of our report of even date attached herewith

For **VMSS & ASSOCIATES**

Chartered Accountants

Firm Registration No: 328952E

Mahendra Jain

Mahendra Jain

Partner

Membership No: 413904

Place: New Delhi

Date: 16th May, 2018



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Designated Partners

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

MG HOMECRAFT LLP domiciled and incorporated in India. The registered office of the LLP is situated at 11G Everest, 46/C, Chowringhee Road, Kolkata - 700071 and the head office is situated at 304, Southern Park, Saket District Centre, Saket, New Delhi - 110017.

The financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors on 16th May, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The Financial Statements (Seperate Financial Statements) have been prepared on accrual basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rule,15 and the provisions of the Companies Act, 2013.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

2.2 Estimates & Judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions effect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 2.8. Accounting estimates could change from period to period. Actual results may differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Current versus non-current classification

The LLP presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The normal operating cycle, in the context of the LLP, is the time between the acquisition of land for a real estate project and its realisation in cash and cash equivalents by way of sale of developed units.

2.4 Cash and Cash Equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits maturing within twelve months from the date of balance Sheet, which are subject to an insignificant risk of changes in value. Bank overdrafts, if any, are shown under borrowings in the balance sheet.

2.5 Financial Instruments

A. Financial Instruments - Initial recognition and measurement

Financial assets and financial liabilities are recognised in the LLP's statement of financial position when the LLP becomes a party to the contractual provisions of the instrument. The LLP determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.



B.1. Financial assets –Subsequent measurement

The Subsequent measurement of financial assets depends on their classification which is as follows:

a. Financial assets at fair value through profit or loss

Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.

b. Financial assets measured at amortised cost

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

c. Financial assets at fair value through OCI

All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The LLP makes an irrevocable election on an instrument by instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable.

If the LLP decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

B.2. Financial assets –Derecognition

The LLP derecognises a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Upon derecognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

C.1. Financial liabilities –Subsequent measurement

The Subsequent measurement of financial liabilities depends on their classification which is as follows:

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any.

b. Financial liabilities measured at amortised cost

Interest bearing loans and borrowings including debentures issued by the LLP are subsequently measured at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortised is included in finance costs in the statement of profit and loss.

C.2. Financial liabilities –Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or expires.

D. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position, if and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

E. Fair value measurement

The LLP measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the assets or liability or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the LLP.

The LLP uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.6 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the LLP and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, duties or other charges collected on behalf of the government/authorities.

The specific recognition criteria for the various types of the LLP's activities are described below:



Interest Income

Interest income from debt instruments (including Fixed Deposits) is recognised using the effective interest rate method. The effective interest rate is that rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the LLP estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Other Income

Other Income is accounted for on accrual basis except, where the receipt of income is uncertain.

2.7 Taxes

Current Tax

The current tax expense for the period is determined as the amount of tax payable in respect of taxable income for the period, based on the applicable income tax rates.

Current tax relating to items recognised in other comprehensive income or equity is recognised in other comprehensive income or equity, respectively.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date.

Deferred tax relating to items recognised in other comprehensive income or equity is recognised in other comprehensive income or equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

2.8 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the LLP has present determined obligations as a result of past events an outflow of resources embodying economic benefits will be required to settle the obligations. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is not recognised but disclosed in the notes to the accounts, unless the probability of an outflow of resources is remote.

A contingent asset is generally neither recognised nor disclosed.



	AS AT 31.03.2018 ₹	AS AT 31.03.2017 ₹
3.1.1 CASH AND CASH EQUIVALENTS		
Cash-in-hand	765	765
Balances with Scheduled Banks :		
In Current Account	931	32,611
In Fixed Deposits	400,000	400,000
	<u>401,696</u>	<u>433,376</u>
3.1.2 OTHER FINANCIAL ASSETS		
(Unsecured, considered good)		
Advances recoverable in cash	1,133	4,388
	<u>1,133</u>	<u>4,388</u>
CURRENT TAX ASSETS (NET)		
3.2 Taxation Advances (Net of Provisions)	3,999	1,540
	<u>3,999</u>	<u>1,540</u>

	AS AT 31.03.2018 ₹	AS AT 31.03.2017 ₹
PARTNERS' FUND		
4.1.1 CAPITAL ACCOUNT		
Ashiana Housing Ltd		
Balance B/F	98,500	98,500
Net (Dr.)/ Cr. during the year	-	-
	<u>98,500</u>	<u>98,500</u>
Vishal Gupta		
Balance B/F	500	500
Net (Dr.)/ Cr. during the year	-	-
	<u>500</u>	<u>500</u>
Ankur Gupta		
Balance B/F	500	500
Net (Dr.)/ Cr. during the year	-	-
	<u>500</u>	<u>500</u>
Varun Gupta		
Balance B/F	500	500
Net (Dr.)/ Cr. during the year	-	-
	<u>500</u>	<u>500</u>
	<u>100,000</u>	<u>100,000</u>



	AS AT 31.03.2018 ₹	AS AT 31.03.2017 ₹
4.1.2 CURRENT ACCOUNT		
Ashiana Housing Ltd		
Balance B/F	305,895	346,824
Net (Dr.)/ Cr. during the year	-	-
Share of profit/(loss)	<u>(28,294)</u>	<u>(40,929)</u>
	<u>277,601</u>	<u>305,895</u>
Vishal Gupta		
Balance B/F	1,553	1,761
Net (Dr.)/ Cr. during the year	-	-
Share of profit/(loss)	<u>(144)</u>	<u>(208)</u>
	<u>1,409</u>	<u>1,553</u>
Ankur Gupta		
Balance B/F	1,553	1,761
Net (Dr.)/ Cr. during the year	-	-
Share of profit/(loss)	<u>(144)</u>	<u>(208)</u>
	<u>1,409</u>	<u>1,553</u>
Varun Gupta		
Balance B/F	1,553	1,761
Net (Dr.)/ Cr. during the year	-	-
Share of profit/(loss)	<u>(144)</u>	<u>(208)</u>
	<u>1,409</u>	<u>1,553</u>
	<u>281,828</u>	<u>310,552</u>
	<u>381,828</u>	<u>410,552</u>
	AS AT 31.03.2018 ₹	AS AT 31.03.2017 ₹
5.11 OTHER FINANCIAL LIABILITIES		
Other Liabilities	<u>25,000</u>	<u>28,750</u>
	<u>25,000</u>	<u>28,750</u>
	2017-2018 ₹	2016-2017 ₹
6.1 OTHER INCOME		
Interest		
- on Fixed Deposit	24,605	15,398
- on Income Tax Refund	-	70
	<u>24,605</u>	<u>15,468</u>



Other Notes to Accounts

7. FINANCIAL RISK MANAGEMENT

The firm's principal financial liabilities comprises trade and other payables. The main purpose of these financial liabilities is to finance the firm's operations. The firm's principal financial assets include trade and other receivables, cash and cash equivalents that derive directly from its operations and other current assets.

The firm's activities expose it to various financial risks: market risk, credit risk and liquidity risk. The firm tries to foresee the unpredictable nature of financial markets and seek to minimise potential adverse impact on its financial performance. The partner of the firm oversees the management of these risks.

8. SEGMENT INFORMATION

In accordance with Indian Accounting Standard 108 "Operating Segments" prescribed by Companies (Accounting Standards) Rules, 2015, the company has determined its business segment as Real Estate Business. Since there are no other business segments in which the company operates, there are no other primary reportable segments. Therefore, the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statements.

9. FAIR VALUE MEASUREMENT

The management assessed that cash and cash equivalents, other financial assets and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

10. CAPITAL MANAGEMENT

The Firm's capital includes partners' capital and current accounts. The primary objective of the company's capital management is to maximise the wealth of the company.

11. RELATED PARTY TRANSACTIONS

Related parties and transactions with them as specified in the Ind-AS 24 on "Related Parties Disclosures" prescribed under Companies Accounting Standard Rules 2015 has been identified and given below on the basis of information available with the company and the same has been relied upon by the auditors.

Related Parties & Relationship

a) Enterprises over which any individual owning directly or indirectly, an interest in the capital of the LLP is able to exercise significant influence:

i) Ashiana Housing Limited.

Establishment Charges
Year end payable/(Receivable)

Transactions	
2017-2018	2016-2017
₹	₹
14,070	13,695
Nil	Nil

12. Previous year figure have been regrouped/rearranged, wherever found necessary.

In terms of our report of even date attached herewith

For VMSS & ASSOCIATES
Chartered Accountants
Firm Registration No: 328952E

Mahendra Jain

Mahendra Jain
Partner

Membership No: 413904
Place: New Delhi
Date: 16th May, 2018



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Designated Partners