



Ref.....

Dated:

INDEPENDENT AUDITOR'S REPORT

The Members

Ritesh Properties and Industries Ltd, New Delhi

Report on the Financial Statements

We have audited the accompanying financial statements of **Ritesh Properties and Industries Limited**("the company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, Cash Flow Statement for the year 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 and presentation 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.



Contd....2.

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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give 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 Management, 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 31st March, 2017, and its Profit and its cash flows for the year ended on that date.

Report on Other legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") 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 statement on the matters specified in paragraphs 3 and 4 of the order.
- 2) As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;



- (c) the Balance Sheet, the 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 and companies (Accounting Standards) Amendment Rules, 2016.
- (e) on the basis of written representations received from the directors, as on 31st March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure-A"
- (g) With respect to the other matters to be included in the Auditors' 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:
- The company has disclosed the impact of pending litigation on its financial position in its financial statements-Refer Note No. 35 on Notes to the Financial Statements.
 - The company did not have any long-term contracts and derivatives contracts for which there were no material foreseeable losses as the company is putting on the MTM profit/loss on daily basis;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
 - The company had provided requisite disclosure in its financial statements (refer note no.37) as to the holding as well as dealings in Specified bank Notes during the period from 9th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Branch.

For **S M Mathur & Co.**

(FRN No.006588N)

Chartered Accountants



(S M Mathur)
Prop

Place : New Delhi
Date : 30.05.2017
M.No.013066

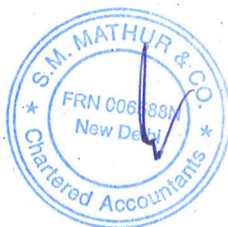
ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT


Annexure referred to in paragraph 1 under the heading "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) The fixed assets were physically verified during the year by the Management in accordance with a phased programme of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) This clause is not applicable as the company has no immovable property in the name of the Company.
- ii. The inventory has been physically verified by the management at reasonable intervals. The discrepancies noticed on verification between the physical stocks and book records were not material.
- iii. The company has granted loans to three bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013('the Act')
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company
 - (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
 - (c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- 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 Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.



- vii. (a) The company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Wealth tax, Service tax, Sales Tax, Value Added Tax and any other statutory dues applicable to it with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, service tax and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.
- viii. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. Further, the Company does not have any debentures and loan from financial institution or government.
- ix. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans and hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- xi. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- xiii. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- 

- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- xv. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S M Mathur & Co.
(FRN No.006588N)
Chartered Accountants



A handwritten signature in blue ink, appearing to read "S M Mathur", written over a horizontal line.

Place : New Delhi
Date : 30.05.2017

(S M Mathur)
Prop
M.No.013066

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN
DATE ON THE FINANCIAL STATEMENTS OF RITESH PROPERTIES AND
INDUSTRIES LIMITED**

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

To the Members of Ritesh Properties and Industries Limited

We have audited the internal financial controls over financial reporting of **Ritesh Properties and Industries Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

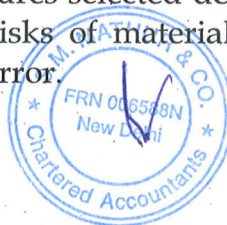
Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's 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") issued by ICAI and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 : New Delhi
Date : 30.05.2017



For S M Mathur & Co.
(FRN No.006588N)
Chartered Accountants

(S M Mathur)
Prop
M.No.013066

RITESH PROPERTIES AND INDUSTRIES LIMITED

BALANCE SHEET AS AT 31.03.2017

(Amount in Rupees)

PARTICULARS	Notes	31.03.2017	31.03.2016
I EQUITY AND LIABILITIES			
(A) Shareholder's Fund			
(a) Share Capital	3	115,909,580.00	115,909,580.00
(b) Reserve & Surplus	4	173,020,567.32	152,910,366.88
		288,930,147.32	268,819,946.88
(B) Non Current Liabilities			
(a) Long term Borrowings	5	9,246,858.34	4,084,975.45
(b) Other Long term Liabilities	6	47,450,903.05	19,716,715.00
		56,697,761.39	23,801,690.45
(C) Current Liabilities			
(a) Trade Payable	7	99,709,501.08	106,053,554.85
(b) Other Current Liabilities	8	157,427,923.24	141,337,029.53
(c) Short term provisions	9	1,482,147.00	1,904,766.00
		258,619,571.32	249,295,350.38
		604,247,480.03	541,916,987.71
II ASSETS			
(A) Non-Current Assets			
(a) Fixed Assets			
i) Tangible Assets	10	23,038,235.59	15,659,994.26
(b) Non Current Investments	11	189,395,414.00	72,380.00
(c) Long term Loans & Advances	12	48,515,547.34	233,167,708.43
		260,949,196.93	248,900,082.69
(B) Current assets			
(a) Current Investments	13	103,310.00	123,620.25
(b) Inventories	14	146,990,964.68	125,177,072.03
(c) Trade Receivables	15	92,117,689.49	2,525,581.75
(d) Cash and cash equivalents	16	34,131,853.92	38,314,854.58
(e) Short-term loans and advances	17	69,954,465.00	126,875,776.40
		343,298,283.09	293,016,905.01
		604,247,480.03	541,916,987.71

Significant Accounting Policies and
Notes to Accounts

1 to 38

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S M Mathur & Co.

(FRNo.006588N)

Chartered Accountants

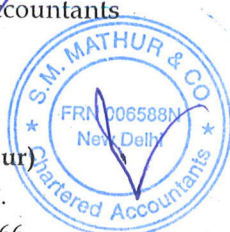
(S M Mathur)

Prop.

M.No.013066

Place: New Delhi

Date : 30.05.2017



(Sanjeev Arora)
(00077748)

Chairman cum
Mg. Director

(Kavya Arora)
(02794500)

Executive Director
& CFO

(Roop Kishore Fathepuria)

(00887774)

Executive Director

(Tarandeep Kaur)

(ACS42144)

Company Secretary

RITESH PROPERTIES AND INDUSTRIES LIMITED
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2017

(Amount in Rupees)

PARTICULARS	Notes	31.03.2017	31.03.2016
INCOME			
Revenue from Operations	18	496,973,618.20	129,142,606.95
Other Income	19	6,420,493.88	8,977,552.94
Total Revenue		503,394,112.08	138,120,159.89
EXPENSES			
Cost of material consumed	20	426,718,129.60	82,306,211.04
Employee benefit expenses	21	16,515,624.00	10,120,900.00
Finance costs	22	1,134,989.54	580,674.06
Depreciation	23 & 10	2,498,748.19	2,192,614.08
Other Expenses	24	35,601,826.30	24,264,310.79
Total Expenses		482,469,317.63	119,464,709.97
PROFIT/(LOSS) BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS & TAX		20,924,794.45	18,655,449.92
Exceptional Items	25	1,131.47	(1,612,260.36)
PROFIT BEFORE EXTRAORDINARY ITEMS & TAX		20,925,925.92	17,043,189.56
Extraordinary Items	26	(815,725.48)	378,554.93
Profit before Tax		20,110,200.44	17,421,744.49
Tax Expenses			
a) Current Tax		-	-
PROFIT FOR THE YEAR		20,110,200.44	17,421,744.49
Earning per Share (of Rs. 10/- each)			
(1) Basic & Diluted	27	1.73	1.50
Significant Accounting Policies and Notes to Accounts	1 to 38		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S M Mathur & Co.

(FRNo.006588N)

Chartered Accountants

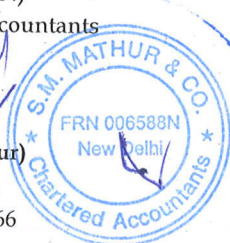
(S M Mathur)

Prop.

M.No.013066

Place: New Delhi

Date : 30.05.2017



(Sanjeev Arora)

(00077748)

Chairman cum
Mg. Director

(Kavya Arora)

(02794500)

Executive Director
& CFO

(Roop Kishore Fathepuria)

(00887774)

Executive Director

(Tarandeep Kaur)

(ACS42144)

Company Secretary

RITESH PROPERTIES & INDUSTRIES LIMITED, DELHI
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

PARTICULARS	For the Year Ended 31.03.2017 (Rs.)	For the Year Ended 31.03.2016 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax & Extra Ordinary items	20,110,200.44	17,421,744.49
Adjustments for		
- Depreciation	2,498,748.19	2,192,614.08
- Profit/Loss on sale of Assets	815,725.48	(378,554.93)
- Dividend/Interest received	(4,391,414.24)	(4,874,980.70)
Operating profit before working capital charges	19,033,259.87	14,360,822.94
Adjustments for		
- Inventory	(21,813,892.64)	39,729,820.53
- Receivable	(89,592,107.74)	23,207,819.52
- Payable	9,324,220.94	16,190,277.11
- Short Term Loans & Advances	56,921,311.40	(67,914,895.40)
- Current Investments	20,310.25	(45,140,157.79)
Cash Generated from operations	(26,106,897.93)	7,267,971.59
Taxes Paid		18,480,993.35
Net Cash from operating activities (A)	(26,106,897.93)	32,841,816.30
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(11,832,715.00)	(4,800,277.00)
Sale of Fixed Assets	1,140,000.00	821,100.00
Loans & Advances (Long Term)	184,652,161.09	(1,878,084.00)
Interest/Dividend Received	4,391,414.24	4,874,980.70
Net cash used in investing activities (B)	178,350,860.33	(982,280.30)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Non Current Investments	(189,323,034.00)	15,164,000.00
Borrowing (Net)	32,896,070.94	(11,860,681.30)
Net cash from financing activities ©	(156,426,963.06)	3,303,318.70
Net increase/(decrease) in cash and cash equivalents (A+B+C)		
Cash equivalents (A+B+C)	(4,183,000.66)	35,162,854.70
Cash and Cash equivalents(Opening Balance)	38,314,854.58	3,151,999.88
Cash and Cash equivalents(Closing Balance)	34,131,853.92	38,314,854.58

AUDITOR'S REPORT

As per our report of even date
For S M Mathur & Co.

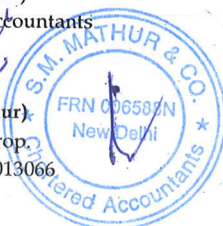
(FRN No.006588N)

Chartered Accountants

(S M Mathur)

Prop.

M.No.013066



(Sanjeev Arora)

(00077748)

Chairman cum
Mg. Director

(Kavya Arora)

(02794500)

Executive Director
& CFO

(Roop Kishore Fathepuria)

(00887774)

Executive Director

(Tarandeep Kaur)

(ACS42144)

Company Secretary

Place: New Delhi
Dated : 30.05.2017

RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1. Company Overview

Ritesh Properties & Industries Ltd (the company) is a public limited company incorporated in India under the provisions of Companies Act, 1956. Its share is listed on Bombay Stock Exchange, Mumbai. The company is engaged in the development of approved Integrated Industrial Park on the land situated at Ludhiana Chandigarh Road, Ludhiana.

2. Significant Accounting Policies:

a) Accounting Convention

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and in accordance with the Accounting Standards applicable in India and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

b) Fixed Assets

All fixed assets are stated at cost less accumulated depreciation. Cost of the acquisition of new assets is inclusive of taxes and other incidental expenses.

c) Inventories

The inventories have been determined on the basis of FIFO method and the basis of determining cost for various categories of inventories are as follows:-

Stock (Real Estate)	At Cost
Stock (Plots- Resale)	At Cost

d) Revenue Recognition

- 1) Sales are recognized to the extent of project completion basis. During the year, the management has certified that the development of Project has been completed to the extent of 100% till 31.03.2017 (Previous Year 95%) on mercantile basis. Accordingly the revenue has been recognized.
- 2) Sales of Textile Division has been accounting for on the basis of raising of invoices.
- 3) Common Area Maintenance charges has been accounting for on the basis of invoices raised.
- 3) Vat tax liability is accounted for on the basis of sales/Vat tax returns filed and tax deposited by the Company. Additional liability, if any, arises at the time of assessment, will be accounted for in the year of finalization of assessment.

e) Foreign Exchange Transaction

No Foreign Exchange Transactions have been done during the year.



RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

f) Depreciation

Depreciation on fixed assets is provided using the straight-line-method with reference to the estimated economic lives of the fixed assets as prescribed by the Schedule II to the Companies Act, 2013.

g) Retirement benefits

Gratuity liability has been accounted for on accrual basis.

Contribution to Provident Fund, Family Pension Scheme and E.S.I. are accounted for on accrual basis and charged to Profit & Loss Account accordingly.

h) Investment

Investments are valued at cost.

i) Accounting of Taxes on Income

No provision for current tax/Deferred Tax is made on the basis of estimated taxable income for the current accounting year, in accordance with the provision of Income Tax Act, 1961.

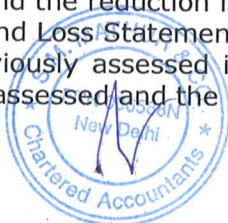
The deferred tax for timing difference between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date. Deferred tax asset arising from timing difference are recognized to the extent there is reasonable certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying value at each Balance Sheet date.

j) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting policies in India requires management to make estimates and assumption that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision of accounting estimates will be recognized prospectively in future periods.

k) IMPAIRMENT OF ASSETS

The Company assesses at each balance sheet whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Profit and Loss Statement. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable



amount subject to a maximum of depreciated historical cost and is accordingly reversed in the Profit and Loss Statement.

28. **Contingent Liabilities**

Bank Guarantee Rs. 2.00 Lacs (Previous Year Rs.110.00 Lacs)

29. **Debit & Credit balances of the parties are subject to confirmation & reconciliation.**

30. **In the opinion of the Board, all the Current Assets, Loans & Advances have a value on realization in the ordinary course of business equivalent to the amount at which they are stated except as expressly stated otherwise.**

31. **Segment Reporting**

Segment reporting is not given as the company deals mainly in one segment and the disclosure requirements of Accounting Standards (AS)-17 on "Segment Reporting", issued by The Institute of Chartered Accountants of India are not applicable.

RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

32. **The payment of remuneration made to the Mg. Director, Executive Director and other Directors are as under:-**

Particulars	2016-17	2015-16
Salary to Chairman Cum Mg. Director-Sh. Sanjeev Arora	Rs. 84,00,000/-	Rs. 42,00,000/-
Salary to Director-Sh. Kavya Arora	Rs. 36,00,000/-	Rs. 18,00,000/-
Salary to Executive Director - Sh. Roop Kishore Fathepuria.	Rs. 11,47,680/-	Rs. 10,40,328/-
Perks- to Executive Director - Sh. Roop Kishore Fathepuria.	Rs.4,72,320/-	Rs.3,64,992/-
Sitting Fee to Director- Sh. Surinder K Sood	Rs.49,000/-	Rs.40,000/-
Sitting Fee to Director- Sh. Gurpreet Singh Brar	Rs.7,500/-	Rs.43,500/-
Sitting Fee to Director- Ms. Shweta Sehgal	Rs. 24,500/-	NIL
Rent recovered from Chairman Cum Mg. Director- Sh. Sanjeev Arora	Rs.12,60,000/-	Rs.6,30,000/-



33. Related Parties Disclosure

- A) Related parties where control exists or with whom transactions have taken place during the year.

ASSOCIATED/ALLIED COMPANIES

- Ritesh Spinning Mills Limited
- Kamal Oil & Allied Industries (P) Ltd
- Ritesh Impex Private Ltd
- H.B. Fibres Limited
- K P Advisors(Realty) Pvt Ltd
- Femella Fashions Ltd

KEY MANAGERIAL PERSONNEL REPRESENTED ON THE BOARD

- | | |
|------------------------------|--------------------------------|
| ○ Sh. Sanjeev Arora | Chairman cum Managing Director |
| ○ Sh. Roop Kishor Fathepuria | Executive Director |
| ○ Sh. Kavya Arora | Director |
| ○ Sh. Surinder K Sood | Director |
| ○ Sh. Gurpreet Singh Brar | Director |
| ○ Ms. Shweta Sehgal | Director |

OTHERS

- | | |
|----------------------|---|
| ○ Mrs. Guneet Arora | Wife of Sh. Kavya Arora, Director and Daughter in Law of Sh. Sanjeev Arora, Chairman cum Managing Director. |
| ○ Mrs. Sandhya Arora | Wife of Sh. Sanjeev Arora, CMD and Mother of Sh. Kavya Arora, Director |



RITESH PROPERTIES AND INDUSTRIES LIMITED, DELHI
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in Rupees)

Note	Particulars	31.03.2017	31.03.2016
3	SHARE CAPITAL ACCOUNT		
	Authorized		
	15,000,000 Equity Shares of Rs. 10/- each	150,000,000.00	150,000,000.00
	Issued		
	11,758,508 Equity Shares of Rs. 10/- each	117,585,080.00	117,585,080.00
	Subscribed & Paid up		
	11,590,958 Equity Shares of Rs. 10/- each	115,909,580.00	115,909,580.00
	TOTAL	115,909,580.00	115,909,580.00

Notes i) The company has one class of Equity Shares having a par value of Rs.10/- each. Each holder is eligible for one vote per share held.

ii) Detail of shares held by each shareholder holding more than 5% Shares

Sr. No.	Name of the Shareholder	No. of Shares	% holding	No. of Shares	% holding
1.	Sh. Sanjev Arora	2383464	20.56	2383464	20.56
2.	Sh. Kavya Arora	1016334	8.77	1016334	8.77
3.	Time Publising House Ltd	819543	7.07	830833	7.17
4.	Bhaghyanagar India Ltd	685421	5.91	743753	6.42

4 RESERVE & SURPLUS

a) Capital Reserve

Opening Balance	96,248,670.52	96,248,670.52
Additions during the year	-	-
Closing Balance	96,248,670.52	96,248,670.52

d) Securities Premium Reserve

Opening Balance	156,057,942.00	156,057,942.00
Additions during the year	-	-
Closing Balance	156,057,942.00	156,057,942.00

h) Profit & Loss Account

Opening Balance	(99,396,245.64)	(116,817,990.13)
Additions during the year	20,110,200.44	17,421,744.49
Closing Balance	(79,286,045.20)	(99,396,245.64)
TOTAL	173,020,567.32	152,910,366.88



RITESH PROPERTIES AND INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

		(Amount in Rupees)	
Note	Particulars	31.03.2017	31.03.2016
5	LONG TERM BORROWINGS		
	Secured#		
	a) From Bank	8,309,422.00	2,789,706.00
	b) From Others	937,436.34	1,295,269.45
	TOTAL	9,246,858.34	4,084,975.45
	# Secured against the Hypthocation of the vehicles		
6	OTHER LONG TERM LIABILITIES		
	(a) From Others	42,974,483.05	15,000,000.00
	(b) Security Received	4,476,420.00	4,716,715.00
	TOTAL	47,450,903.05	19,716,715.00
7	TARDE PAYABLE		
	a) Trade Payable	99,709,501.08	106,053,554.85
	TOTAL	99,709,501.08	106,053,554.85
	Trade Payable due to MSME Development Act, 2006 - NIL (Previous year Rs. NIL)		
8	OTHER CURRENT LIABILITIES		
	Advances from Customers	136,501,012.00	136,577,013.29
	Statutory Dues	2,419,370.00	2,164,268.00
	Other Liabilities	3,275,289.24	2,463,911.60
	Cheque Issued but presented later on	15,232,252.00	131,836.64
	TOTAL	157,427,923.24	141,337,029.53
9	SHORT TERM PROVISIONS		
	(a) Provision for employee benefits	1,482,147.00	1,904,766.00
	TOTAL	1,482,147.00	1,904,766.00
11	NON CURRENT INVESTMENTS		
	UN QUOTED		
	722607(P. Y NIL Equity Shares of Rs.10/- of Femella Fashions Ltd @premium of Rs.252/- per share	189,323,034.00	-
	7238 Equity Shares of Rs.10/- of Kishan Chand & Oil Industries Ltd	72,380.00	72,380.00
	TOTAL	189,395,414.00	72,380.00
12	LONG TERM LOANS & ADVANCES		
	Security Depsoits, considered Good	2,463,125.87	2,389,443.87
	Other Loans & Advances, Considered Good	46,052,421.47	230,778,264.56
	TOTAL	48,515,547.34	233,167,708.43



RITESH PROPERTIES AND INDUSTRIES LIMITED, DELHI
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in Rupees)

Note	Particulars	31.03.2017	31.03.2016
13	CURRENT INVESTMENTS		
	Trade Investments- Quoted		
	1100 Equity Shares of Rs. 10/- each of Master Trust Ltd.	11,000.00	11,000.00
	400 Equity Shares of Rs.10/- each of Nahar Industrial Ent. Ltd	10,000.00	10,000.00
	420 Equity Shares of Rs.10/- each of Nahar Ploy Films Ltd	40,521.60	40,521.60
	330 Equity Shares of Rs.10/- each of Nahar Spinning Mills Ltd	31,838.40	31,838.40
	500 Equity Shares of Rs.10/- each of R.S.Petro Products Ltd	9,950.00	9,950.00
	Mutual Fund Investment		
	5.600 (P. Y 2714.420) Units of Reliance Liquid Fund- Treasury Plan-DP-Growth	-	20,310.25
		103,310.00	123,620.25
	Market Value of Quoted Investments	140,940.50	123,821.09
14	Inventories		
	(As taken, valued & certify by the Management)		
	Real Estate	131,880,764.68	125,177,072.03
	Plots-Resaleable	15,110,200.00	-
	TOTAL	146,990,964.68	125,177,072.03
15	Trade Receivables		
	(Unsecured, Considered Good)		
	Outstanding for a period exceeding 6 months	2,190,944.26	1,289,502.50
	Others- Considered good	89,926,745.23	1,236,079.25
	TOTAL	92,117,689.49	2,525,581.75
16	Cash & Cash Equivalent		
	Cash Balance in Hand	2,610,973.83	2,210,948.33
	Balance with Banks in Current Account	2,863,278.10	24,619,410.26
	Balance with Banks in FDR Account	28,191,236.99	11,484,495.99
	Cheque Deposited but presented later on	466,365.00	-
	TOTAL	34,131,853.92	38,314,854.58
17	Short-Term Loans and Advances		
	(Unsecured, considered good)		
	Taxes paid in advance	4,193,081.00	3,159,020.00
	Advances to suppliers	15,447,923.00	27,029,270.00
	Advances to Staff	297,396.00	385,684.00
	Other Loans & Advances	50,016,065.00	96,301,802.40
	TOTAL	69,954,465.00	126,875,776.40



RITESH PROPERTIES AND INDUSTRIES LIMITED, DELHI
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

		(Amount in Rupees)	
Note	Particulars	31.03.2017	31.03.2016
22	Finance Charges		
	Hire Purchase Charges	850,098.89	419,147.70
	Bank Charges	284,890.65	161,526.36
	TOTAL	1,134,989.54	580,674.06
23	Depreciation		
	Depreciation	2,498,748.19	2,192,614.08
	TOTAL	2,498,748.19	2,192,614.08
24	Other Expenses		
	Advertisement	412,214.91	636,605.96
	Electric Expenses	2,955,513.97	2,500,174.76
	Fees & Taxes	1,317,431.60	772,509.55
	Insurance Expenses	373,706.53	228,069.30
	Legal & Professional Charges	5,765,509.00	2,373,565.00
	Vehicle Expenses	1,428,096.19	1,336,344.38
	Postage & Telephone Expenses	863,096.22	675,761.38
	Rent	3,597,773.00	4,120,499.00
	Travelling and Conveyance Expenses#	6,833,214.15	4,727,932.61
	Charity & Donation	239,000.00	1,307,000.00
	Donation to Political Parties	1,850,000.00	-
	Repair & Maintenance##	89,032.00	92,028.00
	Business/Sales Promotion Expenses	2,291,129.91	2,802,441.24
	Commission & Brokerage	332,867.00	244,628.00
	Other Expenses	7,253,241.82	2,446,751.61
	TOTAL	35,601,826.30	24,264,310.79
	# Includes Directors Travelling Rs. 47,65,002.44 Previous Year Rs. 52,70,975.57		
	## Repair and Maintenance includes		
	Electric Repair	46,673.00	44,625.00
	General Repair	42,359.00	47,403.00
25	Exceptional Items		
	Loss on Investments	-	(13,420,138.00)
	Profit on Exchange Fluctuation	-	10,675,849.23
	Profit on Mutual Fund Investment	1,131.47	1,132,028.41
	TOTAL	1,131.47	(1,612,260.36)

RITESH PROPERTIES AND INDUSTRIES LIMITED, DELHI



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in Rupees)

Note	Particulars	31.03.2017	31.03.2016
26	Extraordinary Items		
	Profit/(Loss) on Sale of Fixed Assets	(815,725.48)	378,554.93
	TOTAL	(815,725.48)	378,554.93
27	Earning Per Share		
	a) Net profit after tax	20,110,200.44	17,421,744.49
	b) Total weighted Average Number of Shares for Basic and Diluted Earning	11,590,958.00	11,590,958.00
	c) Basic and Diluted Earning per Share	1.73	1.50



RITESH PROPERTIES & INDUSTRIES LIMITED, DELHI

10. TANGIBLE ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 1.04.2016	Additions	Sale/ Deductions	As at 31.03.2017	Upto 1.04.2016	Adjustment on SLM Basis	For the Year	Adjustment/ Deductions	Upto 31.03.2017	As At 31.03.2017	As At 31.03.2016
Building	1,923,331.00	-	-	1,923,331.00	797,555.40	-	42,540.00	-	840,095.40	1,083,235.59	1,125,775.60
Plant & Machinery	6,821,662.60	3,270,149.00	-	10,091,811.60	2,459,768.17	-	193,609.98	-	2,653,378.15	7,438,433.45	4,361,894.43
Furniture & Fixture	5,177,905.29	-	2,081,849.60	3,096,055.69	3,228,137.54	-	104,280.74	478,620.18	2,853,798.10	242,257.59	1,949,767.75
Office Equipment	1,635,595.37	96,900.00	-	1,732,495.37	1,200,900.09	-	84,760.07	-	1,285,660.16	446,835.21	434,695.28
Vehicles	18,082,144.99	8,465,666.00	5,888,089.99	20,659,721.00	10,294,283.80	-	2,073,557.40	5,535,593.94	6,832,247.26	13,827,473.74	7,787,861.19
TOTAL	33,640,639.25	11,832,715.00	7,969,939.59	37,503,414.66	17,980,645.00	-	2,498,748.19	6,014,214.12	14,465,179.07	23,038,235.59	15,659,994.25
Previous Year	31,629,042.25	4,800,277.00	2,788,680.00	33,640,639.25	18,134,165.85	-	2,192,614.08	2,346,134.93	17,980,645.00	15,659,994.25	-



RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

o Ms. Ketki Arora

Daughter of Sh. Sanjeev Arora, CMD and
Sister of Sh. Kavya Arora, Director

B) The following is a summary of significant related party transactions:

Sr. No.	Name of Company/Firm/Individual	Nature of Transaction	2016-17 (Rs.)	DR/CR	2015-16 (Rs.)	DR/CR
1.	Ritesh Spinning Mills Ltd, Associated/ Allied Company	- Loan Repaid - Loan Received - Expenses paid	1415000.00 13540000.00 18000.00	Dr Cr Dr	24745000.00 24745000.00 NIL	Dr Cr Dr
2.	H.B. Fibres Ltd, Associated/ Allied Company	- Loan Received Back Loan Given -Expenses	NIL 300000.00 25200.00	Cr Dr Dr	4735000.00 15000.00 NIL	Cr Dr
3.	Femella Fashions Ltd, Associated/allied Company	- Loan Given - Cheques Recd - Expenses - Expenses -Advance recd Against booking of Plot - Other Payments On behalf Allotment of Sharesby Femella	26600000.00 34471874.00 11400.00 NIL NIL 271874.00 189323034.00	Dr Cr Dr Cr Dr Cr	39125000.00 31200000.00 5427.00 12093.00 120000.00 NIL NIL	Dr Cr Dr Cr Cr Dr Dr
4.	Ritesh Impex (P) Ltd, Associated/ Allied Company	-Expenses -Loan Given -Loan Received Back	3200.00 766000.00 100000.00	Dr Dr Cr	NIL 30000.00 1570000.00	Dr
5.	K P Advisors (Realty) Pvt Ltd- Associated/ Allied Company	Expenses Loan Received Loan Given	600.00 65000.00 NIL	Dr Cr Dr	300.00 NIL 15000.00	Dr Dr
6.	Kamal Oil & Allied Industries Ltd	Loan Given	NIL	Dr	57500.00	Dr
7.	Sh. Sanjeev Arora, KMP	Advance Recd Against Built up House Salary Rent Recovered Cheque Recd Against Sale of 700000 Equity Shares of Femella Fashions Ltd	6700000.00 8400000.00 1260000.00 NIL	Cr	73900000.00 4200000.00 630000.00 700000.00	Cr
8.	Sh. Kavya Arora, KMP	Salary Bonus Cheque Recd Against Sale of 300000 Equity Shares of Femella Fashions Ltd	3600000.00 NIL NIL		1800000.00 100000.00 300000.00	



RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Sr. No.	Name of Company/Firm/Individual	Nature of Transaction	2016-17 (Rs.)	DR/CR	2015-16 (Rs.)	DR/CR
9.	Ms. Ketki Arora, Others	Cheque Recd Against Sale of 300000 Equity Shares of Femella Fashions Ltd	NIL		300000.00	
10.	Mrs. Sandhya Arora, Others	Cheque Recd Against Sale of 99900 Equity Shares of Femella Fashions Ltd Cheque Received Cheque Paid	NIL 930000.00 930000.00	 Cr Dr	99900.00 NIL NIL	
11.	Guneet Arora, Others	Professional Charges Cheque Received Cheque Given Cheque Recd Against Sale of 99900 Equity Shares of Femella Fashions Ltd	500000.00 450000.00 450000.00 NIL	 Cr Dr	NIL NIL NIL 99900.00	CR
12.	Sh. Roop Kishor Fathepuria, KMP	Salary Perks	1147680.00 472320.00		1040328.00 364992.00	
13.	Sh. Surinder K Sood KMP	Sitting Fee	49000.00		40000.00	
14.	Sh. Gurpreet Singh Brar- KMP	Sitting Fee	7500.00		43500.00	
15.	Ms. Shweta Sehgal	Sitting Fee	24500.00		NIL	

C) Amount due From/To Related Parties

Particulars	As on 31.03.2017 (Rs.in Lacs)	As on 31.03.2016 (Rs.in Lacs)
i) Due from Related Parties (included in Loans & Advances & Sundry Debtors)		
- Associate/Allied Concern	99.22	1926.97
ii) Due to Related Parties (included in Current Liabilities)		
- Associate/Allied Concern	284.94	1.20
-Due to Key Managerial Personnel	806.00	739.00



RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

34. Leases (AS-19):

S. No.	Particulars	31.03.2017	31.03.2016
a.	The total of future minimum lease payment under non-cancelable operating leases for each of the following periods: 1. not later than one year ; 2. later than one year and not later than five year; 3. later than five years;	Rs.9,60,000/- NIL NIL	Rs.22,99,504/- Rs.30,81,756/- NIL
b.	The total of future minimum sub-leases payment expected to be received under non-cancelable sub-leases at the balance sheet;	NIL	NIL
c.	Leases payments recognized in the statement of profit and loss for the period, with separate amounts for minimum leases payments.	Rs.35,97,773/-	Rs.41,20,499/-
d.	Sub-leases payments received (or receivable) recognized in the statement of profit and loss for the period;	NIL	NIL
e.	A general description of the lessee's significant leasing arrangements including the following; The existence and terms of renewal or purchase options and escalation clauses; and restrictions imposed by lease arrangements, such as those concerning dividends, additional debt, and further leasing.	NIL	NIL

35. The Udyog Sahayak, Chandigarh has allotted 40 Acres of Land vide Letter No. US/337-U Dt. 22/04/94 in the name of the company. The sale deeds & possession of the above said land is with the company and its associate companies.

The Hon'ble Supreme Court vide its order dated 25.03.2015 has decided the price enhancement cases and fixed the basic compensation of Rs.6.70 Lacs per Acre as decided by the Hon'ble High Court of Punjab and Haryana. Collector Land Acquisition, Department of Industries and Commerce, Punjab, Chandigarh.

As soon as the demand will be raised against the company by the Collector Land Acquisition, Punjab, it shall be accounted for in the Books of Accounts.



RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

36. Expenditure in Foreign Currency on Travelling is Rs. 4,92,577/- (P.Y Rs. 1,99,861/-).
37. Note regarding disclosure of Specified Bank Notes (SBN) held and transacted during the period from 08th November 2016 to 30th December 2016

	SBN's (old currency of Rs. 500 & Rs. 1000)	Other denomination notes	Total
Closing cash in hand as on 8.11.2016	17275000.00	1133823.83	18408823.83
(+) Permitted receipts	0	462770.00	462770.00
(-) Permitted payments	0	161418.00	161418.00
(-) Amount deposited in Banks	17275000.00	30000.00	17305000.00
Closing cash in hand as on 30.12.2016	0	1405175.83	1405175.83

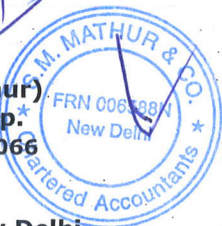
38. Corresponding figures of previous year have been regrouped / rearranged wherever deemed necessary.

Signature to Notes 1 to 38

for **S M Mathur & Co.,**
Chartered Accountants
(Firm Registration No. 006588N)

(S.M. Mathur)
Prop.
M. No. 013066

Place: New Delhi
Dated: 30.05.2017



On behalf of the Board

(Sanjeev Arora)
(00077748)
Chairman Cum
Mg. Director

(Roop Kishor Fathepuria)
(00887774)
Executive Director

(Kavya Arora)
(02794500)
Executive Director
& CFO

(Tarandeep Kaur)
(ACS42144)
Company Secretary