

ESPRIT STONES PRIVATE LIMITED
Reg. office: - SP1, Udyog Vihar, Sukher, Industrial Area, Udaipur, Rajasthan-313004
CIN: U74999RJ2016PTC056284

Phone No. 9829044675

Email Id: aravali.sunil@yahoo.com

NOTICE

Notice is hereby given that the First Annual General Meeting of the members of Esprit Stones Private Limited will be held at the registered office of the Company situated at SP1, Udyog Vihar, Sukher, Industrial Area, Udaipur, Rajasthan-313004 on Wednesday, December 20, 2017 at 10:00 A.M. to transact the following business:

AS ORDINARY BUSINESS:

To consider and if thought fit to pass the following resolution (s) with or without modification as ordinary resolution(s):

1. To consider and adopt the Audited Financial Statement of the company for the financial year ended March 31, 2017 together with the reports of the Board of directors and the Auditor's thereon.
2. To appoint the auditors from the conclusion of this Annual General Meeting till the conclusion of the sixth Annual General Meeting of the company and it may:

"RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s Pallavi Mehta & Associates, Chartered Accountants, (Firm Registration No.016194C), be and is hereby appointed as Auditor of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Sixth AGM of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

For ESPRIT STONES PRIVATE LIMITED

Sunil Kumar Lunawala

DIN: 01105117

Director

Add: L-3 / 53 Jai Shree Colony

Udaipur, Rajasthan-313001

Nitin Gattani

DIN: 00173258

Director

Add: Shree Niketan, 380-Ashok Nagar,

Udaipur, Rajasthan-313001

Date: 22.09.2017

Place: Udaipur

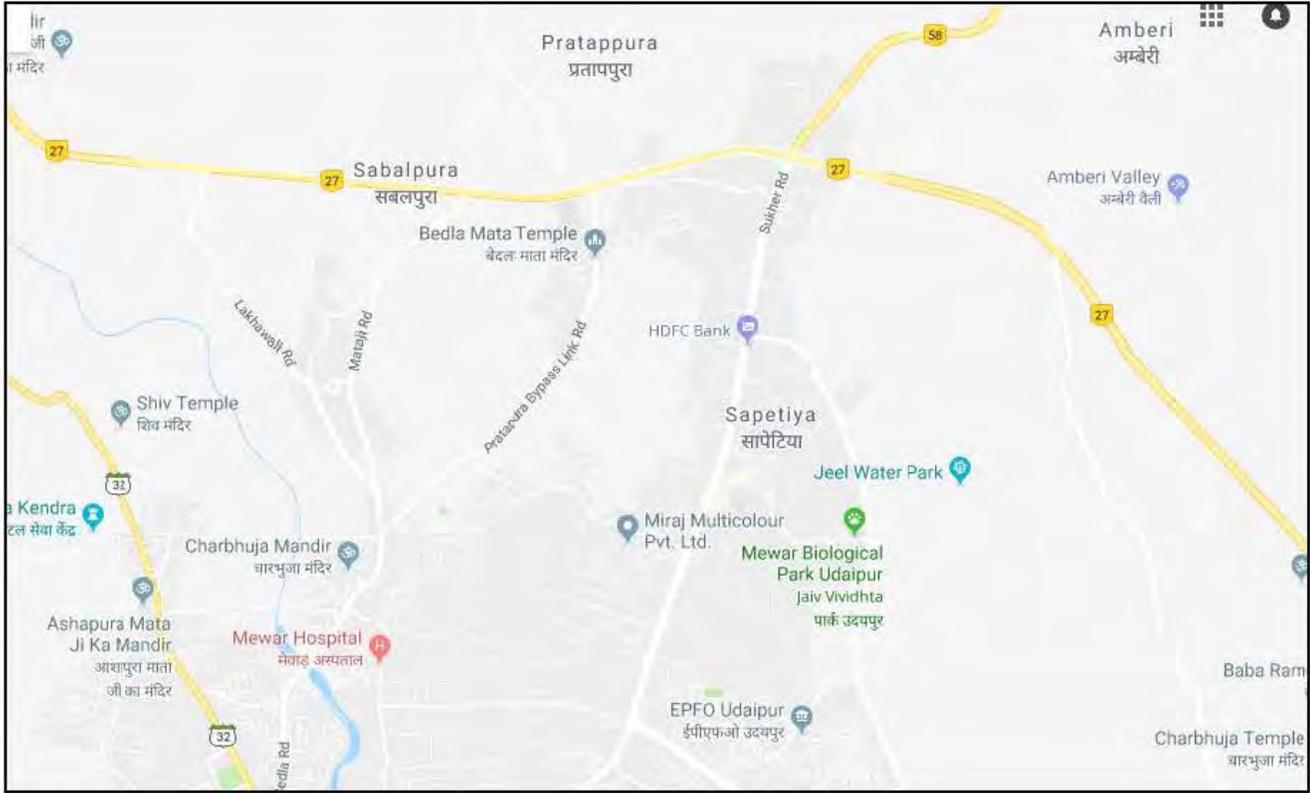
Notes: -

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
4. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
5. With reference to SS-2 for the easy convenience of recipients of notice, Route Map to the venue of Annual General Meeting of the company is as under:

Venue of the meeting: SP1, Udyog Vihar, Sukher, Industrial Area, Udaipur,
Rajasthan-313004

Landmark: Sukher, Industrial Area

Route Map: The mark indicating the venue of the meeting



ESPRIT STONES PRIVATE LIMITED

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CIN: U74999RJ2016PTC056284

Phone No. 9829044675

Email Id: aravali.sunil@yahoo.com

Board's – Report

TO THE MEMBERS OF

ESPRIT STONES PRIVATE LIMITED

Your Director's take pleasure in presenting the First Annual Report on the business and operations of the company for the financial year ended on March 31, 2017.

1. Financial Highlights

The financial performance of your company for the year ending March 31, 2017 is summarized below:

Particulars	As on 31.03.2017
a) Total Revenue	96,914
b) PBDT	Nil
c) Less: Dep.	Nil
d) Profit before Tax	Nil
e) Less: Tax Expenses-Current tax	Nil
Less: Tax for earlier years	Nil
Deferred tax	Nil
Profit/(Loss) for the year	Nil

2. State of company affairs

The company is the newly incorporated company and not started any business activity and therefore the company has not incurred any Profit during financial year 2016-17.

3. Extract of Annual Return

The extract of the Annual Return in form MGT 9 is annexed herewith as “Annexure A”.

4. Number of Meeting of Board of Directors

During the Financial Year 2016-17, the Company held Seven Board Meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

No. of Meeting	Date of Meeting	Name of Directors and their attendance in each meeting				
		Mangi Lal Lunawath	Sunil Kumar Lunawath	Pradeep Kumar Lunawath	Nitin Gattani	Sunil Rameshwarlal Gattani
1.	October 31, 2016	✓	✓	✓	✓	✓
2.	January 04, 2017	✓	✓	✓	✓	✓
3	January 09, 2017	✓	✓	✓	✓	✓
4	February 04, 2017	✓	✓	✓	✓	✓
5	February 25, 2017	✓	✓	✓	✓	✓
6	March 17, 2017	✓	✓	✓	✓	✓
7	March 31, 2017	✓	✓	✓	✓	✓
Total no. of Meetings attended by each Director		7(Seven)	7(Seven)	7(Seven)	7(Seven)	7(Seven)

5. Directors Responsibility Statement

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

(a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) they had 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) they had prepared the annual accounts on a going concern basis.

(e) Company being unlisted sub clause (e) of section 134(3) is not applicable.

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

6. Declaration by Independent Directors

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to the Company.

7. Company's policy on Director's Appointment and Remuneration

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

8. Auditors:

8.1 Statutory Auditors & their Report

You are requested to consider the appointment or reappointment of the auditors from the conclusion of the ensuing Annual General Meeting till the conclusion of the Sixth AGM of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM).

M/s Pallavi Mehta & Associates, Chartered Accountants, who were appointed as the Auditors of the company be and is hereby reappointed as Statutory Auditor of the company from the conclusion of the ensuing Annual General Meeting till conclusion of the Sixth Annual General Meeting of the company to be held in year 2022(subject to ratification of their appointment at every AGM).

The Company has received letter from the auditor to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

8.2 Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintenance is not applicable on the company

8.3 Secretarial Audit

The Secretarial Audit is not applicable on the company as it is not covered under the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

9. Particulars of Loans, Guarantees and Investments

The Board of directors of the company has power to make investment or to grant loans or giving of guarantee(s) or provide any security (ies) up to the limit as per section 186(2) i.e. higher of sixty percent of paid up share capital, free reserves and securities premium account or hundred percent of free reserves and securities premium account, whichever is higher and the company has not made investment, grant loans, give guarantee or provide security during the financial year.

10. Related Party Transactions

There were no related party transactions that were entered into during the financial year. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large and Approval of the Board of Directors & shareholders was obtained wherever required.

Form No. AOC-2 is annexed herewith as “Annexure B”.

11. Change in Nature of Business

There is no change in the nature of business of the company.

12. Share Capital

The paid up Equity Share Capital as on March 31, 2017 was Rs. 5,00,00,000/- .During the year under review the Company has issued shares on Right basis as-

Date	Number of shares allotted
January 09, 2017	1,50,000 Shares
February 04, 2017	50,000 Shares
February 25, 2017	50,000 Shares
March 31, 2017	50,000 Shares

13. Transfer to reserve

No amount has been transferred to General Reserves during the year.

14. Dividend

The Board of directors of the company has not recommended any dividend during the financial year.

15. Human Resources

There are no employees employed in the company.

16. Material Changes and Commitments, if any, Criteria specify

There are no material changes and commitment made by directors affecting financial position of the company.

17. Energy conservation, technology absorption & Foreign Exchange Earnings and Outgo

- Disclosure on conservation of energy, technology absorption are not required to be disclosed in terms of section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 as

It is not applicable on the company.

Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows. Nil

18. Business Risk Management

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

19. Directors

There is no change in the constitution of the board during the financial year and the directors of the company as on 31.03.2017 are as follows:

S. No.	Name	Designation/ Change in Designation	Date of appointment/ Date of Change in Designation	Date of cessation & Mode of Cessation
1.	Mangi Lal Lunawath	Director	19.10.2016	N.A.
2.	Sunil Kumar Lunawath	Director	19.10.2016	N.A.
3.	Pradeep Kumar Lunawath	Director	19.10.2016	N.A.
4.	Nitin Gattani	Director	19.10.2016	N.A.
5.	Sunil Rameshwarlal Gattani	Director	19.10.2016	N.A.

20. Deposits

The company has not accepted any deposits during the year.

21. Disclosure relating to the provision of Section 73 of Companies Act, 2013 read with rule (2)(1)(c)(viii) of The Companies(Acceptance of Deposit) Rules 2014.

During the year the company has not accepted borrowing(s) from its Director(s) and his/their relatives.

22. Corporate Social Responsibilities (CSR)

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitution of Corporate Social Responsibility Committee.

23. Board Evaluation

The provision of section 134(3) (p) relating to board evaluation is not applicable on the company.

24. Internal control systems and their adequacy

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets.

All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statement.

25. Composition of Audit Committee:

The provisions of section 177 of the Companies Act, 2013 are not applicable on the company.

26. Particulars of Employees

There were no employees employed by the company falling within Section 197 read with Rule, 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 hence relevant disclosures are not required.

27. Vigil Mechanism / Whistle Blower Policy

The provisions of section 177(9) & (10) of the Companies Act, 2013 are not applicable on the company.

28. Information About Subsidiary/ JV/ Associate Company

Company does not have any Subsidiary, Joint venture or Associate Company.

29. Significant And Material Orders Passed By The Regulators Or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

30. Fraud Reporting

No frauds found which have been reported by the auditors.

31. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There are no employees employed in the company.

32. Acknowledgement

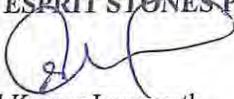
Your Directors wish to place on record their deep appreciation for the co-operation extended by the bankers and the services rendered by the employees at all levels and their dedication.

33. Cautionary Statement

The statements contained in the Board's Report contain certain statements relating to the future and therefore are forward looking within the meaning of applicable laws and regulations.

Various factors such as economic conditions, changes in government regulations, tax regime, other statues, market forces and other associated and incidental factors may however lead to variation in actual results.

For **ESPRIT STONES PRIVATE LIMITED**



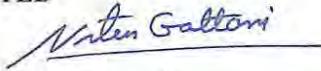
Sunil Kumar Lunawath

DIN: 01105117

Directors

Add: L-3 / 53Jai Shree Colony

Udaipur,Rajasthan-313001



Nitin Gattani

DIN: 00173258

Directors

Add: Shree Niketan,380-Ashok Nagar,

Udaipur,Rajasthan-313001

Date: 22.09.2017

Place: Udaipur

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2017**

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

I. REGISTRATION AND OTHER DETAILS:

i) **CIN:** - U74999RJ2016PTC056284

ii) **Registration Date:** 19/10/2016

iii) **Name of the Company:** **ESPRIT STONES PRIVATE LIMITED**

iv) **Category / Sub-Category of the Company**

Company limited by shares

Indian Non-Government Company

iv) **Address of the Registered office and contact details:** SP1, Udyog Vihar, Sukher, Industrial Area, Udaipur, Rajasthan-313004 and M. No. 9829044675 Email Id: aravali.sunil@yahoo.com

vi) **Whether listed company:** No

vii) **Name, Address and Contact details of Registrar and Transfer Agent, if any-** N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
NIL			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
Nil					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the date of incorporation				No. of Shares held at the end of the year				% Change during the year
	Dem at	Physical	Total	% of Total Shares	Dem at	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	Nil	2,00,000	2,00,000	100%	Nil	4,25,000	4,25,000	85%	-25%
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any Other....									
Sub-total (A) (1):-	Nil	2,00,000	2,00,000	100%	Nil	4,25,000	4,25,000	85%	-25%

<p>(2) Foreign a) NRIs – Individuals b) Other – Individuals c) Bodies Corp. d) Banks / FI e) Any Other.... Sub-total (A) (2):- Total shareholding of Promoter (A) = (A)(1)+(A)(2)</p>	Nil	2,00,000	2,00,000	100%	Nil	4,25,000	4,25,000	85%	-25%
<p>B. Public Shareholding 1. Institutions a) Mutual Funds b) Banks / FI c) Central Govt d) State Govt(s) e) Venture Capital Funds f) Insurance Companies g) FIIs h) Foreign Venture Capital Funds i) Others (specify) Sub-total (B)(1):-</p>									

<p>2. Non-Institutions</p> <p>a) Bodies Corp. i) Indian ii) Overseas</p> <p>b) Individuals i) Individual shareholders holding nominal share capital upto Rs. 1 lakh ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh</p> <p>c) Others (specify)</p> <p>Sub-total (B)(2):-</p> <p>Total Public Shareholding (B)=(B)(1)+(B)(2)</p>	Nil	Nil	Nil	Nil	Nil	75000	75000	15%	+15%
C. Shares held by Custodian for GDRs & ADRs	/								
Grand Total (A+B+C)	Nil	2,00,000	2,00,000	100%	Nil	5,00,000	5,00,000	100%	-10%

(ii) *Shareholding of Promoters*

S.No.	Shareholder's Name	Shareholding at the date of incorporation			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mangi Lal Lunawath	40,000	20%	Nil	1,11,000	22.2%	Nil	+2.2%
2.	Sunil Kumar Lunawath	30,000	15%	Nil	73,000	14.6%	Nil	-0.4%
3.	Pradeep Kumar Lunawath	30,000	15%	Nil	66,000	13.2%	Nil	-1.8%
4.	Nitin Gattani	50,000	25%	Nil	1,25,000	25%	Nil	Nil
5.	Sunil Rameshwarlal Gattani	50,000	25%	Nil	50,000	10%	Nil	-15%
	Total	2,00,000	100%	Nil	4,25,000	85%	Nil	-15%

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

Sl. No.		Shareholding at the date of incorporation		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	2,00,000	100%		
	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	4,25,000	85%		

Note: # There is change in the promoter's shareholding due to issue of share during the financial year 2016-2017.

Shareholdings of Promoter

S. No.	Name	Shareholding		Date	Increase /decrease in the Shareholding	Reason	Cumulative Shareholding during the year (19.10.2016 to 31.03.2017)		
		No of share at the beginning (19.10.2016 end of the year (31.03.2017)	% of total share of the company				No. of shares	% of total shares of the company	
1.	Mangi Lal Lunawath	40,000	20.0%	19.10.2016		Issue of shares			
				09.01.2017	+42000		+42000	+12.0%	
				04.02.2017	+13000		+13000	+3.25%	
				25.02.2017	+16000		+16000	+3.55%	
		1,11,000	22.2%	31.03.2017			1,11,000	22.2%	
2.	Sunil Kumar Lunawath	30,000	15.0%	19.10.2016		Issue of shares			
				09.01.2017	+27000		+27000	+7.71%	
				04.02.2017	+8000		+8000	+2.00%	
				25.02.2017	+7000		+7000	+1.55%	
		73,000	14.6%	31.03.2017	+1000	+1000	+0.20%	73,000	14.6%
3.	Pradeep Kumar Lunawath	30,000	15.0%	19.10.2016		Issue of shares			
				09.01.2017	+6000		+6000	+1.71%	
				04.02.2017	+4000		+4000	+1.00%	
				25.02.2017	+2000		+2000	+0.44%	
		66,000	13.2%	31.03.2017	+24000	+24000	+4.80%	66,000	13.2%
4.	Nitin Gattani	50,000	25.0%	19.10.2016		Issue of shares			
				09.01.2017	+25000		+25000	+7.14%	
				25.02.2017	+25000		+25000	+5.55%	
				31.03.2017	+25000		+25000	+5.00%	
		1,25,000	50%	31.03.2017			1,25,000	50%	
5.	Sunil Rameshwarl	50,000	25.0%	19.10.2016	Nil	Issue of			
								Nil	-15%

	al Gattani	50,000	10%	31.03.2017		shares	5,00,000	10%
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(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 date of incorporation		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	Nil	Nil		
	Date wise Increase / Decrease in 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 (or on the date of separation, if separated during the year)	75000	15.0%		

Note: # There is change in the shareholding of shareholder other than promoters in the company during the year 2016-17.

Shareholdings of shareholder other than Promoter:

S. No.	Name	Shareholding		Date	Increase /decrease in the Shareholding	Reason	Cumulative Shareholding during the year (19.10.2016 to 31.03.2017)	
		No of share at the beginning (19.10.2016 end of the year (31.03.2017)	% of total share of the company				No. of shares	% of total shares of the company
1.	M/s Gattani Resorts Pvt. Ltd.	NIL	NIL	19.10.2016	+25000	Issue of shares		
				09.01.2017			+25000	+7.14%
		25000	5.0%	31.03.2017			25000	5.00%
2.	Krishan Gopal Gattani	NIL	NIL	19.10.2016	+25000 +25000	Issue of shares		
				09.01.2017			+25000	+7.14%
				04.02.2017			+25000	+6.25%
		50,000	10.0%	31.03.2017	50,000	10.0%		

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the Date of incorporation		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	For Each of the Directors and KMP				
	At the date of incorporation	2,00,000	100%		
	Date wise Increase / Decrease in 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	4,25,000	85%		

Note: # There is change in the shareholding of director due to issue of share in the financial year 2016-2017

Shareholdings of Directors

S. No.	Name	Shareholding		Date	Increase /decrease in the Shareholding	Reason	Cumulative Shareholding during the year (19.10.2016 to 31.03.2017)		
		No of share at the beginning (19.10.2016 end of the year (31.03.2017)	% of total share of the company				No. of shares	% of total shares of the company	
1.	Mangi Lal Lunawath	40,000	20.0%	19.10.2016		Issue of shares			
				09.01.2017	+42000		+42000	+12.0%	
				04.02.2017	+13000		+13000	+3.25%	
				25.02.2017	+16000		+16000	+3.55%	
		1,11,000	22.2%	31.03.2017			1,11,000	22.2%	
2.	Sunil Kumar Lunawath	30,000	15.0%	19.10.2016		Issue of shares			
				09.01.2017	+27000		+27000	+7.71%	
				04.02.2017	+8000		+8000	+2.00%	
				25.02.2017	+7000		+7000	+1.55%	
		73,000	14.6%	31.03.2017	+1000	+1000	+0.20%	73,000	14.6%
3.	Pradeep Kumar Lunawath	30,000	15.0%	19.10.2016		Issue of shares			
				09.01.2017	+6000		+6000	+1.71%	
				04.02.2017	+4000		+4000	+1.00%	
				25.02.2017	+2000		+2000	+0.44%	
		66,000	13.2%	31.03.2017	+24000	+24000	+4.80%	66,000	13.2%
4.	Nitin Gattani	50,000	25.0%	19.10.2016		Issue of shares			
				09.01.2017	+25000		+25000	+7.14%	
				25.02.2017	+25000		+25000	+5.55%	
				31.03.2017	+25000		+25000	+5.00%	
		1,25,000	50%	31.03.2017			1,25,000	50%	
5.	Sunil Rameshwarl	50,000	25.0%	19.10.2016	Nil	Issue of			
								Nil	-15%

	al Gattani	50,000	10%	31.03.2017		shares	5,00,000	10%
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V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,89,14,666	Nil	Nil	1,89,14,666
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	1,89,14,666	Nil	Nil	1,89,14,666
Change in Indebtedness during the financial year				
· Addition	Nil	Nil	Nil	Nil
· Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	1,89,14,666	Nil	Nil	1,89,14,666
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	1,89,14,666	Nil	Nil	1,89,14,666

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	(in Rs.)
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	#	
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
	Total(A)		
	Ceiling as per the Act		

Note: # There are no Managing Director, WTD and Manager in company.

B. Remuneration to other directors:

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	#			Nil
	Total(1)				
2.	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	Nil	Nil	Nil	Nil
		--	--	--	--
	Total(2)	--	--		--
	Total(B)=(1+2)	Nil	Nil	Nil	Nil
	Total Managerial Remuneration *	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act				

Note: * Total remuneration of Managing Director, Whole Time Director and other Directors (being the total of A and B)

Note: # *There are no Independent directors in the Company.*

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

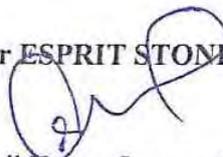
Sl. no.	Particulars of Remuneration	Key Managerial Personnel*			
		Company Secretary	CFO	CEO	Total
1.	Gross salary (a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b)Value of perquisites u/s 17(2) Income-tax Act, 1961 (c)Profits in lieu of salary under section 17(3) Income-tax Act, 1961	#	#	#	#
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit -others, specify...				
5.	Others, please specify				
	Total				

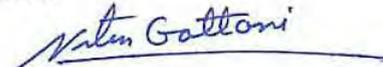
Note: # There was no company secretary /CFO /CEO in the company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For **ESPRIT STONES PRIVATE LIMITED**


 Sunil Kumar Lunawath
 DIN: 01105117
 Directors
 Add: L-3 / 53Jai Shree Colony
 Udaipur,Rajasthan-313001


 Nitin Gattani
 DIN: 00173258
 Directors
 Add: Shree Niketan,380-Ashok Nagar,
 Udaipur,Rajasthan-313001

Date: 22.09.2017
 Place: Udaipur

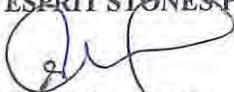
Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis
 - (a) Name(s) of the related party and nature of relationship: N.A.
 - (b) Nature of contracts/arrangements/transactions: N.A.
 - (c) Duration of the contracts / arrangements/transactions: N.A.
 - (d) Salient terms of the contracts or arrangements or transactions including the value, N.A.
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) Date(s) of approval by the Board
 - (g) Amount paid as advances, Nil
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A.
2. Details of material contracts or arrangement or transactions at arm's length basis
 - (a) Name(s) of the related party and nature of relationship N.A.
 - (b) Nature of contracts/arrangements/transactions N.A.
 - (c) Duration of the contracts / arrangements/transactions N.A.
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - (e) Date(s) of approval by the Board, N.A.
 - (f) Amount paid as advances Nil

For **ESPRIT STONES PRIVATE LIMITED**



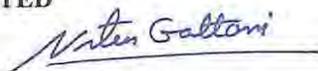
Sunil Kumar Lunawath

DIN: 01105117

Directors

Add: L-3 / 53Jai Shree Colony

Udaipur,Rajasthan-313001



Nitin Gattani

DIN: 00173258

Directors

Add: Shree Niketan,380-Ashok Nagar,

Udaipur,Rajasthan-313001

Date: 22.09.2017

Place: Udaipur



Pallavi Mehta

Pallavi Mehta & Associates

Chartered Accountants

207, Arihant Plaza, City Station road, Udaipole, Udaipur-313001
Mob:-91 9782222244, e-mail:-naharpallavi@gmail.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESPRIT STONES PVT. LTD. ON THE ACCOUNTS FOR THE YEAR ENDED 31 ST MARCH, 2017

Report on the Financial Statements

We have audited the accompanying financial statements of ESPRIT STONES PVT. LTD. ("the company"), which comprise the Balance Sheet as at 31 March 2017 and the Statement of Profit and Loss 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 and financial performance of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, 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 thereunder.

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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial



Pallavi Mehta

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Chartered Accountants

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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 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;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date;

Report on other Legal and Regulatory Requirements

1. Requirements of the Companies (Auditor's Report) Order, 2017 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, are not applicable.
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 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 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.
 - g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.



Pallavi Mehta

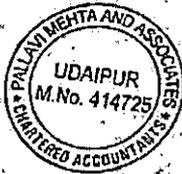
Pallavi Mehta & Associates

Chartered Accountants

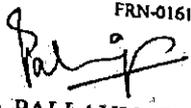
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- iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
- iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the company.

Place: Udaipur
Date : 22/09/2017



For PALLAVI MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN-016194C


CA PALLAVI MEHTA
PROPRIETOR
M.NO. 414725



Pallavi Mehta

Pallavi Mehta & Associates

Chartered Accountants

207, Arihant Plaza, City Station road, Udaipole, Udaipur-313001

Mob:-91 9782222244, e-mail:-naharpallavi@gmail.com

Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
 - (c) The title deeds of immovable properties are held in the name of the company.
- 2)
 - (a) The management has conducted the physical verification of inventory at reasonable intervals.
 - (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.



- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under



Pallavi Mehta

Pallavi Mehta & Associates

Chartered Accountants

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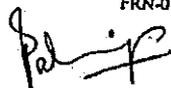
review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Place: Udaipur
Date : 22/09/2017



For PALLAVI MEHTA & ASSOCIATES
CHARTERD ACCOUNTANTS
FRN-016194C


CA PALLAVI MEHTA
PROPRIETOR
M.NO. 414725



Pallavi Mehta

Pallavi Mehta & Associates

Chartered Accountants

207, Arihant Plaza, City Station road, Udaipole, Udaipur-313001
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ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of ESPRIT STONES Pvt.Ltd.)

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")

1. We have audited the internal financial controls over financial reporting of ESPRIT STONES Pvt.Ltd. ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

3. 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 the Institute of Chartered Accountants of India and the Standards on Auditing prescribed 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.
4. 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.



Pallavi Mehta

Pallavi Mehta & Associates

Chartered Accountants

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5. 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

6. 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.

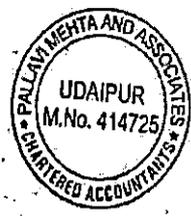
Inherent Limitations of Internal Financial Controls over Financial Reporting

7. 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

8. In our opinion, to the best of our information and according to the explanations given to us, 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: Udaipur
Date : 22/09/2017



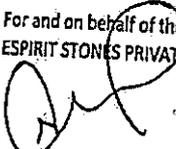
For PALLAVI MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN-016194C

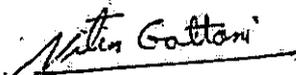

CA PALLAVI MEHTA
PROPRIETOR
M.NO. 414725

ESPIRIT STONES PRIVATE LIMITED
Balance Sheet as at March 31, 2017

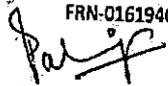
Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
a) Share Capital			
b) Reserves and Surplus	1	50,000,000	
c) Money received against share warrants	2		
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
a) Long term borrowings			
b) Deferred tax liabilities	3	18,914,666.00	
c) Other long term liabilities			
d) Long term provisions			
(4) Current Liabilities			
a) Short Term Borrowings			
b) Trade Payables	4		
c) Other Current Liabilities	5	32,507,206.00	
d) Short Term Provisions	6	4,498,445.00	
	7		
Total		105,920,317.00	
II. ASSETS			
(1) Non Current Assets			
a) Fixed Assets			
(i) Tangible Assets			
(ii) Capital Work In Progress	14	47,007,183.00	
b) Non Current Investments		17,483,385.00	
c) Deferred Tax Assets (net)	8	6,864,022.00	
d) Long Term loans and Advances			
e) Other Non Current Assets	9	28,657,336.00	
(2) Current Assets			
a) Current Investments			
b) Inventories			
c) Trade Receivables	10		
d) Cash and Cash Equivalents	11		
e) Short Term Loans and Advances	12	3,636,940.00	
f) Other Current Assets			
	13	2,271,451.00	
Total		105,920,317.00	
Significant Accounting Policies	15		

For and on behalf of the Board
ESPIRIT STONES PRIVATE LIMITED


 Sunil Kumar Lunawath
 Director
 Din : 01105117
 Place: Udalpur
 Date: 22/09/2017


 Nitin Gattani
 Director
 Din : 00179258

AS PER OUR REPORT OF EVEN DATE ATTACHED
 For PALLAVI MEHTA & ASSOCIATES
 Chartered Accountants
 FRN-016194C


 CA PALLAVI MEHTA
 PROPRIETOR
 M.NO. 414725

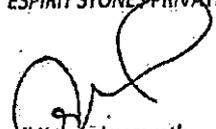


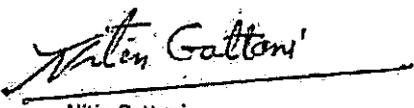
ESPIRIT STONES PRIVATE LIMITED

Profit and Loss Statement for the period 01.04.2016 to 31.03.2017

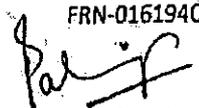
Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016
Revenue From Operations		96,914	
Other Income			
III. Total Revenue (I+II)		96,914.00	
IV. Expenses:			
Cost of Materials Consumed			
Purchase of Stock-in-Trade			
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade			
Employee Benefit Expense		96,914	
Financial Costs			
Depreciation			
Other Expenses			
Total Expenses		96,914.00	
V. Profit Before Exceptional and Extraordinary Items and Tax	(III - IV)	-	-
VI. Exceptional Items		-	-
VII. Profit Before Extraordinary Items and Tax (V - VI)		-	-
VIII. Extraordinary Items		-	-
IX. Profit Before Tax	(VII - VIII)	-	-
X. Tax Expense			
(1) Current Tax			
(2) Deferred Tax			
XI. Profit/(Loss) from the period from continuing operations	(IX - X)		
XII. Profit/(Loss) from discontinuing operations			
XIII. Tax Expense of discontinuing operations			
XIV. Profit/(Loss) from discontinuing operations (XII-XIII)			
XV. Profit/(Loss) for the Period (XI + XIV)			
XVI. Earning per Equity Share:			
Basic and Diluted	22		
Significant Accounting Policies	1		

For and on behalf of the Board
ESPIRIT STONES PRIVATE LIMITED


Sunit Kumar Lunawath
Director
Din : 01105117
Place: Udaipur
Date: 22/09/2017


Nitin Gattani
Director
Din : 00173258

AS PER OUR REPORT OF EVEN DATE ATTACHED
For PALLAVI MEHTA & ASSOCIATES

Chartered Accountants
FRN-016194C

CA PALLAVI MEHTA
PROPRIETOR
M.NO. 414725



ESPIRIT STONES PRIVATE LIMITED
CASH FLOW STATEMENT
FINANCIAL YEAR 2016-17

PARTICULARS	AMOUNT
CASH FLOW FROM OPERATING ACTIVITIES	
ADD : CASH FLOW FROM INVESTING ACTIVITIES	4,830,064
ADD : CASH FLOW FROM FINANCING ACTIVITIES	(70,107,790)
NET CASH INFLOW/(OUTFLOW)	68,914,666
ADD : OPENING BALANCE OF CASH & CASH EQUIVALENTS	
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	3,636,940

I. CASH FLOW FROM OPERATING ACTIVITIES

PARTICULARS	AMOUNT	AMOUNT
NET PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEMS		
ADJUSTMENTS FOR:		
(A) DEPRECIATION		
(B) DEFERRED TAX ASSET		
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		
ADJUSTMENTS FOR:		
(A) INCREASE IN SUNDRY DEPOSITS	(1,246,800)	
(B) INCREASE IN OTHER CURRENT ASSETS	(2,271,451)	
(C) INCREASE IN ADVANCES TO SUPPLIERS	(28,657,336)	
(D) INCREASE IN TRADE PAYABLES	32,507,206	
(E) INCREASE IN STATUTORY DUES	168,882	
(F) DECREASE IN CRSDITORS FOR EXPENSES	4,329,563	
CASH GENERATED FROM OPERATIONS		
INCOME TAX PAID		
NET CASH FLOW FROM OPERATION ACTIVITIES		4,830,064

II. CASH FLOW FROM INVESTING ACTIVITIES

PARTICULARS	AMOUNT	AMOUNT
PURCHASE OF FIXED ASSESTS	(64,490,568)	
INVESTMENT IN FIXED DEPOSITS	(5,617,222)	
NET CASH FLOW FROM INVESTING ACTIVITIES	(70,107,790)	

III. CASH FLOW FROM FINANCING ACTIVITIES

PARTICULARS	AMOUNT	AMOUNT
PROCEEDS FROM ISSUED OF SHARE CAPITAL	50,000,000	
PROCEEDS FROM LONG TERM BORROWINGS	18,914,666	
NET CASH FLOW FROM FINANCING ACTIVITIES	68,914,666	

[Handwritten Signature]

M. G. Cotton



SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON THE ACCOUNTS FOR THE YEAR ENDED ON THE 31.03.2017

- 1.1 SIGNIFICANT ACCOUNTING POLICIES**
- a) Accounts have been prepared on historical cost conventions and in accordance with applicable Accounting Standard and relevant disclosure requirements of Companies Act, 2013.
 - b) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles
 - c) Fixed Assets are stated at cost. Cost of construction or acquisition is inclusive of freight, duties, taxes, other incidental expenses & financing cost relating to borrowed funds attributable to construction or acquisition of fixed assets upto the date of their commissioning.
 - d) Depreciation on Fixed Assets is not provided as at 31.03.2017 as the Fixed assets are not in a Ready to use condition.

1.2 Deferred Tax :-
 Consequent to AS-22 on "Accounting for Taxes on Income" becoming mandatory from 1st April, 2005, the company has accounted for deferred tax in respect of timing differences. The details of deferred tax asset/liability are as under :-

Particulars	As at 31.03.2017	As at 31.03.2016
Net Deferred Tax Asset/(Liability)		

- 1.3 Depreciation**
 Since the company is in pre-operative stage and no commercial production has started yet, Also the Assets are under installation process and are not in Ready to Use condition, No depreciation for the year 16-17 has been charged as per Schedule II of Companies Act, 2013.
- 1.4** Balances of Bank and deposits are as per books of Accounts as on 31.03.2017 are subject to their confirmations.
- 1.5** Balance of Debtors, Creditors, Receivables and Liabilities as on 31.03.2017 are subjected to their reconciliation and confirmation.
- 1.6** In the opinion of the Board Of Director of the Company and to the best of there Knowledge and belief all the current assets and Deposits have a value on realization in the ordinary course of the business at least equal to the amount at which they are started in the Balance Sheet.
- 1.7** Capital contracts remaining to be executed Rs. NIL
- 1.8** There is no outstanding to Small Scale Industry undertaking
- 1.90** Managerial Remuneration -Nil as at 31.03.2017
- 1.10** As-18, As-19, As-21 and As-23 issued by the Institute of Chartered Accountants of India are not applicable to the company during the period into consideration.
- 1.11** The company has imported Artificial Quartz Slab Machine from Hr- Meze Machinery Co. Ltd for USD 479104/- Any other expenditure as well as earning in foreign currency is NIL
- 1.12** The company does not have any Taxable Income therefore No provision for Tax has been made.
- 1.13** Wherever when original bills /supporting were not available during the course of our audit we have relied upon the vouchers / bills as certified by the management
- 1.14** Interest on TDS deposit Rs. 622/- as at 31.03.2017
 Pursuant to the notification no.G.S.R.308 (E) dated 30th March 2017 issued by the Ministry of Corporate Affairs, the details of Specified Bank note (SBNS)held and transacted by the company during the period from 08.11.2016 to 30.12.2016 is as follow:-

	SBNS	Other Denomination notes	Total
Closing cash in hand as on 08.11.2016			
(+) Permitted Receipts			
(-) Permitted Payments			
(-) Amount deposited in Banks			
Closing cash in hand as on 30.12.2016			

1.16 Figures for previous year have been regrouped/rearranged, wherever considered necessary.

Martin Gattori



THE ACCOUNTS FOR THE YEAR ENDED ON THE 31.03.2017

Particulars	As At 31st March 2017	As At 31st March 2016
SHARE CAPITAL		
(a) Authorized 5000000 Equity Shares of Rs. 10 each		
(b) Issue subscribed & fully Paid up: 500,0000 Equity Shares of Rs. 10 each fully paid up	50,000,000.00	
	50,000,000.00	

Shareholders Holding More than 5%

S.No.	Name of Shareholder	No. of Shares Held	
		As At 31st March 2017	As At 31st March 2016
1	Shri Mangi Lal Lunawat Sb.		
2	Shri Sunil Lunawath	11,100,000.00	
3	Shri Pradeep Lunawath	7,300,000.00	
4	Shri Nitin Gattani	6,600,000.00	
5	Shri Sunil Gattani	12,500,000.00	
6	Shri K.G. Gattani Sb.	5,000,000.00	
7	M/s Gattani Resorts Pvt. Ltd.	5,000,000.00	
		2,500,000.00	

Note	Particulars	As At 31st March 2017	As At 31st March 2016
2	RESERVE AND SURPLUS		
	Opening Balance		
	Add: Profit/Loss during the year	0.00	
	TOTAL		

Note	Particulars	As At 31st March 2017	As At 31st March 2016
3	LONG TERM BORROWINGS		
	SECURED LOANS		
	Term Loan with Kamatka Bank		
	UNSECURED LOANS	18,914,666.00	
	From Directors	-	
	From Shareholders	-	
	TOTAL	18,914,666.00	

Note	Particulars	As At 31st March 2017	As At 31st March 2016
4	SHORT TERM BORROWINGS		
	Working Capital Term Loan (due in next 12 mths)		
	Other Loans Due For Repayment In Next 12 Months		
	TOTAL		

Note	Particulars	As At 31st March 2017	As At 31st March 2016
5	TRADE PAYABLES		
	Trade Creditors (HR-MEZE MACHINERY CO. LTD.)	32,507,206.00	
	Advance from Customers		
	TOTAL	32,507,206.00	



Nitin Gattani



Particulars		As At 31st March 2017	As At 31st March 2016
OTHER CURRENT LIABILITIES			
Creditors For Expenses :-			
Accuracy Shipping Pvt. Ltd.		4,273,113.00	
Gujarat Machinery Stores		289745.00	
J.L. Jain & Co.		43578.00	
Kamla Tak		4500.00	
Kumawat Printers		35840.00	
Lodha Filling Station		1750.00	
Mahalaxmi Electricals		727620.00	
Mahaveer Trading Company		2440.00	
Mechneers India		936081.00	
Narayan Singh Jhala		30786.00	
New Hindustan Diesels Sales & Service		46290.00	
Noble Bearing & Tools Co.		11952.00	
Poonam Auto Electricals		1975.00	
Premier Bars Pvt. Ltd.		3853.00	
Punjab Radiators		1075769.00	
Puri Lal Dangi		6440.00	
Rajasthan Diesel Sales & Service		43892.00	
Ratan Automobiles		11127.00	
Ratan Motors		103500.00	
Rose Marble Pvt. Ltd.		6135.00	
Star Auto Electricals		675981.00	
Star Battery Service		1050.00	
Suresh Mundra		1725.00	
Tarun Electricals		183735.00	
Universal Power Engineering		23849.00	
		3500.00	
Audit Fees & legal Chg payable		56,450.00	
(i) D. Sarupriya & Co. -	22950.00		
(ii) Sunil Agarwal -	13500.00		
(iii) Pallavi Mehta & Ass. -	20000.00		
Sales Tax Payable			
Service Tax Payable		20,476.00	
Tds Payable		148,406.00	
ESIC			
Provident Fund			
Salary Payable			
TOTAL		4,498,445.00	

Note	Particulars	As At 31st March 2017	As At 31st March 2016
7	SHORT TERM PROVISIONS		
	PROVISION OTHERS		
	TOTAL		

Note	Particulars	As At 31st March 2017	As At 31st March 2016
8	NON CURRENT INVESTMENTS		
	INVESTMENT:		
	FDR & Margin Money with Karnatka Bank	5,617,222.00	
	NSC Placed with Sales Tax Department	30,000.00	
	Security Deposit AVVNL	1,216,800.00	
	TOTAL	6,864,022.00	

 Martin Gattori



Particulars	As At 31st March 2017	As At 31st March 2016
LONG TERM LOANS & ADVANCES		
Advance to Suppliers	28,657,336	
TOTAL	28,657,336	

Note	PARTICULARS	As At 31st March 2017	As At 31st March 2016
10	INVENTORIES		
	Raw-Material	-	-
	Spare Parts & Accessories	-	-
	TOTAL	-	-

Note	Particulars	As At 31st March 2017	As At 31st March 2016
11	TRADE RECEIVABLES		
	Receivables outstanding for a period exceeding six months from the due date	-	-
	Others	-	-
	TOTAL	-	-

Note	Particulars	As At 31st March 2017	As At 31st March 2016
12	CASH AND CASH EQUIVALENTS		
	Karnatka Bank Limited - 8042000100034001	820,125.00	
	Karnatka Bank Limited - 8042000100034101	2,506,270.00	
	Cash In Hand	310,545.00	
	TOTAL	3,636,940.00	

Note	Particulars	As At 31st March 2017	As At 31st March 2016
13	OTHER CURRENT ASSETS		
	Service Tax Credit Receivable	744,314.00	
	Excise Credit Receivable	676,935.00	
	Other Current Assets	840,510.00	
	TDS Receivable A.Y. 2017-18	9,692.00	
	TOTAL	2,271,451.00	

 Nitin Gattani



Note - 14

Sr. No.	PARTICULARS	OPENING BALANCE	ADDITIONS		DELETIONS	DEPRECIATION	CLOSING BALANCE
			BEFORE	AFTER			
1	Computer- Acer	0	24000.00	0.00	0	0.00	24000.00
2	Printer	0		6409.00	0	0.00	6409.00
3	Tally.ERP9 Software	0		17200.00	0	0.00	17200.00
4	Furniture and Fixtures	0		34007.00	0	0.00	34007.00
5	Water Pump	0		97110.00	0	0.00	97110.00
6	DG set	0		414373.00	0	0.00	414373.00
7	Transfemor	0		163789.00	0	0.00	163789.00
8	Pannal	0		131389.00	0	0.00	131389.00
9	Quartz Slab Pressing Machine	0		33569576.00	0	0.00	33569576.00
10	Mobiles	0		5150.00	0	0.00	5150.00
11	40 FT Containers	0		652400.00	0	0.00	652400.00
12	Factory Land	0		11891780.00	0	0.00	11891780.00
13	Capital Work in Progress A/c	0		17483385.00	0	0.00	17483385.00
		0	24000.00	64466568.00	0	0.00	64490568.00

Atul Gattori

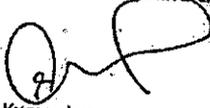
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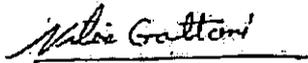
STATEMENT OF CASH & CASH EQUIVALENTS

PARTICULARS	AMOUNT	
	01.04.2017	31.03.2016
CASH		
KARNATAKA BANK -34001	310,545	-
KARNATAKA BANK-34101	820,125	-
NET CASH FLOW FROM FINANCING ACTIVITIES	2,506,270	-
	3,636,940	

For and on behalf of the Board
ESPIRIT STONES PRIVATE LIMITED

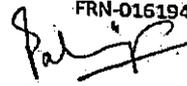


Sunil Kumar Lunawath
 Director
 Din : 01105117
 Place: Udaipur
 Date: 22/09/2017



Nitin Gattani
 Director
 Din : 00173258

AS PER OUR REPORT OF EVEN DATE ATTACHED
 For PALLAVI MEHTA & ASSOCIATES
 Chartered Accountants
 FRN-016194C



CA PALLAVI MEHTA
 PROPRIETOR
 M.NO. 414725

