

**NEEMRANA BUILDERS LLP**  
**F.Y. 2014-2015**

**AUDITOR'S REPORT**

To,  
**The Partners of M/s Neemrana Builders LLP**

We have audited (for Income Tax purpose) the accompanying financial statements of M/s Neemrana Builders LLP, which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit & Loss, Cash Flow Statement for the year ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements are prepared, in all material aspects, 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, 2015 ;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date;  
and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



For **B. CHHAWCHHARIA & CO.**  
Chartered Accountants  
Firm registration No: 305123E

*Abhishek Gupta*

Abhishek Gupta  
Partner

Membership No.: 529082

Place: New Delhi  
Date: 18<sup>th</sup> May, 2015

**NEEMRANA BUILDERS LLP**  
**STATEMENT OF ASSETS & LIABILITIES AS AT 31ST MARCH, 2015**

Particulars	Notes	AS AT		AS AT	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014
		₹	₹	₹	₹
<b>CONTRIBUTION AND LIABILITIES</b>					
<b>Partners' Funds</b>					
Contribution	1	105,600		3,705,600	
Current Account		254,859,476	254,965,076	(63,119)	3,642,481
<b>Current Liabilities</b>					
Other Current Liabilities	2	2,244,200		10,028,090	
Short-term Provisions	3	95,809	2,340,009	-	10,028,090
			<u>257,305,085</u>		<u>13,670,571</u>
<b>APPLICATION OF FUNDS</b>					
<b>Non-Current Assets</b>					
Non Current Investment	4	76,190,000		-	
Long Term Loans & Advances	5	175,000,000	251,190,000	-	
<b>Current Assets</b>					
Inventories	6	-		13,402,012	
Cash & Cash Equivalents	7	5,789,042		127,526	
Short Term Loans & Advances	8	326,043	6,115,085	141,033	13,670,571
			<u>257,305,085</u>		<u>13,670,571</u>
SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS					
	13				

The Notes referred above form an integral part of the accounts.  
In terms of our report of even date attached herewith

For B. CHHAWCHHARIA & CO.  
Chartered Accountants  
Firm Registration No: 305123E

*Abhishek Gupta*

Abhishek Gupta  
Partner  
Membership No: 529082  
Place: New Delhi  
Date: 18th May, 2015



*Designated Partners*

Designated Partners

NEEMRANA BUILDERS LLP  
STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Notes	2014-15	2013 - 2014
		₹	₹
Revenue from Operations	9	20,000,000	-
Other Income	10	281,915	-
		<u>20,281,915</u>	<u>-</u>
<b>Expenditure</b>			
<b>Direct Costs:</b>			
Statutory Charges		141,033	-
Commission		1,100,000	-
Changes in Inventories	11	13,402,012	-
		<u>14,643,045</u>	<u>-</u>
Rates and Taxes		2,615	8,992
Legal and Professional expenses		15,572	12,922
Auditors' Remuneration			
For Statutory Audit		44,944	28,090
For Tax Audit		11,236	-
For Other Services		1,124	1,124
Miscellaneous expenses		16,784	11,991
		<u>14,735,320</u>	<u>63,119</u>
Profit/ (Loss) before tax		5,546,595	(63,119)
Tax Expenses			
Current Tax	12	1,624,000	-
Profit/(Loss) for the year		<u>3,922,595</u>	<u>(63,119)</u>
<b>Appropriation of Profit/(Loss)</b>			
	%		
Ashiana Housing Ltd.	98.5	3,863,756	(62,171)
Vishal Gupta	0.5	19,613	(316)
Ankur Gupta	0.5	19,613	(316)
Varun Gupta	0.5	19,613	(316)
		<u>3,922,595</u>	<u>(63,119)</u>

The Notes referred above form an integral part of the accounts.

In terms of our report of even date attached herewith

For **B. CHHAWCHHARIA & CO.**

Chartered Accountants

Firm Registration No: 305123E

*Gupta*

Abhishek Gupta

Partner

Membership No: 529082

Place: New Delhi

Date: 18th May, 2015



*Abhishek Gupta*  
*Varun Gupta*

Designated Partners

**NOTES TO THE ACCOUNTS**

	AS AT 31.03.2015 ₹	AS AT 31.03.2014 ₹
<b>1 PARTNERS' FUND</b>		
<b>a) CONTRIBUTION</b>		
Ashiana Housing Ltd		
Balance B/F	3,650,016	13,357,876
Net (Dr.)/ Cr. during the year	<u>(3,546,000)</u>	<u>(9,707,860)</u>
	<u>104,016</u>	<u>3,650,016</u>
Varun Gupta		
Balance B/F	18,528	67,807
Net (Dr.)/ Cr. during the year	<u>(18,000)</u>	<u>(49,279)</u>
	<u>528</u>	<u>18,528</u>
Ankur Gupta		
Balance B/F	18,528	67,807
Net (Dr.)/ Cr. during the year	<u>(18,000)</u>	<u>(49,279)</u>
	<u>528</u>	<u>18,528</u>
Vishal Gupta		
Balance B/F	18,528	67,807
Net (Dr.)/ Cr. during the year	<u>(18,000)</u>	<u>(49,279)</u>
	<u>528</u>	<u>18,528</u>
	<u>105,600</u>	<u>3,705,600</u>
<b>b) CURRENT ACCOUNT</b>		
Ashiana Housing Ltd		
Balance B/F	(62,171)	(212,363)
Net (Dr.)/ Cr. during the year	251,000,000	212,363
Share of profit/(loss)	<u>3,863,756</u>	<u>(62,171)</u>
	<u>254,801,585</u>	<u>(62,171)</u>
Vishal Gupta		
Balance B/F	(316)	(1,205)
Net (Dr.)/ Cr. during the year	-	1,205
Share of profit/(loss)	<u>19,613</u>	<u>(316)</u>
	<u>19,297</u>	<u>(316)</u>
Ankur Gupta		
Balance B/F	(316)	(1,205)
Net (Dr.)/ Cr. during the year	-	1,205
Share of profit/(loss)	<u>19,613</u>	<u>(316)</u>
	<u>19,297</u>	<u>(316)</u>
Varun Gupta		
Balance B/F	(316)	(1,205)
Net (Dr.)/ Cr. during the year	-	1,205
Share of profit/(loss)	<u>19,613</u>	<u>(316)</u>
	<u>19,297</u>	<u>(316)</u>
	<u>254,859,476</u>	<u>(63,119)</u>
<b>2 OTHER CURRENT LIABILITIES</b>		
Advance against sale of Land	-	10,000,000
Receipts under Revenue Sharing Arrangement	2,188,020	-
Other liabilities	<u>56,180</u>	<u>28,090</u>
	<u>2,244,200</u>	<u>10,028,090</u>
<b>3 SHORT-TERM PROVISIONS</b>		
For Taxation (Net of advances)	<u>95,809</u>	-
	<u>95,809</u>	-



NOTES TO THE ACCOUNTS	Face	No. of	AS AT	No. of	AS AT
	Value	Shares	31.03.2015	Shares	31.03.2014
	₹		₹		₹
<b>4 NON CURRENT INVESTMENTS</b>					
<b>Trade</b>					
In fully paid up Equity Shares (Unquoted)					
Universe Heights (India) P. Ltd	10	3326900	76,190,000	-	-
			<u>76,190,000</u>		<u>-</u>
<b>5 LONG TERM LOANS &amp; ADVANCES</b>					
(Unsecured, considered good)					
Deposit under Revenue sharing agreement			175,000,000		-
			<u>175,000,000</u>		<u>-</u>
<b>6 INVENTORIES</b>					
<u>Stock (As taken, valued and certified by the management)</u>					
Freehold Land			-		13,368,304
Work-in-progress			-		33,708
			<u>-</u>		<u>13,402,012</u>
<b>7 CASH AND CASH EQUIVALENTS</b>					
Cash-in-hand			895		10
Balances with Scheduled Banks :					
In Current Account			2,007,615		127,516
In Fixed Deposit Account			3,780,532		-
			<u>5,788,042</u>		<u>127,526</u>
<b>8. SHORT TERM LOANS AND ADVANCES</b>					
(Unsecured, considered good)					
Advance recoverable in cash or in kind or for value to be received			326,043		141,033
			<u>326,043</u>		<u>141,033</u>
			<b>2014 - 2015</b>		<b>2013 - 2014</b>
			₹		₹
<b>9 REVENUE FROM OPERATIONS</b>					
<b>Real Estate:</b>					
Sale of Land			20,000,000		-
			<u>20,000,000</u>		<u>-</u>
<b>10 OTHER INCOME</b>					
Interest on Fixed Deposits (includes TDS Rs. 28,191/-; P.Y. Nil)			281,915		-
			<u>281,915</u>		<u>-</u>
<b>11 CHANGES IN INVENTORIES</b>					
<b>Opening Stock :</b>					
Freehold Land			13,368,304		13,368,304
Work-in-progress			33,708		33,708
			<u>13,402,012</u>		<u>13,402,012</u>
<b>Less: Closing Stock:</b>					
Freehold Land			-		13,368,304
Work-in-progress			-		33,708
			<u>-</u>		<u>13,402,012</u>
			<u>13,402,012</u>		<u>-</u>
<b>12 TAX EXPENSES</b>					
<b>Current tax</b>					
Income Tax			1,624,000		-
			<u>1,624,000</u>		<u>-</u>



13 NOTES ON ACCOUNTS

1 SIGNIFICANT ACCOUNTING POLICIES

SYSTEM OF ACCOUNTING :

The LLP adopts accrual basis of accounting in the preparation of accounts.

INVESTMENTS :

Long term investments are carried at acquisition cost. Provision for diminution, if any, in the value of long term investments is made to recognise a decline, other than of a temporary nature.

INVENTORIES :

Inventories are valued as follows:

- a) Construction Material At Lower of cost and net realizable value. However, materials and other items are not written down below cost if the constructed units in which they are used are expected to be sold at or above cost. Cost is determined on FIFO basis.
- b) Land At Lower of cost and net realizable value.
- c) Unsold Completed Construction and Work in Progress At Lower of cost and net realizable value. Cost includes direct materials, labour and Project specific direct and indirect expenses.

USE OF ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates. assumption to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognised in the period in which the results are known/materialised.

REVENUE:

- a) Revenue under Revenue Sharing Arrangement with Land Owner is accounted for on handover of absolute possession of whole or part of the underlying land by land owner to Developer or its nominees. Upon such accrual of revenue, Deposit with land owner under such arrangement is charged off pro-rata to the profit and loss Account.
- b) Other Income is accounted for on accrual basis except where receipt of income is uncertain.

TAXES ON INCOME :

Current Tax is determined as the amount of tax payable in respect of taxable income for the year.

2 In accordance with Accounting Standard 17 "Segment Reporting" as issued by ICAI, the LLP has determined its business segment as Real Estate Business. Since there are no other business segments in which the LLP operates, there are no other primary reportable segments. Therefore, the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statements.

3 Related parties and transactions with them as specified in the Accounting Standard 18 on "Related Parties Disclosures" issued by ICAI has been identified and given below on the basis of information available with the LLP and the same has been relied upon by the auditors.

Related Parties & Relationship

Transactions

- a) Enterprises that directly, or indirectly through one or more intermediaries, Control or are controlled by or are under common control with the LLP (including holding companies, subsidiaries and fellow Subsidiaries) :

		<u>2014 - 2015</u>	<u>2013 - 2014</u>
		₹	₹
i) Ashiana Housing Limited.	Establishment Charges	13,484	Nil
	Year end payable/(Receivable)	Nil	Nil

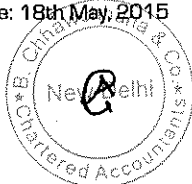
4 Previous year figure have been regrouped/rearranged, wherever found necessary.

Signatures to Notes 1 to 13

In terms of our report of even date attached herewith  
For B. CHHAWCHHARIA & CO.  
Chartered Accountants  
Firm Registration No: 305123E

*Gupta*

Abhishek Gupta  
Partner  
Membership No: 529082  
Place: New Delhi  
Date: 19th May, 2015



*[Handwritten signatures]*

Designated Partners

NEEMRANA BUILDERS LLP

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	2014-2015	2013-2014
	₹	₹
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax and extraordinary items	5,546,595	(63,119)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<u>5,546,595</u>	<u>(63,119)</u>
Adjusted for :		
Trade and other receivables	(185,010)	(141,033)
Deposit under Revenue sharing agreement	(175,000,000)	-
Inventories	13,402,012	-
Trade Payables and other current liabilities	(7,783,890)	9,962,445
<b>CASH GENERATED FROM OPERATIONS</b>	<u>(164,020,293)</u>	<u>9,758,293</u>
Direct Taxes paid / adjusted	(1,528,190)	-
Cash flow before extra ordinary items	(165,548,483)	9,758,293
Extra Ordinary items	-	-
<b>Net cash from Operating activities (A)</b>	<u>(165,548,483)</u>	<u>9,758,293</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Investments	(76,190,000)	-
<b>Net Cash from investing activities (B)</b>	<u>(76,190,000)</u>	<u>-</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Contribution/(withdrawals) from partners	247,400,000	(9,639,719)
<b>Net Cash from Financing activities (C)</b>	<u>247,400,000</u>	<u>(9,639,719)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+ B+ C)</b>	5,661,516	118,574
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	127,526	8,952
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	5,789,042	127,526

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

In terms of our report of even date attached herewith

For B. CHHAWCHHARIA & CO.  
Chartered Accountants  
Firm Registration No: 305123E

*Gupta*

Abhishek Gupta  
Partner

Membership No: 529082

Place: New Delhi

Date: 18th May, 2015

*[Signature]*  
*[Signature]*

Designated Partners

