

**M/s MG Homecraft LLP**  
**F.Y.2015-16**

**AUDITOR'S REPORT**

To,  
**The Partners of M/s MG HOMECRAFT LLP**

We have audited (for Income Tax purpose) the accompanying financial statements of M/s MG Homecraft LLP, which comprise the Balance Sheet as at March 31, 2016, 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, 2016 ;
- (b) in the case of the Statement of Profit and Loss, of the loss 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: 19<sup>th</sup> May, 2016

MG HOMECRAFT LLP  
STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2016

Particulars	Notes	AS AT		AS AT	
		31.03.2016	31.03.2015	31.03.2016	31.03.2015
		₹	₹	₹	₹
<b><u>CONTRIBUTION AND LIABILITIES</u></b>					
<b><u>Partners' Funds</u></b>					
Partners' Funds	1				
Contribution		100,000		100,000	
Current Account		<u>352,107</u>	452,107	<u>399,180</u>	499,180
<b><u>Current Liabilities</u></b>					
Other Current Liabilities	2		28,625		28,090
			<u>480,732</u>		<u>527,270</u>
<b><u>ASSETS</u></b>					
<b><u>Current Assets</u></b>					
Cash & Cash Equivalents	3	452,532		511,436	
Short Term Loans & Advances	4	<u>28,200</u>	480,732	<u>15,834</u>	527,270
			<u>480,732</u>		<u>527,270</u>
SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS	7				

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

*A Gupta*

Abhishek Gupta  
Partner  
Membership No: 529082  
Place: New Delhi  
Date: 19th May, 2016

*NRG*  
*[Signature]*  
*NRG*

Designated  
Partners



MG HOMECRAFT LLP  
STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR 31ST MARCH 2016

Particulars	Notes	2015 - 2016	2014 - 2015
		₹	₹
<b>Income</b>			
Other Income	5	28,276	22,340
		<u>28,276</u>	<u>22,340</u>
<b>Expenditure</b>			
Other Expenses	6	61,749	74,986
		<u>61,749</u>	<u>74,986</u>
Profit/(Loss) before tax		(33,473)	(52,646)
Tax Expenses :			
Tax Adjustments		13,600	-
<b>Profit/(Loss) for the Year after tax</b>		<u>(47,073)</u>	<u>(52,646)</u>
<b>Appropriation of Profit/(Loss)</b>			
	%		
Ashiana Housing Ltd.	98.5	(46,368)	(51,857)
Vishal Gupta	0.5	(235)	(263)
Ankur Gupta	0.5	(235)	(263)
Varun Gupta	0.5	(235)	(263)
		<u>(47,073)</u>	<u>(52,646)</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: 19th May, 2016

UG  
*[Signature]*  
UG  
*[Signature]*  
UG

Designated Partners



**NOTES TO THE ACCOUNTS**

	AS AT 31.03.2016 ₹	AS AT 31.03.2015 ₹
<b>1 PARTNERS' FUND</b>		
<b>a) CONTRIBUTION</b>		
Ashiana Housing Ltd		
Balance B/F	98,500	98,500
Net (Dr.)/ Cr. during the year	-	-
	<u>98,500</u>	<u>98,500</u>
Vishal Gupta		
Balance B/F	500	500
Net (Dr.)/ Cr. during the year	-	-
	<u>500</u>	<u>500</u>
Ankur Gupta		
Balance B/F	500	500
Net (Dr.)/ Cr. during the year	-	-
	<u>500</u>	<u>500</u>
Varun Gupta		
Balance B/F	500	500
Net (Dr.)/ Cr. during the year	-	-
	<u>500</u>	<u>500</u>
	<u>100,000</u>	<u>100,000</u>
<b>b) CURRENT ACCOUNT</b>		
Ashiana Housing Ltd		
Balance B/F	393,192	445,049
Net (Dr.)/ Cr. during the year	-	-
Share of profit/(loss)	(46,368)	(51,857)
	<u>346,824</u>	<u>393,192</u>
Vishal Gupta		
Balance B/F	1,996	2,259
Net (Dr.)/ Cr. during the year	-	-
Share of profit/(loss)	(235)	(263)
	<u>1,761</u>	<u>1,996</u>
Ankur Gupta		
Balance B/F	1,996	2,259
Net (Dr.)/ Cr. during the year	-	-
Share of profit/(loss)	(235)	(263)
	<u>1,761</u>	<u>1,996</u>
Varun Gupta		
Balance B/F	1,996	2,259
Net (Dr.)/ Cr. during the year	-	-
Share of profit/(loss)	(235)	(263)
	<u>1,761</u>	<u>1,996</u>
	<u>352,107</u>	<u>399,180</u>
<b>2 OTHER CURRENT LIABILITIES</b>		
Other Liabilities	28,625	28,090
	<u>28,625</u>	<u>28,090</u>



**NOTES TO THE ACCOUNTS**

	AS AT 31.03.2016 ₹	AS AT 31.03.2015 ₹
<b>3 CASH AND CASH EQUIVALENTS</b>		
Cash-in-hand	765	845
Balances with Scheduled Banks :		
In Current Account	1,767	510,591
In Fixed Deposits	450,000	-
	<u>452,532</u>	<u>511,436</u>
<b>4 SHORT TERM LOAN &amp; ADVANCE</b>		
Advance recoverable in cash or in kind or for value to be received	25,380	-
Taxation Advances and Refundable (Net of Provisions)	2,820	15,834
	<u>28,200</u>	<u>15,834</u>
	<u>2015 - 2016</u> ₹	<u>2014 - 2015</u> ₹
<b>5 OTHER INCOME</b>		
Interest		
- on Fixed Deposit	28,200	22,340
- on Income Tax Refund	76	-
	<u>28,276</u>	<u>22,340</u>
<b>6 OTHER EXPENSES</b>		
Rates and Taxes	680	2,655
Legal and Professional expenses	18,694	24,000
Auditors' Remuneration :		
For Statutory Audit	28,640	28,090
For Other Services	-	6,742
Miscellaneous expenses	13,735	13,499
	<u>61,749</u>	<u>74,986</u>



## 7 NOTES ON ACCOUNTS

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### a) SYSTEM OF ACCOUNTING :

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

#### b) 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

##### 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.

#### c) 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.

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) :

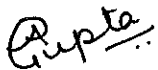
		2015 - 2016	2014 - 2015
		₹	₹
i) Ashiana Housing Limited.	Establishment Charges	13,695	13,484
	Year end payable/(Receivable)	Nil	Nil

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

Signatures to Notes 1 to 8

In terms of our report of even date attached herewith

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

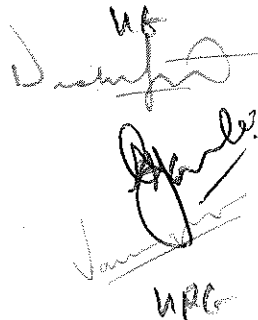


Abhishek Gupta  
Partner

Membership No: 529082

Place: New Delhi

Date: 19th May, 2016



Designated Partners



**MG HOMECRAFT LLP**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

	2015-2016	2014-2015
	₹	₹
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax and extraordinary items	(33,473)	(52,646)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(33,473)</b>	<b>(52,646)</b>
Adjusted for :		
Trade and other receivables	-	-
Inventories	-	-
Interest Receivable	(25,380)	-
Trade Payables and other current liabilities	535	(219,057)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(58,318)</b>	<b>(271,703)</b>
Direct Taxes paid / adjusted	(586)	-
Cash flow before extra ordinary items	(58,904)	(271,703)
Extra Ordinary items	-	-
<b>Net cash from Operating activities (A)</b>	<b>(58,904)</b>	<b>(271,703)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Sale of Fixed Assets	-	-
<b>Net Cash from investing activities (B)</b>	<b>-</b>	<b>-</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Contribution/(withdrawals) from partners	-	-
<b>Net Cash from Financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+ B+ C)</b>	<b>(58,904)</b>	<b>(271,703)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>511,436</b>	<b>783,139</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>452,532</b>	<b>511,436</b>

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: 19th May, 2016



*MG*  
*[Signature]*  
*[Signature]*  
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Designated Partners