

**M/s Neemrana Builders LLP**  
**F.Y.2015-16**

**AUDITOR'S REPORT**

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

We have audited the accompanying financial statements of M/s Neemrana Builders 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 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  
Partner

Membership No.: 529082



Place: New Delhi  
Date: 19<sup>th</sup> May, 2016

**NEEMRANA BUILDERS LLP**  
**STATEMENT OF ASSETS & 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>CONTRIBUTION AND LIABILITIES</b>					
<b>Partners' Funds</b>					
Partners' Funds	1				
Contribution		105,600		105,600	
Current Account		646,572	752,172	254,859,476	254,965,076
<b>Current Liabilities</b>					
Other Current Liabilities	2	57,254		2,244,200	
Short-term Provisions	3	314,791	372,045	95,809	2,340,009
			<u>1,124,217</u>		<u>257,305,085</u>
<b>APPLICATION OF FUNDS</b>					
<b>Non-Current Assets</b>					
Non Current Investment	4	200,385		76,190,000	
Long Term Loans & Advances	5	-	200,385	175,000,000	251,190,000
<b>Current Assets</b>					
Cash & Cash Equivalents	6	889,082		5,789,042	
Short Term Loans & Advances	7	34,750	923,832	326,043	6,115,085
			<u>1,124,217</u>		<u>257,305,085</u>
SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS	12				

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

VC  
*[Signature]*  
VRG

Designated Partners

*[Signature]*



NEEMRANA BUILDERS LLP  
STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Notes	2015 - 2016	2014 - 2015
		₹	₹
Revenue from Operations	8	25,000,000	20,000,000
Other Income	9	268,016	281,915
		<u>25,268,016</u>	<u>20,281,915</u>
<b>Expenditure</b>			
<b>Direct Costs:</b>			
Statutory Charges		-	141,033
Commission		-	1,100,000
Changes in Inventories	10	-	13,402,012
		-	<u>14,643,045</u>
Rates and Taxes		720	2,615
Legal and Professional expenses		19,836	15,572
Auditors' Remuneration			
For Statutory Audit		45,828	44,944
For Tax Audit		11,601	11,236
For Other Services		-	1,124
Miscellaneous expenses		13,845	16,784
Loss on Sale of Investments		189,501	-
		<u>281,331</u>	<u>14,735,320</u>
Profit before tax		24,986,685	5,546,595
Tax Expenses			
Current Tax	11	8,854,589	1,624,000
Profit for the year		<u>16,132,096</u>	<u>3,922,595</u>
<b>Appropriation of Profit</b>			
	%		
Ashiana Housing Ltd.	98.5	15,890,116	3,863,756
Vishal Gupta	0.5	80,660	19,613
Ankur Gupta	0.5	80,660	19,613
Varun Gupta	0.5	80,660	19,613
		<u>16,132,096</u>	<u>3,922,595</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



*MG*  
*VRG*

Designated Partners

*VRG*

**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	104,016	3,650,016
Net (Dr.)/ Cr. during the year	-	(3,546,000)
	<u>104,016</u>	<u>104,016</u>
Varun Gupta		
Balance B/F	528	18,528
Net (Dr.)/ Cr. during the year	-	(18,000)
	<u>528</u>	<u>528</u>
Ankur Gupta		
Balance B/F	528	18,528
Net (Dr.)/ Cr. during the year	-	(18,000)
	<u>528</u>	<u>528</u>
Vishal Gupta		
Balance B/F	528	18,528
Net (Dr.)/ Cr. during the year	-	(18,000)
	<u>528</u>	<u>528</u>
	<u>105,600</u>	<u>105,600</u>
<b>b) CURRENT ACCOUNT</b>		
Ashiana Housing Ltd		
Balance B/F	254,801,585	(62,171)
Net (Dr.)/ Cr. during the year	(270,345,000)	251,000,000
Share of profit/(loss)	15,890,116	3,863,756
	<u>346,701</u>	<u>254,801,585</u>
Vishal Gupta		
Balance B/F	19,297	(316)
Net (Dr.)/ Cr. during the year	-	-
Share of profit/(loss)	80,660	19,613
	<u>99,957</u>	<u>19,297</u>
Ankur Gupta		
Balance B/F	19,297	(316)
Net (Dr.)/ Cr. during the year	-	-
Share of profit/(loss)	80,660	19,613
	<u>99,957</u>	<u>19,297</u>
Varun Gupta		
Balance B/F	19,297	(316)
Net (Dr.)/ Cr. during the year	-	-
Share of profit/(loss)	80,660	19,613
	<u>99,957</u>	<u>19,297</u>
	<u>646,572</u>	<u>254,859,476</u>
<b>2 OTHER CURRENT LIABILITIES</b>		
Receipts under Revenue Sharing Arrangement	-	2,188,020
Other liabilities	57,254	56,180
	<u>57,254</u>	<u>2,244,200</u>
<b>3 SHORT-TERM PROVISIONS</b>		
For Taxation [Net of advances]	314,791	95,809
	<u>314,791</u>	<u>95,809</u>



NOTES TO THE ACCOUNTS	Face Value	No. of Shares	AS AT 31.03.2016	No. of Shares	AS AT 31.03.2015
	₹	Nos.	₹	Nos.	₹
<b>4 NON CURRENT INVESTMENTS</b>					
<u>In fully paid up Equity Shares (Unquoted)</u>					
Universe Heights (India) P. Ltd	10	8750	200,385	3,326,900	76,190,000
			<u>200,385</u>		<u>76,190,000</u>
<b>5 LONG TERM LOANS &amp; ADVANCES</b>					
(Unsecured, considered good)					
Deposit under Revenue Sharing Arrangement			-		175,000,000
			<u>-</u>		<u>175,000,000</u>
<b>6 CASH AND CASH EQUIVALENTS</b>					
Cash-in-hand			775		895
Balances with Scheduled Banks :					
In Current Account			208,065		2,007,615
In Fixed Deposit Account			680,242		3,780,532
			<u>689,082</u>		<u>5,789,042</u>
<b>7 SHORT TERM LOANS AND ADVANCES</b>					
(Unsecured, considered good)					
Advance recoverable in cash or in kind or for value to be received			34,750		326,043
			<u>34,750</u>		<u>326,043</u>
			<b>2015-2016</b>		<b>2014-2015</b>
			₹		₹
<b>8 REVENUE FROM OPERATIONS</b>					
<u>Real Estate:</u>					
Sale of Land			-		20,000,000
Premium on Assignment of Rights			25,000,000		-
			<u>25,000,000</u>		<u>20,000,000</u>
<b>9 OTHER INCOME</b>					
Interest on Fixed Deposits			268,016		281,915
			<u>268,016</u>		<u>281,915</u>
<b>10 CHANGES IN INVENTORIES</b>					
<u>Opening Stock :</u>					
Freehold Land			-		13,368,304
Work-in-progress			-		33,708
			<u>-</u>		<u>13,402,012</u>
<u>Less: Closing Stock:</u>					
Freehold Land			-		-
Work-in-progress			-		-
			<u>-</u>		<u>-</u>
			<u>-</u>		<u>13,402,012</u>
<b>11 TAX EXPENSES</b>					
<u>Current tax</u>					
Income Tax			8,840,000		1,624,000
Tax Adjustments			14,589		-
			<u>8,854,589</u>		<u>1,624,000</u>



12 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>2015-2016</u>	<u>2014-2015</u>
		₹	₹
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 12

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



*[Handwritten signatures]*

Designated Partners

*[Handwritten signature]*

NEEMRANA BUILDERS 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	24,986,685	5,546,595
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<u>24,986,685</u>	<u>5,546,595</u>
Adjusted for :		
Trade and other receivables	291,293	(185,010)
Deposit under Revenue sharing agreement	175,000,000	(175,000,000)
Inventories	-	13,402,012
Trade Payables and other current liabilities	(1,967,964)	(7,783,890)
<b>CASH GENERATED FROM OPERATIONS</b>	<u>198,310,014</u>	<u>(164,020,293)</u>
Direct Taxes paid / adjusted	(8,854,589)	(1,528,190)
Cash flow before extra ordinary items	189,455,425	(165,548,483)
Extra Ordinary items	-	-
<b>Net cash from Operating activities (A)</b>	<u><u>189,455,425</u></u>	<u><u>(165,548,483)</u></u>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Investments	75,989,615	(76,190,000)
<b>Net Cash from investing activities (B)</b>	<u><u>75,989,615</u></u>	<u><u>(76,190,000)</u></u>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Contribution/(withdrawals) from partners	(270,345,000)	247,400,000
<b>Net Cash from Financing activities (C)</b>	<u><u>(270,345,000)</u></u>	<u><u>247,400,000</u></u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+ B+ C)</b>	<u>(4,899,960)</u>	<u>5,661,516</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u>5,789,042</u>	<u>127,526</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u>889,082</u>	<u>5,789,042</u>

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



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Designated Partners

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