

**TOPWELL PROJECTS CONSULTANTS  
LIMITED  
F.Y. 2013-2014**

**AUDITOR'S REPORT**

**To the Members of M/s TOPWELL PROJECTS CONSULTANTS LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of M/s TOPWELL PROJECTS CONSULTANTS LIMITED, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 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 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, 2014 ;
- (b) in the case of the Profit and Loss Account, 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.



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches visited by us;
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013;
  - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - f) since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **B.Chhawchharia & Co.**  
Chartered Accountants  
Firm Registration No 305123E

*Gupta*

Abhishek Gupta  
Partner  
Membership No. 529082

Place: New Delhi  
Date: 29<sup>th</sup> May, 2014



TOPWELL PROJECTS CONSULTANTS LIMITED  
BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Notes	AS AT 31.03.2014		AS AT 31.03.2013	
		₹		₹	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	1	500,000		500,000	
Reserves & Surplus	2	<u>1,137,826</u>	1,637,826	<u>1,265,530</u>	1,765,530
<b>Current Liabilities</b>					
Other Current Liabilities	3	22,472		230,988	
Short-term Provisions	4	<u>(33,779)</u>	(11,307)	<u>509,927</u>	740,915
			<u>1,626,519</u>		<u>2,506,444</u>
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	5	1,619,431		156,574	
Short Term Loans & Advances	6	-		2,335,694	
Other Current Assets	7	<u>7,088</u>	1,626,519	<u>14,176</u>	2,506,444
			<u>1,626,519</u>		<u>2,506,444</u>
SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE ACCOUNTS	15				

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: 29th May, 2014

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Directors



**TOPWELL PROJECTS CONSULTANTS LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	Notes	2013 - 2014	2012 - 2013
<b>Income</b>			
Other Income	8	-	593,831
		-	593,831
<b>Expenses</b>			
<u>Direct Costs:</u>			
Purchases	9	-	27,378,810
Project Expenses	10	-	39,617,236
Changes in Inventories	11	-	(66,996,046)
Finance Costs	12	425	863
Other Expenses	13	127,279	178,445
		127,704	179,308
Profit before extraordinary item and tax		(127,704)	414,523
Extraordinary item			
Slump Sale Gain		-	1,579,397
Profit/(Loss) before tax		(127,704)	1,993,920
Tax Expenses :	14		
Current Tax		-	588,000
Profit/(Loss) for the year after tax		(127,704)	1,405,920
Earning Per Share		(2.55)	28.12
(On Shares of nominal value of ₹ 10/- each)			
Basic and Diluted			

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: 29th May, 2014

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Directors



**NOTES TO THE ACCOUNTS**

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
<b>1 SHARE CAPITAL</b>		
Authorised : 100000 Equity shares of ₹ 10/- each	1,000,000	1,000,000
Issued, Subscribed and Paid up : 50000 Equity shares of ₹ 10/- each fully paid up in Cash (Held by Ashiana Housing Limited, the holding Company)	500,000	500,000
<b>a) Details of shareholders holding more than 5% of the Equity shares in the company</b>	As at 31/03/2014	As at 31/03/2013
	Nos.      % holding	Nos.      % holding
Ashiana Housing Ltd	50,000      100	50,000      100
<b>b) Terms/rights attached to Equity Shares</b>		
The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
<b>2 RESERVES &amp; SURPLUS</b>		
Surplus/(Deficit) in the statement of Profit and Loss		
Balance as per last financial statements	1,265,530	(140,390)
Profit/(Loss) for the year	(127,704)	1,405,920
Net Surplus/(Deficit) in the statement of Profit and Loss	1,137,826	1,265,530
<b>3 OTHER CURRENT LIABILITIES</b>		
Other liabilities	22,472	230,988
	22,472	230,988
<b>4 SHORT-TERM PROVISIONS</b>		
Provision for Taxation - Net	(33,779)	509,927
	(33,779)	509,927
<b>5 CASH AND CASH EQUIVALENTS</b>		
Cash-in-hand	2,953	2,228
Balances with Scheduled Banks : In Current Account	1,616,478	154,346
	1,619,431	156,574
<b>6 SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	-	354,367
Receivable against slump sale - from Holding Company	-	1,981,327
	-	2,335,694
<b>7 OTHER CURRENT ASSETS</b>		
Preliminary Expenses (To the extent not written off or adjusted)	7,088	14,176
	7,088	14,176



<u>NOTES TO THE ACCOUNTS</u>		<u>2013-2014</u>	<u>2012-2013</u>
		₹	₹
8	<u>OTHER INCOME</u>		
	Interest	-	593,831
		-	593,831
9	<u>PURCHASES</u>		
	Land	-	27,378,810
		-	27,378,810
10	<u>PROJECT EXPENSES</u>		
	Consumption of construction materials (Indigenous)	-	14,289,820
	Wages	-	6,719,760
	PRW Charges	-	3,144,267
	Other Direct Construction Expenses	-	3,639,462
	Power & Fuel	-	748,465
	Architects' Fees & Consultancy Charges	-	1,673,252
	Repairs and Maintenance - To others	-	225,406
	Legal and Professional expenses	-	1,210,258
	Miscellaneous project expenses	-	7,966,546
		-	39,617,236
11	<u>CHANGES IN INVENTORIES</u>		
	<u>Opening Stock :</u>		
	Leasehold Land*	-	337,233,604
	Work-in-progress*	-	24,111,000
		-	361,344,604
	<u>Less: Closing Stock:</u>		
	Leasehold Land	-	364,612,414
	Work-in-progress	-	63,728,236
		-	428,340,650
		-	(66,996,046)
	*Net of transfer under Slump Sale on 31.03.2013		
12	<u>FINANCE COSTS</u>		
	Interest - to Others	425	863
		425	863
13	<u>OTHER EXPENSES</u>		
	Rates and Taxes	4,400	4,524
	Establishment Charges	21,348	21,348
	Travelling and Conveyance	-	1,000
	Legal and Professional expenses	30,899	29,864
	Printing & Stationery	162	618
	Auditors' Remuneration :		
	For Statutory Audit	22,472	56,180
	For Other Services	30,339	51,125
	Miscellaneous expenses	10,571	6,698
	Preliminary Expenses written off	7,088	7,088
		127,279	178,445
14	<u>TAX EXPENSES</u>		
	Income Tax	-	588,000
		-	588,000



## NOTES TO THE ACCOUNTS

### 15 SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE ACCOUNTS

#### 1) SIGNIFICANT ACCOUNTING POLICIES

##### a) BASIS OF ACCOUNTING :

The Financial Statements are prepared on accrual basis under historical cost convention in accordance with the generally accepted accounting principles in India, the Accounting Standards prescribed in the Companies (Accounting Standard) Rules, 2006 and the relevant applicable provisions of the Companies Act, 1956 and the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current, wherever applicable, as per the normal operating cycle of the company as set out in the Schedule VI to the Companies Act, 1956.

##### b) 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.

##### c) FIXED ASSETS :

Fixed assets are valued at cost less depreciation/amortization. Cost includes purchase price and all other attributable cost of bringing the assets to working condition for intended use.

##### d) DEPRECIATION:

Depreciation on tangible assets is provided on straight line basis in accordance with the provisions of Schedule XIV of the Companies Act, 1956.

##### e) INVENTORIES :

Inventories are valued as follows:

Construction Material	At Lower of cost and net realizable value. Cost is determined on FIFO Basis.
Land	At lower of Cost and Net Realizable Value.
Work in Progress	At lower of Cost and Net Realizable Value. Cost includes direct materials, labour and project specific direct and indirect expenses.

##### f) INCOME

Income is accounted for on accrual basis except where receipt of income is uncertain.

##### g) TAXES ON INCOME :

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

b) Deferred Tax is recognised, subject to consideration of prudence, in respect of deferred tax Assets/Liabilities arising on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

2) In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2006, the company has determined its business segment as Real Estate Business. Since there are no other business segments in which the company 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 company and the same has been relied upon by the auditors.

##### Related Parties & Relationship

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

	<u>Transactions</u>	<u>2013-2014</u>	<u>2012-2013</u>
		₹	₹
(i) Ashiana Housing Limited	Year end Payable/(Receivable)	Nil	(19.81 Lacs)





NOTES TO THE ACCOUNTS

4) The Earning Per Share (EPS) has been calculated as specified in Accounting Standard - 20 on "Earning Per Share" and related disclosures are as below :

	31.03.2014	31.03.2013
a) amount used as numerator in calculating basic and diluted EPS : Profit / (Loss) after tax (₹)	(127,704)	1,405,920
b) weighted average number of equity shares used as the denominator in calculating EPS (Nos) :		
Opening Balance	50,000	50,000
For Basic EPS	50,000	50,000

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

Signature to Notes 1 to 15

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: 29th May, 2014

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Directors



**TOPWELL PROJECTS CONSULTANTS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAR, 2014**

	2013-2014	2012-2013
	₹	₹
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax and extraordinary items	(127,704)	414,523
Adjusted for :		
Interest Income	-	(593,831)
Preliminary Expenses written off	7,088	7,088
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<u>(120,616)</u>	<u>(172,220)</u>
<i>Adjusted for :</i>		
Trade and other receivables	2,335,694	10,049,187
Inventories	-	362,961,306
Trade Payables and advances from customers	(208,516)	(1,317,577)
<b>CASH GENERATED FROM OPERATIONS</b>	<u>2,006,562</u>	<u>371,520,696</u>
Direct Taxes paid / adjusted	(543,705)	(78,073)
Cash flow before extra ordinary items	1,462,857	371,442,623
Extra Ordinary items	-	1,579,397
<b>Net cash from Operating activities (A)</b>	<u>1,462,857</u>	<u>373,022,020</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Interest Income	-	593,831
<b>Net Cash from investing activities (B)</b>	<u>-</u>	<u>593,831</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from long term and other borrowings	-	(380,000,000)
<b>Net Cash used in Financing activities (C)</b>	<u>-</u>	<u>(380,000,000)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+ B+ C)</b>	1,462,857	(6,384,150)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	156,574	6,540,724
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	1,619,431	156,574

01. Proceeds from long term and other borrowings are shown net of repayment.  
02. Cash and Cash equivalents represent cash and bank balances only.

In terms of our report of even date attached herewith

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

*R Gupta*

Abhishek Gupta  
Partner  
Membership No: 529082  
Place: New Delhi  
Date: 29th May, 2014



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Directors