

naresh & co.

CHARTERED ACCOUNTANTS

- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (iv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (vi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Date : 03/09/2014
Place: Vadodra



NA, Naresh & Co.
CHARTERED ACCOUNTANTS
(F.R.N. 106928W)

A handwritten signature in black ink, appearing to read 'Harin Parikh'.

CA HARIN PARIKH
PARTNER
(M. R. N. 107606)

INDEPENDENT AUDITOR'S REPORT

To the Members

Report on the Financial Statements

We have audited the accompanying Financial Statements of M/s. NORTHWAY SPACES LIMITED ("the Company") which comprise the Balance sheet as at 31st March, 2016, the Statement of Profit & Loss and the 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

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 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 controls, 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 due to fraud or error; 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 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 there under.

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 the 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 statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 financial statements give the information required by the Act in the manner to 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, 2016;
- b) in the case of the Profit and Loss Account, 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (13) of the Companies Act, 2013, we enclose in the Annexure-A, a statement on the matters specified in paragraph 3 & 4 of the said Order.
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 purpose of our Audit;
 - b) In our opinion, proper books of accounts as required by the law have been kept by the Company, so far as appears from our examination of the said books;
 - c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts of the Company;
 - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 143 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 31st March, 2016, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2016 from being appointed as a director of the Company in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate report in Annexure – B attached herewith.
- g) With respect to the other matters to be included in our Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) There are no pending litigations against the Company which have any impact on it's financial position.
- (ii) There are no long term contracts for which provision is required.
- (iii) No amount is required to be transferred to the Investor Protection Fund.

FOA, NARESH & Co.
CHARTERED ACCOUNTANTS
(F.R.N. 106923/W)


CA HARISH PARSH
Partner
(M. R. N. 107606)

Place : Vadodra
Date : 08/05/2016



ANNEXURE –A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date for the year ended 31st March 2016 of M/s. Northway Spaces Limited)

- (i) (a) The Company has maintained proper records showing full particulars of the Fixed Assets. As informed to us by the management, the Company is in the process of updating its old records as well as situation of fixed Assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) In our opinion and to the best of our knowledge the physical verification of inventories of construction materials has been conducted at reasonable intervals by the management of the Company. On the basis of our examination of the records of inventory, we are of the opinion that the discrepancies noticed on verification between the physical stocks and the book records have been properly dealt with in the books of accounts.
- (iii) The Company has not granted any loan, secured or unsecured, to Companies, Firms or Other Parties covered in the register maintained u/s. 189 of the Companies Act, 2013 during the year under report, however the company had in preceding year provided loan to a party covered in the register maintained u/s. 189 of the Companies Act, 2013.
- However, no information was made available regarding the terms and conditions of same as stipulation regarding payment of interest or repayment of principal and hence no comment is given there against.
- Further, as informed to us, the loan is repayable as per mutual understanding. Hence, as such, no amount is overdue against the same.
- (iv) The Company has not granted any new loans or advances or has not given any guarantee during the year under report. The company has in preceding year granted a loan to a related company covered in the register maintained u/s. 189 of the Companies Act, 2013, which had been priority approved by means of special resolution passed at the EOGM. The loan so granted is not in violation of Section 185 and 186 of Companies Act.
- (v) The Company has not accepted any deposits within the meaning of Section 2(31) of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and hence the compliance to the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the Rules framed there under are not applicable. No order has been passed by Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.



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CHARTERED ACCOUNTANTS

(vi) In terms of the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government U/s. 148 (1) of the Companies Act, 2013, the maintenance of cost records is not applicable to the company for the year under audit.

(vii) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and other material statutory dues applicable to it, except minor delays in few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to the Company were outstanding, as at 31st March, 2016 for a period of more than six months from the date they became payable.

(b) According to the records of the company, there are no dues of Sales Tax, Income Tax, Service Tax, Customs Duty, Excise Duty, or Value Added Tax which have not been deposited on account of any dispute.

(viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or banks. The Company has not issued any debentures.

(ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

(x) During the course of our audit, we have not noticed any fraud done by the Company or any fraud on the Company by its officers or employees.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

