AUDIT REPORT

OF

FLORENTINA REALTY LLP

FOR THE YEAR ENDED ON

31ST MARCH 2020

R. JAVIYA & CO.
CHARTERED ACCOUNTANTS
305, AALAP-A,
LIMDA CHOWK,
RAJKOT – 360001.
PHONE NO. (O) 2466091

CA. RAKESH JAVIYA
(B.Com., F.C.A.)

R. Javiya & Co.
CHARTERED ACCOUNTANTS

Independent Auditor's Report

To,
The Partners of
FLORENTINA REALTY LLP

Report on the Financial Statements

We have audited the accompanying financial statements of **FLORENTINA REALTY LLP ('the LLP')** which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss for the year and the Statement of Cash flows 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 and financial performance of the Limited Liability Partnership in accordance with the Accounting Standards generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Limited Liability Partnership 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, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

R. JAVIYA & CO. RAJKOT. Chartered Accountants

305, Aalap-A, B/h. Hotel Sarovar Portico, Limda Chowk, Rajkot - 360 001.
Phone : (O) 2466091 (M) 9898345220 e-mail : rjaviya_co@rediffmail.com

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 thereunder.

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, the accompanying Statement of Accounts give a true and fair view of the financial position of the LLP as at 31 March 2020, and of its financial performance and its cash flows for the year then ended in accordance with the Accounting Standards issued by Institute of Chartered Accountants of India ("ICAI").

R. JAVIYA & CO.
RAJKOT.
Chartered Accountants
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FLORENTINA REALTY LLP
For the Year Ended on 31.03.2020

Report on Other Legal and Regulatory Requirements

We report that:

1. 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;

2. In our opinion proper books of account as required by law have been kept by the LLP so far as appears from our examination of those books;

3. The Balance Sheet and the Statement of Profit & Loss dealt with by this Report are in agreement with the books of account;

4. In our opinion, the financial statements comply with the Accounting Standards generally accepted in India.

Place : Rajkot
Date : 24.08.2020

For R. JAVIYA & CO.,
Chartered Accountants
Registration No. 120300W

R. JAVIYA & CO. RAJKOT Chartered Accountants

(CA.Rakesh Javiya)
Proprietor
M.No 108655

UDIN: 20108655AAAAKX3608

FLORENTINA REALTY LLP

Balance Sheet as at March 31, 2020

Particulars	Note	As At	
		31-Mar-2020	31-Mar-2019
		(Amount in Rs.)	(Amount in Rs.)
I Contribution and Liabilities			
1 Partners' Funds			
(a) Capital Contribution(Fixed)	1	1 00 000	1 00 000
(b) Capital Contribution (Current)	2	66 39 88 177	27 84 35 459
(c) Reserves and Surplus	-	-	-
Total Contribution		**66 40 88 177**	**27 85 35 459**
2 Liabilities			
(a) Seured Loans	3	12 52 98 806	4 95 68 850
(b) Unseured Loans	4	60 00 000	5 00 000
(c) Booking Deposits	5	2 03 11 000	19 00 000
(d) Trade Payables	6	4 47 74 802	1 42 57 680
(e) Other Liabilities	7	14 06 02 018	13 79 00 396
(f) Provisions	8	25 000	15 000
Total Liabilities		**33 70 11 626**	**20 41 41 926**
Total Contribution and Liabilities		**100 10 99 803**	**48 26 77 385**
II Assets			
(a) Fixed Assets	9	8 50 481	2 88 147
(b) Loans & Advances and Deposits	10	1 12 17 199	2 24 69 935
(c) Inventories	11	98 66 83 856	45 89 03 097
(d) Cash and Bank balances	12	23 48 267	10 16 205
(f) Sundry Debtors	-	-	-
Total Assets		**100 10 99 803**	**48 26 77 385**

Significant Accounting Policies and Notes **18**

The accompanying notes are an integral part of these Financial Statements

As per our audit report of even date attached

For, R. Javiya & Co.
Chartered Accountants
Registration No. 120300W

R. JAVIYA & CO. RAJKOT. Chartered Accountants

(CA Rakesh Javiya)
Proprietor
M.NO. 108655
Place:: Rajkot
Date :: 24.08.2020
UDIN: 20108655AAAAKX3608

FOR FLORENTINA REALTY LLP

FLORENTINA REALTY LLP
DESIGNATED PARTNER
FLORENTINA REALTY LLP
DESIGNATED PARTNER

Designated Partner **Designated Partner**

Place:: Morbi
Date :: 24.08.2020

FLORENTINA REALTY LLP

Statement of Profit & Loss for the year ended March 31,2020

	Particulars	Note	31-Mar-2020	31-Mar-2019
			(Amount in Rs.)	(Amount in Rs.)
I	**Income**			
a	Revenue from Operations	-	-	-
b	Other Income	-	-	-
	Total Income		-	-
II	**Expenses**			
a	Cost of Material Consumed	13	42 99 30 293	44 94 95 880
b	Increase / (Decrease) in Inventories	14	-(52 77 80 759)	-(45 88 91 662)
c	Employee Benefits Expense	15	45 47 000	15 32 000
d	Finance Costs	16	85 67 423	50 94 902
e	Depreciation and Amortisation Expense	9	1 46 464	1 18 196
f	Other Expense	17	8 45 89 579	26 50 684
g	Payment to Partners	-	-	-
	Total Expenses		-	-
III	**Profit (Loss) before Tax (I - II)**		-	-
IV	**Tax Expenses**			
a	Current Tax		-	-
b	Adjustment of Earlier Year		-	-
V	**Profit after Tax (III - IV)**		-	-

Significant Accounting Policies and Notes **18**

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As per our audit report of even date attached

For, R. Javiya & Co.
Chartered Accountants
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R. JAVIYA & CO. RAJKOT. Chartered Accountants

(CA Rakesh Javiya)
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FOR FLORENTINA REALTY LLP

FLORENTINA REALTY LLP
DESIGNATED PARTNER

FLORENTINA REALTY LLP
DESIGNATED PARTNER

Designated Partner **Designated Partner**

Place:: Morbi
Date :: 24.08.2020

FLORENTINA REALTY LLP

Cash Flow Statement for the year ended on March 31,2020

(Amount in ₹)

Particulars		Year ended March 31,2020	Year ended March 31,2019
(1)		(2)	(3)
Net Profit/(Loss) before Tax		-	-
Adjustments for:			
Depreciation & Amortisation		1 46 464	1 18 196
Interest On Term Loan and Working Capital Loans		2 18 85 213	50 94 902
Interest Income		-	-
Operating Profit/(Loss) before Working Capital Changes		**2 20 31 677**	**52 13 098**
Movement in Working Capital:			
(Increase)/Decrease in Inventories		(52 77 80 759)	(45 88 91 662)
(Increase)/Decrease in Sundry Debtors		-	-
(Increase)/Decrease in Loans & Advances and Deposits		1 12 52 736	(2 24 69 935)
Increase/(Decrease) in Trade Payables		3 05 17 122	1 42 57 680
Increase/(Decrease) in Other Liabilities		2 11 12 622	13 98 00 396
Increase/(Decrease) in Provisions		10 000	15 000
Direct Taxes Paid		-	-
Net cash flow from/(used in) operating activities	**(A)**	**(44 28 56 602)**	**(32 20 75 423)**
Cash Flows From Investments Activities			
Net (Purchase)/Sale of Fixed Assets		(7 08 798)	(4 06 343)
Net cash flow from/(used in) investing activities	**(B)**	**(7 08 798)**	**(4 06 343)**
Cash Flows From Financing Activities			
Proceeds from Contribution of Partners' Capital		38 55 52 718	27 84 35 459
Proceeds from Borrowings (Net)		8 12 29 956	5 00 68 850
Finance Cost		(2 18 85 213)	(50 94 902)
Net cash generated/ (used in) financing activities	**(C)**	**44 48 97 461**	**32 34 09 407**
Net increase/(decrease) in cash and cash equivalents	**(A+B+C)**	**13 32 061**	**9 27 641**
Cash and cash equivalents at beginning of the year		**10 16 206**	**88 565**
Cash and cash equivalents at end of the year		**23 48 267**	**10 16 206**

Significant Accounting Policies and Notes 18

The accompanying notes are an integral part of these Financial Statements

For, R. Javiya & Co.
Chartered Accountants
Registration No. 120300W

R. JAVIYA & CO. RAJKOT. Chartered Accountants

(CA Rakesh Javiya)
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M.NO. 108655
Place:: Rajkot
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UDIN: 20108655AAAAKX3608

FOR FLORENTINA REALTY LLP

FLORENTINA REALTY LLP
DESIGNATED PARTNER
FLORENTINA REALTY LLP
DESIGNATED PARTNER

Designated Partner **Designated Partne**
Place:: Morbi
Date :: 24.08.2020

FLORENTINA REALTY LLP

Notes to the Financial Statements for the year ended March 31, 2020

Sr No.	Particulars	As at 31-Mar-2020 (Amount in Rs.)	(Amount in Rs.)
1	**Partners' Capital Contribution (Fixed)**		
1	Kishorkumar V. Viramgama - (15.00%)	15 000	
2	Subhashbhai B. Detroja - (18.00%)	18 000	
3	Mit K. Viramgama - (15.00%)	15 000	
4	Hitesh B. Chaniyara - (12.00%)	12 000	
5	Jitendra T. Aghara - (12.50%)	12 500	
6	Bharat T. Aghara - (12.50%)	12 500	
7	Parimal N. Ashar - (5.00%)	5 000	
8	Ruchit P. Ashar - (5.00%)	5 000	
9	Urja R. Ashar - (5.00%)	5 000	
	Total		**1 00 000**
2	**Partners' Capital Contribution (Current)**		
1	Kishorkumar V. Viramgama - (15.00%)	8 14 98 226	
2	Subhashbhai B. Detroja - (18.00%)	10 86 15 372	
3	Mit K. Viramgama - (15.00%)	8 47 80 726	
4	Hitesh B. Chaniyara - (12.00%)	7 05 98 581	
5	Jitendra T. Aghara - (12.50%)	10 12 48 522	
6	Bharat T. Aghara - (12.50%)	10 12 48 522	
7	Parimal N. Ashar - (5.00%)	4 16 99 409	
8	Ruchit P. Ashar - (5.00%)	3 71 49 409	
9	Urja R. Ashar - (5.00%)	3 71 49 410	
	Total		**66 39 88 177**
3	**Secured Loans**		
1	State Bank of India CC A/C. No. 38157924411 01 Secured by Hy. of the movable assets/stocks/WIP and cash flows/receivables of the project (present and Future) 02 Secured by Equitable Mortgage of Residential buildings at Flora 17 bearing Sr. No. 17/1 at Morbi	12 52 98 806	
	Total		**12 52 98 806**
4	**Unsecured Loans**		
1	Ashitaben Bharatbhai Aghara	50 00 000	
2	Rohiniben Parimal Ashar	5 00 000	
3	Urmilaben K. Jethloja	5 00 000	
	Total		**60 00 000**

R. JAVIYA & CO. RAJKOT. Chartered Accountants

FLORENTINA REALTY LLP

Notes to the Financial Statements for the year ended March 31, 2020

Sr No.	Particulars	As at 31-Mar-2020 (Amount in Rs.)	(Amount in Rs.)
5	**Booking Deposits**		
1	A 501 Rupeshbhai Kantilal Panara	10 00 000	
2	B 1001 Nirmalaben Dhanjibhai Gami	5 00 000	
3	B 401 Chetanbhai Jayantilal Kavar	9 00 000	
4	B 802 Hareshbhai Mohanbhai Bhalodiya	27 00 000	
5	C 1002 Sarlaben Shantilal Faldu & Shantilal Gangajibhai Faldu	10 00 000	
6	C 402 Rajeshbhai Becharbhai Boda &Kinjalben Rajeshbhai Boda	6 00 000	
7	C 601 Ravikumar Pravinbhai Panara	7 00 000	
8	C 702 Hardik Nathalal Panchani	4 00 000	
9	C 802 Hiren Ramaniklal Chapala	9 00 000	
10	C 902 Bharatbhai Kantilal Jethloja	9 00 000	
11	D 1102 Dudhiben Khimjibhai Kundariya	50 00 000	
12	D 401 Hetalben Sanjaykumar Patel &Sanjaykumar Maganlal Patel	7 60 000	
13	D 501 Bhanuben Vinodbhai Halapara & Vinodbhai N Halapara	5 00 000	
14	D 601 Narbherambhai Chakubhai Vamja	4 00 000	
15	D 702 Jyotsanaben Jagdishbhai Patel Jagdishbhai Savjibhai Patel	9 00 000	
16	D 902 Jayesh Kantilal Jethloja	22 51 000	
17	E 802 Birenbhai Vallabhbhai Kalola	9 00 000	
	Total		**2 03 11 000**
6	**Trade Payables**		
1	Aercon India	21 32 455	
2	Akshar Electricals	8 83 398	
3	Alka Electric Stores	2 100	
4	Ambika Electric Stores	12 314	
5	Amit Dalsukh Verana	2 32 180	
6	A P Timbers	1 23 684	
7	Ashar Jitendrakumar Amrutlal	6 88 232	
8	Ashirwad Enterprise	9 35 900	
9	Baburam Kehanaram	43 323	
10	Balva Sukhdev Mukeshbhai	2 94 648	
11	Bansi Stone Company	1 39 310	
12	Bhadaniya Jigarkumar Rameshbhai	5 90 858	
13	Chevrox Constructions Pvt. Ltd.	2 63 89 634	
14	Dhara Hardware	84 417	
15	Dharmendrabhai Babubhai Kolcha	4 11 661	
16	Divyaben Rajeshbhai Makwana	2 18 124	
17	Ezzi Enterprise	40 800	
18	Fortune Bathware	8 78 357	
19	Hareshbhai Khimasuriya	1 46 640	

R. JAVIYA & CO. RAJKOT. Chartered Accountants

FLORENTINA REALTY LLP

Notes to the Financial Statements for the year ended March 31, 2020

Sr No.	Particulars	As at 31-Mar-2020 (Amount in Rs.)	(Amount in Rs.)
20	Haritaben Manishbhai Popat	9 62 352	
21	Harjibhai Virjibhai Chauhan Huf	8 38 381	
22	Jay Maruti Traders & Hardware	14 92 111	
23	Kishan Narendrabhai Vadaviya	1 19 353	
24	Kundariya Keval Rameshbhai	6 78 857	
25	Lalit Bavjibhai Vaghela	6 44 292	
26	Maruti Trading	1 30 051	
27	Mital Marble	8 708	
28	Narendrabhai Bachubhai Vadaviya	6 81 364	
29	New K Patel Electric	2 54 831	
30	Parmeshwar Electric Stores	46 838	
31	Parsaniya Meet Maheshbhai	6 85 722	
32	Patel Manilal Ishvarlal	4 83 540	
33	Perfect Planners	58 500	
34	Ramesh Layaksingh Yadav	31 528	
35	Rathod Steel	35 570	
36	Rushil Infrastructure	8 04 211	
37	Simpolo Ceramics	16 365	
38	Simpolo Vitrified Pvt. Ltd.	12 90 085	
39	Tata Consulting Engineers Ltd.	5 51 313	
40	The Pyramid Consultants	53 100	
41	Tirupati Steel	1 81 592	
42	Vadaviya Milan Narendrabhai	4 78 103	
	Total		**4 47 74 802**
7	**Others Liabilities**		
1	Baburam Kehanaram - Security Deposit	35 074	
2	Chevrox Construction Pvt. Ltd.- Security Deposit	13 75 00 000	
3	Ghamaram Khenaram - Security Deposit	64 422	
4	Haresh Khimasuriya - Security Deposit	38 100	
5	Kishan N Vadaviya - Security Deposit	45 414	
6	Lalit B Vaghela - Security Deposit	20 341	
7	Mayurkumar Kantilal Vaishnani - Security Deposit	6 45 436	
8	Nayaka Kantibhai Lembabhai - Security Deposit	73 776	
9	Nayaka Shobhanaben Kantibhai - Security Deposit	3 181	
10	Ramesh Layaksingh Yadav - Security Deposit	69 071	
11	Rushil Infrastructure - Security Deposit	91 694	
12	Shakti Construction - Security Deposit	12 74 203	
13	TDS Payable	1 08 699	
14	CGST Payable	1 44 048	
15	SGST Payable	1 44 048	
16	Salary Payable	3 44 511	
	Total		**14 06 02 018**

R.JAVIYA & CO. RAJKOT. Chartered Accountants

FLORENTINA REALTY LLP

Notes to the Financial Statements for the year ended March 31, 2020

Sr No.	Particulars	As at 31-Mar-2020 (Amount in Rs.)	(Amount in Rs.)
8	**Provisions**		
1	Provision for Audit & Legal Fee Exps.	25 000	
	Total		**25 000**
10	**Loans & Advances and Deposits**		
1	GST Piad Advance Booking Deposits	10 80 286	
2	Dun & Bradstreet Information Services India Pvt. Ltd.	35 630	
3	Mohammad Husein Esufali Dohadwala	699	
4	MS Enterprise	584	
5	H. H. Maharani Shri Vijaykunverba M. Jadeja	1 01 00 000	
	Total		**1 12 17 199**
11	**Inventories**		
1	Work - in - Progress	98 66 83 856	
	Total		**98 66 83 856**
12	**Cash and Bank balances**		
1	Balance with State Bank of India Rera A/C. No. 37891098199	18 46 617	
2	Balance with State Bank of India A/C. No. 38775816527	20 739	
3	Balance with State Bank of India (Escrow) A/C. No. 39189938929	37 904	
4	Cash on Hand	4 43 007	
	Total		**23 48 267**

R. JAVIYA & CO. RAJKOT. Chartered Accountants

FLORENTINA REALTY LLP

Notes to the Financial Statements for the year ended March 31, 2020

Schedule 9 :- Fixed Assets

(Amount in Rs.)

SR. No.	Particulars	Rate (WDV)	Gross Block				Depreciation				Net Block	
			As at 01.04.2019	Addition	Deduction	As at 31.03.2020	As at 01.04.2019	Addition	Deduction	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
1	Computer Software	40	2 80 848	37 712	-	3 18 560	99 372	80 133	-	1 79 505	1 39 055	1 81 476
2	Vehicle - Activa	15	68 278	-	-	68 278	10 242	8 705	-	18 947	49 331	58 036
3	Vehicle - CD Delux	15	57 217	-	-	57 217	8 582	7 295	-	15 877	41 340	48 635
4	Vehicle - Mahindra Bolero	15	-	6 71 086	-	6 71 086	-	50 331	-	50 331	6 20 755	-
	Total For The Year Current Year		**4 06 343**	**7 08 798**	**-**	**11 15 141**	**1 18 196**	**1 46 464**	**-**	**2 64 660**	**8 50 481**	**2 88 147**
	Total For The Year Previous Year		**-**	**4 06 343**	**-**	**4 06 343**	**18 824**	**1 18 196**	**-**	**1 18 196**	**2 88 147**	**-**

R. JAVIYA & CO. RAJKOT. Chartered Accountants

FLORENTINA REALTY LLP

Notes to the Financial Statements for the year ended on March 31, 2020

Sr No.	Particulars	For the year ended March 31, 2020
		(Amount in Rs.)
13	**Cost of Material Consumed**	
1	Purchase of Material - GST	12 01 47 166
2	Purchase of Material - URD	25 55 996
3	Purchase of Land	30 72 27 131
	Total	**42 99 30 293**
14	**Increase / (Decrease) in Inventories** (Including for Work In Progress, Trading Goods, Finished Goods)	
1	Opening Stock (Work in Progress)	45 89 03 097
2	Closing Stock (Work in Progress)	98 66 83 856
	Total	**-(52 77 80 759)**
15	**Employee Benefits Expense**	
1	Salary Exps.	45 47 000
	Total	**45 47 000**
16	**Finance Costs**	
1	Bank Commission & Loan Processing Fee Exps.	13 552
2	Interest on Bank	85 53 871
	Total	**85 67 423**
17	**Other Expense**	
(a)	**Direct Expense**	
1	Electric Power Exps.	6 45 806
2	Site Excavation & Cleaning Exps.	11 33 410
3	GST Expenses	3 64 99 569
4	Jobwork Exps.	50 000
5	Freight Exps.	25 590
6	Machinery Hire Exps.	1 200

R. JAVIYA & CO. RAJKOT. Chartered Accountants

FLORENTINA REALTY LLP

Notes to the Financial Statements for the year ended on March 31, 2020

Sr No.	Particulars	For the year ended March 31, 2020
		(Amount in Rs.)
7	Site Exps.	87 335
8	Hardware Exps.	18 101
9	Loading & Unloading Exps.	37 095
10	Labour Work Exps.	4 36 76 783
	Sub Total (a)	**8 21 74 890**
(b)	**Administrative and General Expense**	
1	Audit & Legal Fee Exps.	25 000
2	Computer Reparing Exps.	3 950
3	Food & Tea Exps.	13 996
4	Medical Exps.	3 142
5	Miscellaneous & Other and Rate Diff. Exps.	4 785
6	Legal & Professional and Stamp Paper Fee Exps.	13 85 912
7	Printing & Stationery Exps.	22 146
8	Post & Courier Exps.	1 010
9	Petrol & Diesel and Reparing Exps.	1 65 483
10	Reparing & Maintance Exps.	15 184
11	Security Exps.	6 24 799
12	Weightbridge Exps.	6 770
13	Telephone & Mobile Exps.	6 000
14	Insurance Exps.	1 36 512
	Sub Total (b)	**24 14 689**
	Total (a + b)	**8 45 89 579**

R. JAVIYA & CO.
RAJKOT.
Chartered Accountants

FLORENTINA REALTY LLP

Notes to Financial Statements for the year ended March 31, 2020

Notes No. 18

1 **Corporate Information**

FLORENTINA REALTY LLP was incorporated on 23.02.2018. The LLP is engaged in Business of Real Estate in Morbi.

2. **SIGNIFICANT ACCOUNTING POLICIES**

(1) **Basis of Preparation**

The Financial Statements of the LLP have been prepared on accrual basis under the historical cost convention and on going concern basis in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued by The Institute of Chartered Accountants of India and the provision of the Limited Liability Partnership Act, 2008

(2) **Use of Estimates**

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to the contingent liability as at the date of the financial statements and reported amounts of income and expenses like provision for doubtful debts, allowances for slow or non moving inventories, useful lives of fixed assets, provision for taxation and provision of employee benefits, etc., during the year. Management believes the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

(3) **Fixed assets & Depreciation**

(i) Fixed assets are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use.

(ii) Expenditure on additions, improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to the Profit and Loss Account.

(4) **Depreciation**

Depreciation on fixed assets is provided on Written down Value (WDV) method at the rate specified in The Income Tax Act.

(5) **Inventories**

Work in Progress have been valued at lower of cost or net realisable value.

(6) **Borrowing Costs**

Borrowing costs are recognized as an expense in the year in which they are incurred.

R. JAVIYA & CO. RAJKOT. Chartered Accountants

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FLORENTINA REALTY LLP

Notes to Financial Statements for the year ended March 31, 2020

(7) **Revenue/Income Recognition**

(i) **Property Development**

Revenue is recognized when the Company enters into sale deed with the buyer and all significant risks and rewards have been transferred to the buyer and there is no uncertainty regarding realization of the sale consideration.

(8) **Provision for Tax**

Provision for current tax is made after taking into consideration benefits admissible under the Provisions of the Income tax Act, 1961.

(9) **Provisions, Contingent Liabilities and Contingent Assets**

A Provision is recognized when the firm has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimated can be made. Provisions(excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed separately if any.

Contingent assets are neither recognized nor disclosed in the Financial Statements.

(10) **General**

(i) Accounting policies not specifically referred to are consistent with generally accepted accounting practice.

(ii) Previous year's figures have been regrouped/reclassified, where necessary, to conform to current year's classification.

For, R. Javiya & co.
Chartered Accountants
Registration No. 120300W

R. JAVIYA & CO. RAJKOT. Chartered Accountants

(CA Rakesh Javiya)
Proprietor
M.NO. 108655

Place:: Rajkot
Date :: 24.08.2020
UDIN: 20108655AAAAKX3608

FOR FLORENTINA REALTY LLP

FLORENTINA REALTY LLP
DESIGNATED PARTNER
FLORENTINA REALTY LLP
DESIGNATED PARTNER

Designated Partner **Designated Partner**

Place:: Morbi
Date :: 24.08.2020