KT HRISHIKESH REALTY

501, Hrishikesh, 6/B, Vasant Baug Society, B/h. Lal Bunglow, Ellisbridge, Ahmedabad - 380006

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2016

PARTICULARS	SCH.		AMOUNT (Rs.)
INCOME :			
1 Sales			-
2 Closing Stock of Construction Work In Progress			6,12,20,996
3 Other Income			-
TOTAL RS.			**6,12,20,996**
EXPENDITURE :			
1 Opening Stock of Construction Work In Progress			29,10,708
2 Purchases of Land	7		2,06,42,705
3 Project Expense	8		3,76,67,583
4 Administrative, Operation & Establishment Expenses	9		9,21,524
5 Interest paid	10		8,426
6 Depreciation			-
7 Remuneration to Partners			-
TOTAL RS.			**6,21,50,946**
NET PROFIT/(LOSS) FOR THE YEAR AVAILABLE FOR DISTRIBUTION			**(9,29,950)**

As per our report of even date attached

For, SHAH & PATEL
Chartered Accountants

SHAH & PATEL AHMEDABAD CHARTERED ACCOUNTANTS

Maulik A. Manakiwala
Partner
FRN : 124743W
Mem. No. 135274
Date : 26-07-2016
Place : Ahmedabad

For, KT HRISHIKESH REALTY

R.Thakkar

Rupesh P. Shah
Partner

Kishore K.Thakkar
Partner

Date : 26-07-2016
Place : Ahmedabad

KT HRISHIKESH REALTY

PARTICULARS	AMOUNT (Rs)
SCHEDULE - 1 PARTNER'S CAPITAL ACCOUNT :	
Rupesh Pravinbhai Shah	
Partner's Fixed Capital	50,000
Opening Balance of Current Account	44,665
Addition during the year	3,49,78,335
Interest to Partner	19,23,523
Remuneration to Partner	-
Withdrawal during the year	96,67,000
	2,73,29,523
Add/(Less) : Profit / (Loss) for the year	(4,64,975)
	2,68,64,548
Kishorbhai K Thakkar	
Partner's Fixed Capital	25,000
Opening Balance of Current Account	-
Addition during the year	1,59,75,000
Interest to Partner	13,46,251
Remuneration to Partner	-
Withdrawal during the year	15,00,000
	1,58,46,251
Add/(Less) : Profit / (Loss) for the year	(2,32,487)
	1,56,13,764
Lokeshbhai k Thakkar	
Partner's Fixed Capital	25,000
Opening Balance of Current Account	-
Addition during the year	93,75,000
Interest to Partner	5,07,571
Remuneration to Partner	-
Withdrawal during the year	-
	99,07,571
Add/(Less) : Profit / (Loss) for the year	(2,32,487)
	96,75,084
TOTAL RS.	5,21,53,395
SCHEDULE-2 UNSECURED LOAN :	
Neelbhai S. Girish	4,11,000
TOTAL RS.	4,11,000
SCHEDULE-3 CLOSING STOCK :	
Closing Construction WIP	6,12,20,996
Construction Material on Hand	2,45,340
TOTAL RS.	6,14,66,336
SCHEDULE - 4 CASH AND BANK BALANCES :	
CASH ON HAND	
Cash On Hand	1,91,765

SHAH & PATEL • AHMEDABAD • CHARTERED ACCOUNTANTS

KT HRISHIKESH REALTY

PARTICULARS		AMOUNT (Rs)
BALANCE WITH BANK :		
Union Bank of India	6,635	6,635
TOTAL RS.		**198,400**
SCHEDULE - 5 LOANS AND ADVANCES :		
DEPOSIT :-		
VAT Deposit	10,000	10,000
ADVANCE TO CREDITORS		
J K Cement LTD	100,800	
Nishant Acharya	229,002	329,802
OTHER ADAVANCES :-		
Input Service Tax	1,435,094	
Service Tax Credit Not Taken Untill Paid -Retention Money	52,814	
Service Tax Credit Not Taken Untill Paid -Carting Expenses	5,498	
Service Tax Receivable from Members	112,325	1,605,731
TOTAL RS.		**1,945,533**
SCHEDULE - 6 CURRENT LIABILITIES AND PROVISIONS :		
MEMBER ADVANCE		
Member Advance Flat	3,557,887	
Member Advance Shop	2,808,445	6,366,332
SUNDRY CREDITORS		
Sundry Creditors for Material	2,003,940	
Sundry creditors for Labour	3,465	
Sundry creditors for Works Contract	529,550	
Sundry creditors for Salary	157,269	
Sundry Creditors for Expenses	381,317	3,075,541
RETENTION MONEY		760,893
STATUTORY LIABILITIES :-		
TDS on Servcice	10,335	
TDS on Salary	6,840	
TDS on Contract	81,683	
Service Tax Payable	117	
VAT Payable	12,418	
TDS under VAT ACT	6,840	
Professional Tax Payable	1,380	119,613
OTHER CURRENT LIABILITIES :-		
Book Overdraft - The Jammu & Kashmir Bank -2408	673,745	
Unpaid Audit Fees	24,750	
Unpaid Professional Fees	25,000	723,495
TOTAL RS.		**11,045,874**

SHAH & PATEL
AHMEDABAD
CHARTERED ACCOUNTANTS

KT HRISHIKESH REALTY

PARTICULARS	AMOUNT (Rs)
SCHEDULE - 7 PURCHASES OF LAND	
Land Purchase	1,80,00,005
Brokerage Expesne	15,80,000
Registration Fess	1,80,600
Stamp Duty Expense	8,82,100
TOATL RS.	**2,06,42,705**
SCHEDULE - 8 PROJECT EXPENSES :	
AUDA Fees	55,04,858
Consumption of Construction Material	79,57,039
Labour	1,56,33,497
Freight and Carting	3,46,657
Rent, Rates And Taxes	5,09,907
Professional Fees	22,38,658
Interest Expense Allocated to Project	37,77,345
Salary to Site Employees	10,06,672
Other Site Expenses	6,92,950
TOTAL RS.	**3,76,67,583**
SCHEDULE - 9 ADMINISTRATIVE & OPERATIONAL EXPENSES :	
Advertisement Expenses	80,955
Brochure Expense	2,38,613
Audit Fees	27,500
Bank Charges	3,092
Courier Exp	920
Domain Expense	3,070
Employer Profesional Tax Exp	2,000
Internet Expenses (Site)	2,250
Kasar	2,980
Office Exp	13,860
Printing & Stationery Expense	30,721
Professional Fees	28,750
Telephone Exp.	7,780
Website Development Charges	17,220
Salary Expense (Genreral,Admin & Selling)	4,61,812
TOTAL RS.	**9,21,524**
SCHEDULE - 10 INTEREST PAID :	
Bank Interest	3,147
Interest to TDS	5,149
Interest on Service Tax	130
TOTAL RS.	**8,426**

SHAH & PATEL CHARTERED ACCOUNTANTS AHMEDABAD

Schedule - 11

SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF ACCOUNTS

A) GOING CONCERN ASSUMPTION:
The Financial Statements have been prepared on Going Concern Assumption.

B) SYSTEM OF ACCOUNTING:
The firm generally adopts the mercantile method of accounting and recognizes significant items of income and expenses on accrual basis, except for income tax expenses.

C) FIXED ASSETS AND DEPRECIATION:
Fixed assets are stated at cost of acquisition less accumulated depreciation. Depreciation on fixed assets is provided on written down value method at the rates specified in Income Tax Act-1961

D) REVENUE RECOGNITION:
Revenue from constructed properties is recognized on the "percentage of completion method". Total sale consideration as per the understanding with the party to sell, is recognized as revenue based on the percentage of actual project costs incurred thereon to total estimated project cost. Estimated project cost includes overheads, estimated construction and development cost of such properties. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period in which such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, loss is recognized immediately.

If the actual project does not reach reasonable level of development, no income is recognized in respect of that project in the relevant period. As regards the project which have fulfilled the income recognization criteria the income is recognized if :

a) The total expenditure incurred on construction and development costs is more than 25% of the total construction and development costs of the project and;
b) At least 25% of the saleable project area is secured by contracts or agreements with buyers and;
c) At least 10% of total revenue of particular unit is realized as at the balance sheet date.

E) INVENTORY VALUATION:
Cost of construction/ development material is valued at lower of cost and net realizable value on FIFO basis. Value of constructed properties includes cost of land, internal development costs, external development charges, construction costs, overheads, borrowing cost, development/construction materials, and is valued at lower of cost/ estimated cost and net realizable value.

F) PROVISION FOR INCOME TAX:
Provision for Income Tax is made on cash basis.

G) BORROWING COST:
Borrowing costs that are attributable to the acquisition of qualifying assets are capitalized as part of cost of fixed assets or inventory/construction work in progress. Other borrowing cost is charged to revenue.

SHAH & PATEL
AHMEDABAD
CHARTERED ACCOUNTANTS

NOTES TO AND FORMING PART OF ACCOUNTS:

Notes on accounts to and forming part of Balance Sheet as on 31st March 2016 and also of the Profit and Loss Account for the year ended on that day.

A) In the opinion of the partners, current assets, loans and advances are approximately of the value stated if realized in the ordinary course of the business. The provision for all known liabilities is adequate.

B) Contingent Liability as at the balance sheet date is Nil.

C) Balance Confirmations

   a) Balances of Creditors and advances are subject to reconciliation/confirmation and consequential adjustments, if any.

   b) Balances of unsecured lenders are subject to reconciliation.

D) Previous year's figures have been reclassified to confirm the current year's grouping wherever necessary.

E) No parties have been identified under "Micro Small and Medium Enterprise Act, 2006" based on the information available with the firm.

For, SHAH & PATEL
Chartered Accountants
FRN 124743W

SHAH & PATEL AHMEDABAD CHARTERED ACCOUNTANTS

CA Maulik A. Manakiwala
Partner
Memb. No : 135274
Date : 26-07-2016
Place : Ahmedabad

For, KT HRISHIKESH REALTY

Rupesh P. Shah
Partner

Kishor K. Thakkar
Partner

Date : 26-07-2016
Place : Ahmedabad

PARTICULARS	AMOUNT (Rs.)
GROUPING TO BALANCE SHEET	
SUNDRY CREDITORS FOR MATERIAL	
Amrut Concrete	296,645
Cosmos Engineers	32,433
Manjushri Steel Traders	134,499
Om Sai Corporation	62,004
Paras Ceramics	52,251
Ratnakar Buildcon Pvt. Ltd.	4,725
Sahaj Project Pvt. Ltd.	851,520
Shyam Enterprise	490,277
Yogeshwar Sales Corporation	79,586
TOTAL	**2,003,940**
SUNDRY CREDITORS FOR LABOUR	
Siddiquee Mehtabalam	3,465
TOTAL	**3,465**
SUNDRY CREDITORS FOR WORKS CONTRACT	
R. Ratilal & Brothers	529,550
TOTAL	**529,550**
SUNDRY CREDITORS FOR SALARY	
Angirbhai D Patel	16,800
Mahesh Vasoya	9,850
Neel S Girish	23,754
Nikunj G.Mandaviya	11,919
Priyam Tarar	11,800
Rajkiran V Jansari	55,606
Vipul M Pandya	20,700
Yogesh Vaghela	6,840
TOTAL	**157,269**
SUNDRY CREDITORS FOR EXPENSE	
Ashvinbhai M Patel	108,571
Brainoorja Creation	3,070
Hitendrabhai Bhatt	3,750
Idea (7046010688)	1,737
Jhaveri Associates	68,696
K.C.T. Consultancy Services	3,029
Metal In Furniture	7,331
Mrunal M Shah And Co.	9,000
Naresh K. Shah	120,220

KT HRISHIKESH REALTY

PARTICULARS	AMOUNT (Rs.)
Padmavati Solutions	350
Shree Krushna Marketing	1,470
Shree Navbharat Chopda Bhandar	2,463
Siroopsons Security Services	30,606
Tejaji Naraji Vanzara	21,023
TOTAL	**3,81,317**
RETENTION MONEY	
Retention - Kanaiyalal N. Panchal	2,557
Retention Money - R.Ratilal & Brothers	7,58,336
TOTAL	**7,60,893**

GROUPING TO PROFIT & LOSS

CONSUMPTION OF CONSTRUCTION MATERIAL	
Opening Stock of Construction Material	-
Add : Material Purchase	82,02,379
Less :Closing Stock of Construction Material	(2,45,340)
TOTAL	**79,57,039**
LABOUR EXPENSE	
Colour Labour Expense	23,500
JCB Hire Charges	92,600
Labour Expense	1,55,17,397
TOTAL	**1,56,33,497**
RENT, RATES AND TAXES	
Excise Duty	39,882
VAT Expense on Purchase	3,90,994
VAT on Construction Receipt	39,427
Swatch Bharat Cess	39,604
TOTAL	**5,09,907**
PROFESSIONAL FEES AND LEGAL EXPENSES	
Advocate Fees - Land	2,25,000
Architect Fees	10,00,000
Designing Charges	4,23,662
Internal Audit Fees	84,000
Structural Design Fees	4,74,996
Surveyor Expense	31,000
TOTAL	**22,38,658**

KT HRISHIKESH REALTY

PARTICULARS	AMOUNT (Rs.)
SALARY EXPENSE	
Basic Salary - Site	6,19,916
Bonus Expenses - Site	60,100
Children Allowance - Site	2,400
D A - Salary (Site)	2,61,700
Transport Allowance - Site	62,556
TOTAL	**10,06,672**
OTHER SITE EXPENSE	
Computer Service Charge - Site	350
D G Set Rent Exp	16,596
Diesel / Petrol Exp - Site	3,430
Electricity Exp	1,58,333
Electricity Line Charges	1,04,015
Misc Expense - Site	664
Misc Hardware Expenses	8,610
Petrol Expenses	65,947
Rent Expense	30,000
Security Expense	1,89,852
Service Tax Expense	17,798
Site Exp	26,326
Tea & Refreshment Exp - Site	22,104
Tempo Fare Exp.	15,495
Testing Exp	10,665
Water Exp	21,665
Weightege Expense	1,100
TOTAL	**6,92,950**
SALARY TO OTHER EMPLOYEES	
Basic Salary	2,62,932
Bonus Exp	36,800
Children Allowance	1,400
D.A.-Salary	1,15,880
Transport Allowance	44,800
TOTAL	**4,61,812**

KT HRISHIKESH REALTY

501, Hrishikesh, 6/B, Vasant Baug Society, B/h. Lal Bunglow, Ellisbridge, Ahmedabad - 380006

To,
M/s SHAH & PATEL
Chartered Accountants,
5-B,Vardan Exclusive,
Nr.Vimal House,
Navrangpura,
Ahmedabad-380009

Dear Sir,

Sub: Representation from Management for the year ended 31st March 2016

This representation letter is provided in connection with your audit of the financial statement of **"M/S. KT HRISHIKESH REALTY"** for the year ended 31st March, 2016 for the purpose of expressing an opinion as to whether the financial position of the entity as of 31st March, 2016 and of the result of operation for the year ended on that date gives true and fair view. We acknowledge our responsibility for preparation of financial statement in accordance with the requirements of Income Tax Act, 1961 or other relevant statue and recognised accounting policies, including the accounting standards issued by the Institute of Chartered Accountants of India unless otherwise stated.

We confirm to the best of our knowledge and belief the following representation: -

Account and Accounting Policies: -

1. Books of accounts:

   The Firm has maintained the following books of accounts for the year 2015-2016

   a) Cash Book
   b) Bank Book
   d) Purchase Register
   e) Journal Register
   f) General Ledger

2. The firm has reconciled all the accounts with the Bank and there were no mismatched transactions in respect of amount debited / credited by the bank and not accounted by the firm. The firm do not have any Bank Account except for following:

Name of Bank	Closing Balance
The J & K Bank Ltd.	6,73,745.42(Cr.)
Union Bank of India	6,635.00(Dr.)

3. Cash in hand

   Cash in hand was physically verified by the management and no discrepancies were noticed. The cash in hand as on 31st March 2016 was as under: -

   Cash in Hand ₹. 1,91,765.00

4. We confirm that the firm does not have any secured borrowing.

5. We confirm that the firm does not have any unsecured borrowing except for following.

Sr. No	Name of Party	Interest Bearing or Not	Amount
1	Neelbhai S. Girish	No	4,11,000.00

6. The firm had bought a land at vaishnaudevi, Ahmedabad to develop a new scheme "K T HRISHIKESH". The procedure to obtain necessary approvals from government authorities is in pipeline and we expect to get it soon.

7. Liabilities:

   a) We have recorded all known liabilities/ provisions in the financial statements or the year ended 31st March 2016.
   b) There are no contingent liabilities as on 31st March 2016.

8. Inventories:
   We certify that the valuation of the closing stock of the firm as at 31-03-2016 is ₹. 6,14,66,335.77 There is no change in the system of valuation of stock, which is valued at cost or market value whichever is lower. We had physically verified the stock of construction material on hand on 31-03-2016, the list of stock on 31-03-2016 and the working of work in progress is enclosed herewith for your kind reference.

9. No personal expenses of proprietor has been charged to revenue accounts.

10. No capital expenditure has been debited to profit and loss account.

11. Certificate required to be given under section 40A(3) of Income Tax Act-1961

    We here by certify that, it is our practice to make all the payments through account payee cheques. We have not made any payment for purchases or expenses, which are covered under section 40A(3) of Income Tax Act-1961.

12. Certificate required to be given under section 269SS and 269T of Income Tax Act-1961

    We here by certify that, it is our practice to take/accept all loans and deposits by account payee cheques. We also repay any loan or deposit by account payee cheques. We have not received any loan exceeding amount specified in section 269SS otherwise than by account payee cheque or an account payee bank draft. We further certify that we have not repaid any loan exceeding amount specified in section 269T otherwise than by account payee cheque or an account payee bank draft.

13. There are no parties to whom payments have been made for purchases/expenses as prescribed under section 40A(2)(b).

KT HRISHIKESH REALTY

501, Hrishikesh, 6/B, Vasant Baug Society, B/h. Lal Bunglow, Ellisbridge, Ahmedabad - 380006

14. No frauds are committed by the firm and the management has not noticed any fraud against the firm during the period under audit reported.

15. In respect of expenses incurred by the firm, we hereby certify that the expenditures are incurred for the purpose of business, we further certify that the expenditure were incurred under our authorization wherever documentary evidences are not available for your verification.

16. General:

    i) There have been no irregularities involving management or employees who have a significant role in the system of internal control that could have a material effect on the financial statements.
    ii) The financial statement is free of material misstatement, including omissions.
    iii) The firm has complied with all aspects of contractual agreements that could have a material effect on the financial statement in the event of noncompliance. There has been no noncompliance with requirements of regularity authorities that could have a material effect on the financial statements in the event of noncompliance.
    iv) We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.

For, KT HRISHIKESH REALTY

R. Thakkar

Rupesh P. Shah
Partner
Date : 26-07-2016
Place: Ahmedabad

KishorK. Thakkar
Partner