B N PROJECTS PVT LTD
CIN: U45201GJ2009PTC058067

Balance Sheet as at 31st March, 2014

	Particulars	Note No.	As at 31 March, 2014	As at 31 March, 2013
A	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
	(a) Share capital	3	6,000,000	6,000,000
	(b) Reserves and surplus	4	(564,283)	(635,316)
2	**Share application money pending allotment**		-	-
3	**Non-current liabilities**			
	(a) Long-term borrowings	5	15,977,140	21,527,889
4	**Current liabilities**			
	(a) Short-term borrowings	6	11,753,458	1,710,631
	(b) Trade payables	7	17,977,775	22,305,724
	(c) Other current liabilities	8	186,761,348	173,369,531
	(d) Short-term provisions	9	438,652	556,868
	Total		238,344,091	224,835,327
B	ASSETS			
1	**Non-current assets**			
	(a) Fixed assets			
	(i) Tangible assets	10	5,869,690	6,087,536
	(ii) Intangible assets	10	28,781	55,327
	(b) Long-term loans and advances	11	3,849,426	22,688,451
	(c) Deferred tax Assets (net)	28	352,632	211,225
2	**Current assets**			
	(a) Inventories	12	47,935,821	39,998,566
	(b) Trade receivables	13	170,274,014	148,389,178
	(c) Cash and cash equivalents	14	6,325,631	3,526,478
	(d) Short-term loans and advances	15	3,708,096	3,878,566
	Total		238,344,091	224,835,327

Notes referred to above and attached there to form an integral part of Balance Sheet
This is the Financial Statement referred to in our Report of even date.

For MOTWANI & AGARWAL
CHARTERED ACCOUNTANTS

CA RAM K. MOTWANI
Partner

Membership No. : 117211
Firm Reg. No. : 127781W

FOR B. N. Projects Pvt Ltd

Bharatbhai Patel
Director
DIN: 02744776

Miteshbhai Patel
Director
DIN: 02744774

Place : Ahmedabad
Date : 03/09/2014

B N PROJECTS PVT LTD
CIN: U45201GJ2009PTC058067

Notes to Financial Statement for the year ended 31st March 2014.

NOTE 1 : CORPORATE INFORMATION

B N Projects Private Limited is a private company domiciled in India and incorporated under the provisions of Companies Act 1956. The company is mainly engaged in the business of development and construction of residential and commercial projects.

NOTE 2 : ACCOUNTING POLICIES

A	**Basis of accounting and preparation of financial statements** The financial statements have been prepared to comply in all material respect with the generally accepted accounting principles in India, Accounting Standards notified under the Companies (Accounting Standard) Rules,2006 and the relevant provisions. The financial statements have been prepared on "accrual" basis except expense in the nature of retirement benefits to employees which are accounted on payment basis.
B	**Use of estimates** The preparations of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affects the reported amounts of revenues, expenses, Assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. Example of such estimate includes contract costs expected to be incurred to complete construction contract, Income tax etc. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcome requiring a material adjustment to the carrying amount to the assets or liabilities to the future period.
C	**Fixed Assets** Fixed assets installed and purchased by the company are stated at cost of acquisition inclusive of freight, duties, taxes, expenses incidental thereto as well as proportionate pre-operative expenses including the borrowing costs, incurred for putting such assets to use and are stated net of modvat and depreciation. Software is capitalised, where it is expected to provide future economic benefits. Fixed Assets have been verified and certified by the management.

B N PROJECTS PVT LTD
CIN: U45201GJ2009PTC058067

Notes to Financial Statement for the year ended 31st March 2014.

D	**Depreciation and amortisation** Depreciation on Fixed Assets has been provided on WDV method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956. Depreciation in the case of any additions / deletions has been provided on pro-rata basis. The intangible Assets for 'Web Site Designing' & "Trade Mark" are depreciated on straight line basis. However, such assets being susceptible to technological obsolescence, useful life is estimated at Four & Five years respectively and the same are depreciated accordingly.
E	**Revenue recognition** Revenue is recognized (in cases where booking amount is received) to the extent of the construction costs incurred Plus estimated profit on it if it is probable that they will be recoverable. The revenue is recognized to the extent it is probable and the economic benefits will flow to the company and the revenue can be reliably measured. Revenue from Operations : Sales is recorded exclusive of Service Tax and Value Added Tax, if any, and net of sales returns.
F	Inventories Raw Material - At cost Work in Progress - At cost For Work in Progress, cost comprises of cost of land and development, cost of material utilised, construction expenses, finance and administrative expenses, which contribute to bring the inventories to their present location and condition. Value of Inventories is taken as certified by the Management.

B N PROJECTS PVT LTD
CIN: U45201GJ2009PTC058067

Notes to Financial Statement for the year ended 31st March 2014.

G	**Other income** Revenue in respect of other income is recognized when no significant uncertainty as to its realization exists.
H	**Foreign currency transactions and translations** Transactions denominated in foreign currency are recorded at the exchange rate prevailing at the date of transactions or that approximates the actual rate at the date of transactions. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the statement of profit and loss for the period. Transactions which remain unsettled at the reporting date are reported at rates prevailing at reporting date and any exchange gain/loss is recognized in statement of profit and loss.
I	**Borrowing costs** Borrowing cost attributable to acquisition of qualifying assets for the period such asset is put to its commercial use, is capitalized as part of the cost of such assets. A qualifying asset is one that takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.
J	**Segment reporting** The Company is engaged in single segment of development and construction. Secondary Segmentations based on geography has not been presented as the Company operates primaraly in india and the company preceives there is no significant difference in the risk and return in operating from different geographical area within the india. Hence it has not identified any reportable segment in respect of the activities carried out by it during the year under audit.
K	**Earnings per share** Basic earning per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
L	**Taxes on income** <u>Current Taxes</u> Provision for current tax including Income Tax is made after taking into consideration the relevant provisions of the Income Tax Act, 1961 prevailing as at the date of Balance Sheet. <u>Deferred Taxes:</u> Deferred tax liability for the year resulting from timing difference between the accounting income and taxable income has been accounted using the tax rates that have been enacted on balance sheet date. However Deferred tax asset are recognised only in case of certainty regarding availability of future income against which the same can be realized.

CHARTERED ACCOUNTANTS

B N PROJECTS PVT LTD
CIN: U45201GJ2009PTC058067

Notes to Financial Statement for the year ended 31st March 2014.

M	**Impairment of assets** The company has initiated steps to identify impairment loss arising in the case of assets where recoverable amount is lower than the amount carried in the accounts. The provision for such loss arising on the same shall be provided in the accounts once such loss is identified. However the management is of the opinion that there would be no impairment loss on overall basis hence no provision for the same has been made.
N	**Provisions and contingencies** A provision is recognized for a present obligation as a result of present events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reasonable estimate can be made. Provisions are determined based on best estimate of the amount required to settle the obligation at the Balance Sheet date. Liabilities which are material and whose future outcome cannot be ascertained with the reasonable certainty are treated as contingent liability and are disclosed by way of note.
O	**Retirement Benefits :** The Gratuity & Leave Encashment liability is accounted for on cash basis in the year of payment only.
P	**Events Occuring after Balance Sheet Date :** Event occurring after the Balance Sheet date have been considered in preparation of financial statements.

B N PROJECTS PVT LTD
CIN: U45201GJ2009PTC058067

Notes to Financial Statement for the year ended 31st March 2014.

Note 3 Share capital

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹	Number of shares	₹
Authorised Share Capital				
Equity Shares of Rs 10/- per share	600,000	6,000,000	600,000	6,000,000
Issued, Subscribed and fully paid up				
Equity Shares of Rs 10/- per share	600,000	6,000,000	600,000	6,000,000
	600,000	**6,000,000**	**600,000**	**6,000,000**

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period (Equity shares with voting rights)

Particulars	Opening Balance	Fresh issue	Bonus	Closing Balance
Year ended 31 March, 2014				
Number of shares	600,000	-	-	600,000
Amount	6,000,000	-	-	6,000,000
Year ended 31 March, 2013				
Number of shares	600,000	-	-	600,000
Amount	6,000,000	-	-	6,000,000

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	Holding in that class of shares	Number of shares held	Holding in that class of shares
Bharatbhai Patel	593000	98.83%	593000	98.83%

Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date

Particulars	Aggregate number of shares
Fully paid up pursuant to contract(s) without payment being received in cash	Nil
Fully paid up by way of bonus shares Shares bought back	Nil

The Company has only one class of equity share having par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company the equity shareholders will be entitled to receive remaining assets of the Company. The distribution will be in the portion of number of equity shares held by the shareholders.

MODI ... & AGARWAL CHARTERED ACCOUNTANTS

B N PROJECTS PVT LTD
CIN: U45201GJ2009PTC058067

Notes to Financial Statement for the year ended 31st March 2014.

Note 4 Reserves and surplus

Particulars	As at 31 March, 2013 ₹	As at 31 March, 2012 ₹
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(635,316)	(437,378)
Less: Utilised for issue of Bonus Shares	-	-
Add: Profit / (Loss) for the year	71,034	(197,937)
Total	(564,282)	(635,316)

Note 5 Long-term borrowings

Particulars	As at 31 March, 2013 ₹	As at 31 March, 2012 ₹
Term loans		
From banks		
Secured	15,206,568	18,230,100
(Secured by way of Equitable Mortgage of Residential Property of Directors of company)		
From Others		
Secured	770,572	3,297,789
(Secured by Motor Car)		
Total	15,977,140	21,527,889

Note 5.1 : Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings

Particulars	As at 31 March, 2013 ₹	As at 31 March, 2012 ₹
Secured Term loans from banks		
Kotak Mahindra Bank - Drop Down OD for Working Capital	15,206,568	18,230,100
(Repayment term : Rs. 30.00 Lacs to be repaid annually Maximum Tenure of 84 Months subject to annual review by the Bank)		
Total	15,206,568	18,230,100
Secured Term loans from Othres		
Kotak Mahindra Prime Ltd. - Car Finance Loan	770,572	3,297,789
Total	770,572	3,297,789

B N PROJECTS PVT LTD
CIN: U45201GJ2009PTC058067

Notes to Financial Statement for the year ended 31st March 2014.

Note 6 Short-term borrowings

Loans From Banks (Secured)	-	-
Loans and advances from related parties & Directors		
Unsecured (Refer Note No. 30)	11,753,458	1,710,631
Total	11,753,458	1,710,631

Note 7 Trade payables

Trade Payables (Net) *	17,977,775	22,305,724
* As informed the Company is in communication with its suppliers to ascertain the applicability of "The Micro, Small and Medium Enterprise Development Act, 2006". As on the date of this Balance Sheet the Company has not received any communications from any of its suppliers regarding the applicability of the Act to the suppliers.		
Total	17,977,775	22,305,724

Note 8 Other current liabilities

Current maturities of long-term debt	6,414,618	11,997,940
Other payables		
Statutory remittances		
Unpaid Service Tax	1,887,022	3,729,178
Unpaid TDS	722,544	400,439
Unpaid Interest on Service Tax	33,578	-
Booking Advances/ deposits from Member (Net)	177,703,587	157,241,974
Total	**186,761,348**	**173,369,531**

Note : 8.1 Current maturities of long-term debt

Term loans		
From banks		
Secured		
State Bank of India - Working Capital Demand Loan	-	4,808,796
Kotak Mahindra Bank - Working Capital Loan	3,000,000	3,000,000
Kotak Mahindra Prime Ltd. - Car Finance Loan	3,414,618	4,189,144
(Securities for all loan are as referred in Note 5)		
Total	6,414,618	11,997,940

Note 9 Short-term provisions

Provision - Others		
Provision for Income Tax	385,000	500,000
Provision - others		
Unpaid Audit Fees	28,090	30,000
Unpaid Electric Bill	23,527	25,413
Unpaid Telephone Expenses	2,035	1,455
Total	**438,652**	**556,868**

AGARWAL ... CHARTERED ACCOUNTANTS

B.N. PROJECTS PRIVATE LIMITED
CIN: U45201GJ2009PTC058067

Notes to Financial Statement for he year ended 31st March 2014.

Note No : 10 : Fixed Assets

Assets	Gross Block				Depreciation				Net Block	
	As at 01.04.13	Additions during the year	Sale/adj during the year	As at 31.03.14	Upto 01.04.13	provided during the year	Adjustment during the year	Upto 31.03.14	As at 31.03.14	As at 31.03.13
(a) Tangible Assets										
Plant and Machinery	306315	4700	0	311015	79192	32103	0	111296	199719	227123
Furniture and Fixtures	184910	17755	0	202665	83127	18669	0	101796	100869	101783
Vehicles	8244135	1284814	0	9528949	2555696	1503722	0	4059418	5469531	5688439
Computers	120000	65990	0	185990	49808	36610	0	86418	99572	70192
Sub Total	**8855360**	**1373259**	**0**	**10228619**	**2767824**	**1591105**	**0**	**4358929**	**5869690**	**6087536**
(b) Intangible Assets										
Computer Softwares	20082	0	0	20082	16030	1621	0	17651	2431	4052
Trade Mark	13000	0	0	13000	7800	2600	0	10400	2600	5200
Website	41800	0	0	41800	31350	10450	0	41800	0	10450
Website Design (Others)	47500	0	0	47500	11875	11875	0	23750	23750	35625
Sub Total	**122382**	**0**	**0**	**122382**	**67055**	**26546**	**0**	**93601**	**28781**	**55327**
Grand Total	**8977742**	**1373259**	**0**	**10351001**	**2834879**	**1617651**	**0**	**4452530**	**5898471**	**6142863**
Previous Year - Tangible Assets	7157034	1698326	0	8855360	792194	1975630	0	2767824	6087536	6364840
Previous Year - Intangible Assets	74882	47500	0	122382	39429	27626	0	67055	55327	35453
Previous Year - Total	**7231916**	**1745826**	**0**	**8977742**	**831623**	**2003256**	**0**	**2834879**	**6142863**	**6400293**

MOTWANI & AGARWAL

B N PROJECTS PVT LTD
CIN: U45201GJ2009PTC058067

Notes to Financial Statement for the year ended 31st March 2014.

Note 11 Long-term loans and advances		
Loans and Advances to Related Parties		
Unsecured, considered good	2,399,426	18,301,169
Other Loans and Advance		
Unsecured, considered good		
Other Loans and Advance	1,450,000	4,387,282
Total	3,849,426	22,688,451

Note 12 Inventories		
Raw materials	1,112,349	1,514,207
(Taken as valued and Certified by the Management)		
Work-in-progress	46,823,472	38,484,359
(Taken as valued and Certified by the Management)		
Total	47,935,821	39,998,566

Note 13 Trade receivables		
Unsecured, considered good		
- Trade receivables outstanding for a period exceeding six months	102,364,850	53,787,975
Other Trade receivables	67,909,164	94,601,203
Total	170,274,014	148,389,178

Note 14 Cash and cash equivalents		
Cash on hand	765,812	2,949,887
Balances with banks		
(i) In current accounts (Including credit balance due to reconciliation)	5,559,819	576,592
Total	6,325,631	3,526,479

Note 15 Short-term loans and advances		
(a) Prepaid expenses		
Pre-Paid Expenses	80,116	135,719
(b) Others (specify nature)		
Unsecured, considered good		
Other Advances / Deposits	2,511,990	2,392,329
Service Tax Receivable (RCM)	1,105,515	1,346,375
(c) Balances with government authority		
TDS Receivable	10,475	4,143
Total	3,708,096	3,878,566

Note 16 Revenue from operations		
Sales & Services (Exclusive of Service Tax)	65,354,557	91,746,691
Other operating revenues	-	-
Total	65,354,557	91,746,691

MOTWANI & AGARWAL CHARTERED ACCOUNTANTS