SETU DEVELOPERS

Proift and Loss Account for the period ended 31st March, 2017

Particulars	Schedule	For the period ended 31st March, 2017	
		Amount (Rs.)	Amount (Rs.)
INCOME			
Closing Stock of Work-in-progress		4 32 96 704	
			4 32 96 704
EXPENDITURE			
Project Expense	D	4 32 51 177	
Administrative And Other Expense	E	45 527	
			4 32 96 704
Profit before tax			0
Profit transferred to Partners Capital Account			0

Notes forming part of accounts F

As per our report of even date.

FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

VARTIK R. CHOKSI
Partner
Mem. No. 116743

Place : Ahmedabad
Date : - 2 SEP 2017

FOR SETU DEVELOPERS

Partner

Place : Ahmedabad
Date : - 2 SEP 2017

SETU DEVELOPERS

Schedule - `B': Current Assets, Loans and Advances

Particulars	As at 31st March, 2017	
	Amount (Rs.)	Amount (Rs.)
Inventories		
Work-in-Progress		4 32 96 704
Cash and Bank Balances		
Cash on Hand	2 15 570	
Union Bank of India	1 08 090	
		3 23 660
		4 36 20 364

Schedule - `C': Current Liabilities and Provisions

Particulars	As at 31st March, 2017	
	Amount (Rs.)	Amount (Rs.)
Current Liabilities		
Sundry Creditors		6 17 934
Other Liabilities		9 882
		6 27 816

Schedule - `D': Project Expense

Particulars	As at 31st March, 2017	
	Amount (Rs.)	Amount (Rs.)
Land		4 06 32 530
Material Cost		8 11 766
Construction Expense		8 05 977
Legal, AEC & Auda Expense		6 69 664
Other Direct Expense		3 31 240
		4 32 51 177

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Schedule - `E': Administrative And Other Expense

Particulars	**As at 31st March, 2017**	
	Amount (Rs.)	**Amount (Rs.)**
Audit Fees		25 000
Salaries		19 500
Consulting expense		93 500
Other Expenses		(92 473)
		45 527

SETU DEVELOPERS

Schedule - `F' : Notes forming part of accounts

1. **Basis of preparation of financial statements**

These financial statements have been prepared on the accrual basis of accounting, under the historical cost convention, in accordance with the accounting principles generally accepted in India and comply with the mandatory accounting standards issued by The Institute of Chartered Accountants of India.

2. **Inventories**

Work in Progress represents the cost incurred in respect of unsold area of the Real Estate Development Projects and cost incurred on Projects where the revenue is yet to be recognized.

Cost comprises of all material cost, construction costs and other costs attributable to project.

3. **Use of estimates**

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Differences between the actual result and estimates are recognised in the period in which the results are known/ determined.

4. **Revenue Recognition**

Revenue is recognised upon transfer of significant risks and rewards of ownership without retaining effective control over real estate by the seller and existence of reasonable expectation of ultimate collection. Significant risks and rewards of ownership are considered as transferred when legal title passes on the buyer by way of executing sale deed/ conveyance deed and substantial amount of sale price is realised. In the event where sale deed / conveyance deed has already been executed but substantial acts are still to be performed by the seller, the revenue is recognised by adopting "percentage completion method".

5. **Taxation**

(i) Current year tax is provided based on taxable income computed in accordance with the provisions of the Income-tax Act, 1961.

(ii) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

6. **Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes.

SETU DEVELOPERS

Schedule - `F' : Notes forming part of accounts

7. Balances of Loans and Advances and Sundry Creditors are subject to confirmation by the parties concerned.

As per our attached report of even date.

FOR G. K. CHOKSI & CO.	**FOR SETU DEVELOPERS**
[Firm Registration No. 101895W]	
Chartered Accountants	
VARTIK R. CHOKSI	
Partner	*Partner*
Mem. No. 116743	
Place : Ahmedabad	Place : Ahmedabad
Date : 2 SEP 2017	Date : 2 SEP 2017