KUVB & CO.
Chartered Accountants

Nikunj M. Patel
B.Com., A.C.A.

611, Times Square Arcade,
Thaltej-Shilaj Road,
Thaltej, Ahmedabad-380 059.
Phone: 4898 2001
E-mail: kvkarkar@gmail.com

FORM NO. 3CB
[See Rule 6G(1)(b)]

Audit report under section 44AB of the Income-tax Act, 1961, in the case of a person referred to in clause (b) of sub-rule (1) of rule 6G

1 We have examined the Balance Sheet as on 31st March, 2020, and the Profit and Loss Account for the period beginning from 01-04-2019 to ending on 31-03-2020, attached herewith, of DINESH DEVELOPERS, F. P. No. 103/1, Sub-Plot No. 1, Beside Maruti Showroom & Nana Chiloda Railway Crossing, Naroda-Himmatnagar Road, N. H. No. 8, Ahmedabad - 382330, permanent account number: AAKFD4468P.

2 We certify that the Balance Sheet and the Profit and Loss Account are in agreement with the books of account maintained at the head office at above address and Nil branches.

3 a We report the following observations/comments/discrepancies/inconsistencies; if any:

Nil

b Subject to above:

A We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

B In our opinion, proper books of account have been kept by the head office and branches of the assessee so far as appears from our examination of the books.

C In our opinion and to best of our information and according to the explanations given to us, the said accounts, read with notes thereon, if any, give a true and fair view: -

i in the case of the Balance Sheet, of the state of the affairs of the assessee as at 31st March, 2020; and

ii in the case of the Profit and Loss Account of the profit of the assessee for the year ended on that date.

4 The statement of particulars required to be furnished under section 44AB is annexed herewith in Form No. 3CD.

KUVB & CO. * AHMEDABAD * CHARTERED ACCOUNTANTS

KUVB & CO.
Chartered Accountants

Nikunj M. Patel
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DINESH DEVELOPERS

Asst. year: 2020-21

Pre year ended: 31-03-2020

FORM NO. 3CB
[See Rule 6G(1)(b)]

Audit report under section 44AB of the Income-tax Act, 1961, in the case of a person referred to in clause (b) of sub-rule (1) of rule 6G

5 In our opinion and to the best of our information and according to explanations given to us, the particulars given in the said Form No. 3CD are true and correct subject to following observations/ qualifications, if any:

(i) Others:

a It is not possible for us to verify whether (1) the payments covered under sections 40A(3) and 40A(3A) have been made, (2) loans or deposits or specified sums have been taken or accepted u/s. 269SS of Rs. 20000 or more, (3) loans or deposits or specified advances have been repaid u/s. 269T of Rs. 20000 or more and (4) the receipts/ payments covered u/s. 269ST of Rs. 200000 or more have been accepted/ made otherwise than by account payee cheque drawn on a bank or account payee bank draft or by use of electronic clearing system through a bank account, as the necessary evidence is not in the possession of the assessee. We have relied upon the certificates issued by the assessee in this respect.

b In view of the note under sub-clauses 31(ba), (bb), (bc) and (bd) of the Form, particulars of payments made to Government have not been included under sub-clauses 31(bc) and 31(bd).

c As per Annexure

For KUVB & Co.
Chartered Accountants
Firm Reg No. 104843W

KUVB & CO. * AHMEDABAD * CHARTERED ACCOUNTANTS

Nikunj M. Patel
Partner
M. No. 160078
UDIN: 20160078AAAAGM3358

Place: Ahmedabad
Date: October 17, 2020

KUVB & CO.
Chartered Accountants

Nikunj M. Patel
B.Com., A.C.A.

611, Times Square Arcade,
Thaltej-Shilaj Road,
Thaltej, Ahmedabad-380 059.
Phone: 4898 2001
E-mail: kvkarkar@gmail.com

DINESH DEVELOPERS

Asst. year: 2020-21 Pre year ended: 31-03-2020

ANNEXURE TO FORM NO. 3CB
[See Rule 6G(1)(b)]

Assessee's Responsibility for the Financial Statements and the Statement of Particulars in Form 3CD

1 The assessee is responsible for the preparation of the aforesaid financial statements that give a true and fair view of the financial position and financial performance in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India. This responsibility includes the 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.

2 The assessee is also responsible for the preparation of the statement of particulars required to be furnished under section 44AB of the Income-tax Act, 1961 annexed herewith in Form No. 3CD read with Rule 6G(1)(b) of Income-tax Rules, 1962 that give true and correct particulars as per the provisions of the Income-tax Act, 1961 read with Rules, Notifications, circulars, etc that are to be included in the Statement.

Tax Auditor's Responsibility

3 Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted this 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.

4 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 preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes 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.

KUVB & CO. * AHMEDABAD * CHARTERED ACCOUNTANTS *

KUVB & CO.
Chartered Accountants

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B.Com., A.C.A.

611, Times Square Arcade,
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Thaltej, Ahmedabad-380 059.
Phone: 4898 2001
E-mail: kvkarkar@gmail.com

DINESH DEVELOPERS

Asst. year: 2020-21 Pre year ended: 31-03-2020

ANNEXURE TO FORM NO. 3CB
[See Rule 6G(1)(b)]

5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

6 We are also responsible for verifying the statement of particulars required to be furnished under section 44AB of the Income-tax Act, 1961 annexed herewith in Form No. 3CD read with Rule 6G(1)(b) of Income-tax Rules, 1962. We have conducted our verification of the statement in accordance with Guidance Note on Tax Audit under section 44AB of the Income-tax Act, 1961, issued by the Institute of Chartered Accountants of India.

For KUVB & Co.
Chartered Accountants
Firm Reg No. 104843W

KUVB & CO. * CHARTERED ACCOUNTANTS * AHMEDABAD

Nikunj M. Patel
Partner
M. No. 160078
UDIN: 20160078AAAAGM3358

Place: Ahmedabad
Date: October 17, 2020

DINESH DEVELOPERS

BALANCE SHEET AS AT 31ST MARCH, 2020

		Sche-dule	Rupees	As at 31-03-2020 Rupees	As at 31-03-2019 Rupees
CAPITAL AND LIABILITIES					
1	Partners' capital	A		3652306.43	(418160.52)
2	Unsecured loans	B		117932122.01	126663377.01
3	Current liabilities and provisions	C		2030027.00	4573094.10
	Total			123614455.44	130818310.59
PROPERTIES AND ASSETS					
4	Property, plant and equipment:	D			
	Gross block		49859.00		49859.00
	Less: Depreciation		12151.00		7300.00
	Net block			37708.00	42559.00
5	Loans	E		16600000.00	3700000.00
6	Current assets:	F			
	Inventories		88990665.29		110973953.08
	Receivables		131607.00		0.00
	Advances on current account		16027180.90		15298348.00
	Cash and bank balances		1827294.25		803450.51
				106976747.44	127075751.59
	Total			123614455.44	130818310.59
7	Notes forming part of the accounts	K			

As per our report attached

For KUVB & Co.
Chartered Accountants

KUVB & CO. AHMEDABAD CHARTERED ACCOUNTANTS

Nikunj M. Patel
Partner

Ahmedabad
October 17, 2020

For Dinesh Developers

Partner

Ahmedabad
October 17, 2020

DINESH DEVELOPERS

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2020

		Sche-dule	Rupees	2019-20 Rupees	2018-19 Rupees
INCOME					
1	Land sales			42500000.00	0.00
2	Other income	G		7416878.21	2485815.00
3	Closing stock:				
	Land		0.00		41095100.00
	Work-in-progress		88990665.29	88990665.29	69878853.08
	Total			138907543.50	113459768.08
EXPENDITURE					
4	Opening stock:				
	Land		41095100.00		41095100.00
	Work-in-progress		69878853.08	110973953.08	54277137.00
5	Development expenses	H		12585146.21	12017103.08
6	Labour charges			6281620.00	3584613.00
7	Operational and other expenses	I		895028.26	1875294.02
8	Interest	J		3198478.00	2787734.00
9	Depreciation			4851.00	5507.00
	Total			133939076.55	115642488.10
10	Profit/ (Loss) before tax			4968466.95	(2182720.02)
11	Less: Provision for current tax			948000.00	0.00
12	Profit/ (Loss) after tax			4020466.95	(2182720.02)
13	Notes forming part of the accounts	K			

As per our report attached to balance sheet

For KUVB & Co.
Chartered Accountants

KUVB & CO. * CHARTERED ACCOUNTANTS * AHMEDABAD

Nikunj M. Patel
Partner

Ahmedabad
October 17, 2020

For Dinesh Developers

Partner

Ahmedabad
October 17, 2020

DINESH DEVELOPERS

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2020

SCHEDULE A

PARTNERS' CAPITAL ACCOUNTS

(Amount in rupees)

Sr. No.	Name of partner	Balance as at 01-04-2019	Brought in during the year	Interest on capital	Salary to partners	Share in profit	Withdr-awals	Balance as at 31-03-2020
1	Shri Mahesh Bikhchand Karda	(209080.26)	0.00	0.00	0.00	2010233.47	0.00	1801153.21
2	Shri Jitesh Mahesh Karda	(209080.26)	200000.00	0.00	0.00	2010233.48	150000.00	1851153.22
	Total	(418160.52)	200000.00	0.00	0.00	4020466.95	150000.00	3652306.43
	Previous year	1764559.50	0.00	0.00	0.00	(2182720.02)	0.00	(418160.52)

KUVB & CO. * CHARTERED ACCOUNTANTS * AHMEDABAD

DINESH DEVELOPERS

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2020

	Rupees	As at 31-03-2020 Rupees	As at 31-03-2019 Rupees
SCHEDULE B			
UNSECURED LOANS			
a. From relatives/ associates		82548063.01	102248063.01
b. From others		35384059.00	24415314.00
		117932122.01	126663377.01
SCHEDULE C			
CURRENT LIABILITIES AND PROVISIONS			
Current liabilities:			
a. Sundry creditors: Other than micro and small enterprises		264922.00	2807989.10
b. Security deposits		1765105.00	1765105.00
		2030027.00	4573094.10

KUVB & CO. * AHMEDABAD * CHARTERED ACCOUNTANTS

DINESH DEVELOPERS

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2020

SCHEDULE D

PROPERTY, PLANT AND EQUIPMENT

(Amount in rupees)

Sr. No.	Description	Gross block				Depreciation				Net block	
		As at 01-04-2019	Addi-tions	Deduc-tions	As at 31-03-2020	As at 01-04-2019	For the year	Adjust-ments	As at 31-03-2020	As at 31-03-2020	As at 31-03-2019
1	Printer	14000.00	0.00	0.00	14000.00	2100.00	1785.00	0.00	3885.00	10115.00	11900.00
2	Television	35859.00	0.00	0.00	35859.00	5200.00	3066.00	0.00	8266.00	27593.00	30659.00
	Total	49859.00	0.00	0.00	49859.00	7300.00	4851.00	0.00	12151.00	37708.00	42559.00
	Previous year	35859.00	14000.00	0.00	49859.00	1793.00	5507.00	0.00	7300.00	42559.00	

Note: Depreciation has been calculated on written down value basis at the rates specified and in accordance with the provisions of the Income-tax Act, 1961.

KUVB & CO. * CHARTERED ACCOUNTANTS * AHMEDABAD

DINESH DEVELOPERS

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2020

	Rupees	As at 31-03-2020 Rupees	As at 31-03-2019 Rupees
SCHEDULE E			
LOANS			
(Unsecured, considered good)			
a. To relatives/ associate firms		2200000.00	3100000.00
b. To others		14400000.00	600000.00
		16600000.00	3700000.00
SCHEDULE F			
CURRENT ASSETS			
a. Inventories (As ascertained, valued and certified by a partner):			
(At lower of cost or net realisable value)			
Land	0.00		41095100.00
Work-in-progress	88990665.29		69878853.08
		88990665.29	110973953.08
b. Receivables: (Unsecured, considered good)			
Other than exceeding one year	131607.00		0.00
		131607.00	0.00
c. Advances on current account: (Unsecured, considered good)			
Advances to suppliers	13000000.00		13115891.00
Advances recoverable in cash or in kind or for value to be received	2592000.90		1927854.00
Advance payment of taxes	435180.00		254603.00
		16027180.90	15298348.00
d. Cash and bank balances:			
Cash on hand	582103.00		489136.00
Balance in current account with a bank	1245191.25		314314.51
		1827294.25	803450.51
		106976747.44	127075751.59

KUVB & CO. * CHARTERED ACCOUNTANTS * AHMEDABAD

DINESH DEVELOPERS

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2020

	Rupees	2019-20 Rupees	2018-19 Rupees
SCHEDULE G			
OTHER INCOME			
Rent income		7415482.00	2483535.00
Interest on income-tax refund		0.00	2079.00
Vatav kasar		1396.21	0.00
Excess income-tax provision written back		0.00	201.00
		7416878.21	2485815.00
SCHEDULE H			
DEVELOPMENT EXPENSES			
Construction materials consumed:			
Opening stock		0.00	0.00
Add: Purchases	10496321.21		11175190.08
Carting expenses	749897.00		414553.00
		11246218.21	11589743.08
		11246218.21	11589743.08
Less: Closing stock		0.00	0.00
		11246218.21	11589743.08
Other development expenses:			
Architect/ Engineer fees	0.00		50000.00
AMC charges	980000.00		28580.00
B. U. permission expenses	0.00		11600.00
Electric estimate expenses	44128.00		18000.00
Electric burning expenses	266603.00		319180.00
Municipal tax (Includes prior period tax of Rs. 726 - Previous year Rs. Nil)	46197.00		0.00
Lift permission fees	2000.00		0.00
		1338928.00	427360.00
		12585146.21	12017103.08

K.V.B & CO. * CHARTERED ACCOUNTANTS * AHMEDABAD

DINESH DEVELOPERS

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2020

	Rupees	2019-20 Rupees	2018-19 Rupees
SCHEDULE I **OPERATIONAL AND OTHER EXPENSES**			
Salary		282000.00	282000.00
Insurance expenses		936.00	17049.00
Penalised scrutiny fees		282447.00	807513.00
RERA registration fees		0.00	89237.50
Professional fees		170000.00	97000.00
Audit fees		60000.00	30000.00
Miscellaneous expenses:			
Accounting fee	40000.00		
Bank charges	8645.26		
RERA return filing fees	8000.00		
Security services	43000.00		
		99645.26	64494.52
Registration & stamp duty		0.00	488000.00
		895028.26	1875294.02
SCHEDULE J **INTEREST**			
On unsecured loans		3183036.00	2760630.00
On TDS		15367.00	27058.00
On Municipal tax		75.00	0.00
On GST		0.00	46.00
		3198478.00	2787734.00

KJVB & CO. * CHARTERED ACCOUNTANTS * AHMEDABAD

DINESH DEVELOPERS

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2020

SCHEDULE K
NOTES FORMING PART OF THE ACCOUNTS

1 Significant accounting policies:

a Method of accounting:

The firm is maintaining its accounts on accrual basis. Revenue from real estate sales is recognised when all significant risks and rewards of ownership in the land and/or building are transferred and the possession of the unit is handed over to the customer and a reasonable expectation of collection of the sale consideration from the customer exists.

Rent on immovable properties is recognised on accrual basis as per the agreement with the party.

b Use of estimates:

The preparation 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 reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

c Property, plant and equipment:

Property, plant and equipment are stated at cost net of recoverable taxes, trade discount and rebates, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing cost and cost directly attributable to bringing the asset to its working condition and indirect costs specifically attributable to construction of the asset. Subsequent expenditure related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Assets retired from active use are carried at lower of book value and estimated net realisable value.

d Depreciation:

The firm provides for depreciation on assets on written down value method as per the provisions of the Income-tax Act, 1961.

e Impairment of assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed, if there has been a change in the estimate of recoverable amount.

B & CO. AHMEDABAD CHARTERED ACCOUNTANTS

DINESH DEVELOPERS

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2020

SCHEDULE K
NOTES FORMING PART OF THE ACCOUNTS

1 Significant accounting policies (Contd):

f Inventories:

The inventories are valued at lower of cost or net realisable value, using first in, first out formula. Cost of inventories comprises of cost of purchase and development costs incurred in bringing them to their respective present location and condition. Work-in-progress is valued after considering direct overheads.

g Employee benefits:

Wages, salaries and paid annual leave are accrued in the year in which the services are rendered by the employees. The firm does not permit accumulating of unused leaves. The firm does not provide any long-term employee benefits.

As the number of employees is less than 10 and in absence of any informal practice prevailing in the firm, payment of gratuity is required neither by law nor on the basis of constructive obligation. Hence, no provision for the same has been recognised.

The firm is not having any defined contribution plan.

h Borrowing costs:

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

i Taxation:

Provision for income-tax is made as per the provisions of the Income-tax Act, 1961 after considering exemptions/ deductions.

Deferred tax resulting from timing difference between taxable income and accounting income is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

j 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 recognised but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

KJVB & CO. * AHMEDABAD * CHARTERED ACCOUNTANTS

DINESH DEVELOPERS

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2020

SCHEDULE K
NOTES FORMING PART OF THE ACCOUNTS

2 In the month of March, 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. The firm is engaged in the real estate business of construction of shops and offices. Construction/ development work of the project has been temporarily halted and may adversely affect delivery schedule to the customers. GUJRERA Authoriry has extended the compltion of all the ongoing projects by six months. In the opinion of the partners, increase in the cost of construction is not likely to be significant or delay in delivery of agreed units in time pursuant to COVID-19 pandemic would be within the the extended period granted by GUJRERA Authority. Further sale price of the finished units is higher than the cost of construction and is not likely to decline below cost of construction and there are no receivables as at the balance sheet date. In view of this, the partners do not consider any revision in any of the estimates required made in the financial statements. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial results, and the firm will continue to closely monitor the developments.

3 The balances of unsecured loans, sundry creditors, security deposits, loans given, receivables and advances on current account are subject to confirmation.

4 There is neither deferred tax asset nor deferred tax liability as at 31st March, 2020 (Previous year: Rs. Nil).

5 The firm does not owe any sum to any micro and small enterprise.
This is based on the information available with the firm.

6 There is no sale of real estate which is not recognised as revenue during the year due to lack of reasonable certainty of its ultimate collection.

7 Previous year's figures have been regrouped, wherever necessary.

Signatures to Schedules A to K

As per our report attached to balance sheet

For KUVB & Co. Chartered Accountants	For Dinesh Developers
Nikunj M. Patel Partner	Partner
Ahmedabad October 17, 2020	Ahmedabad October 17, 2020

KUVB & CO. * CHARTERED ACCOUNTANTS * AHMEDABAD