AUDIT REPORT

AND

AUDITED FINAL ACCOUNTS

FOR THE YEAR ENDING AS ON 31.03.2017

NAME	:	M/S ARHAM DEVELOPERS
STATUS	:	PARTNERSHIP FIRM
ADDRESS	:	5/188, RUWALA S TEKRO, HARIPURA, SURAT, GUJARAT - 395003

Prepared by:-

Asawa Kanaiya & Co.

Chartered Accountants

236-237, Lower Ground, Annapurna Market,
Opp. Millenium Market, Ring Road, Surat-3
E-mail :- capawan2010@gmail.com
Ph.: 0261- 2346250

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 31/03/2017, and the Profit and loss account for the period beginning from 01/04/2016 to ending on 31/03/2017, attached herewith of **ARHAM DEVELOPERS, 5/188, RUWALA S TEKRO, HARIPURA, HARIPURA, SURAT, GUJARAT-395003. PAN - AATFA3641E.**

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 5/188, RUWALA S TEKRO, HARIPURA, HARIPURA, SURAT, GUJARAT-395003 and 0 branches.

3. (a) We report the following observations/comments/discrepancies/inconsistencies, if any:
   As per Accounting Policies and Notes on Accounts attached along with Balancesheet
   (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 the 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, 2017 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.

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

SN	Qualification Type	Observations/Qualifications
1	Others	WITH REFERENCE TO Clause 4 :- The information regarding the liability to pay Indirect Taxes & registration obtained for the purpose has been submitted as per representation received from the assessee in the matter.
2	Records necessary to verify personal nature of expenses not maintained by the assessee.	WITH REFERENCE TO Clause 21(a) Personal Expenditure:- On the basis of the information provided by the Auditee concern Barring expenses paid as accepted business practice, no personal expense debited to profit & loss a/c.
3	Records produced for verification of payments through account payee cheque were not	WITH REFERENCE TO Clause 21(a) Personal Expenditure:- On the basis of the information

Asawa Kanaiya & Co.
Chartered Accountants
236-23, Annapurna Market, Ring Road, Surat-03
capawan2010@gmail.com Ph.: 0261-2346250

	sufficient	provided by the Auditee concern, There is no such cash payment, for payment made by Cheque/DD, it is not possible for us to verify whether the same were crossed or "Account Payee" or not as the required evidence are not in the possession of the assessee.
4	Creditors under Micro, Small and Medium Enterprises Development Act, 2006 are not ascertainable	WITH REFERENCE TO Clause 22:- Creditors under Micro, Small & Medium Enterprises Development Act, 2006 are not ascertained, as the details of such status of the creditors, is not available with the Auditee concern.
5	Others	WITH REFERENCE TO Clause 23 :- On the basis of the information provided by the Auditee concern with regards to the relations, particular of payments of expenses made to specified persons u/s 40A(2)(b) has been provided.
6	Documents necessary to verify the reportable transaction were not made available.	WITH REFERENCE TO Clause 31 :- As per explanations and information provided by the Auditee concern, all the transactions of LOANS or DEPOSITS accepted and repaid by the auditee concern, are by "a/c payee Cheques/DD/Electronic clearing system. However, it is not possible for us to verify whether LOANS & DEPOSITS have been taken or accepted otherwise than by an account payee cheque or bank draft, as the necessary evidence is not in possession of auditee concern.
7	Others	WITH REFERENCE TO Clause 33 :- The information regarding the Deductions has been submitted as per explanation received from the assessee in the matter.

Date : 27/10/2017 Place : Surat	For ASAWA KANAIYA AND CO. Chartered Accountants Parth D. Jain M. No. 165166 Parth Dineshchandra Jain (Partner) M. No. : 165166 FRN : 0117390W

FORM NO. 3CD
[See rule 6G(2)]

Statement of particulars required to be furnished under section 44AB of the Income-tax Act, 1961

PART-A

1	Name of the assessee	:	ARHAM DEVELOPERS
2	Address	:	5/188, RUWALA S TEKRO, HARIPURA, HARIPURA, SURAT, GUJARAT-395003
3	Permanent Account Number	:	AATFA3641E
4	Whether the assessee is liable to pay indirect tax like excise duty, service tax, sales tax, customs duty,etc. if yes, please furnish the registration number or any other identification number allotted for the same	:	Yes

SN	Type	Registration Number
1	Service Tax	AATFA3641ESD001
2	Sales Tax/VAT (GUJARAT)	24720801221
3	Other Indirect Tax/duty (IEC Number)	5213011012

5	Status	:	Firm
6	Previous year from	:	01/04/2016 to 31/03/2017
7	Assessment year	:	2017-18

8 Indicate the relevant clause of section 44AB under which the audit has been conducted

SN	Type
1	Clause 44AB(e)- Profits and gains lower than deemed profit u/s 44AD

PART-B

9 a If firm or Association of Persons, indicate names of partners/members and their profit sharing ratios :

Name	Profit Sharing Ratio (%)
RAMESH RANGLAL KOTHARI	50.00
DINESH RANGLAL KOTHARI	50.00

b If there is any change in the partners or members or in their profit sharing ratio since the last date of the preceding year, the particulars of such Change.

Date of change	Name of partner/member	Type of change	Old profit sharing ratio	New profit sharing ratio	Remarks
NA	NA	NA	NA	NA	NA

10 a Nature of business or profession. :

Sector	Sub sector	Code
Builders	Property Developers(0403)	0403

b If there is any change in the nature of business or profession, the particulars of such change. : No

Business	Sector	Sub sector	Code
Nil	Nil	Nil	Nil

11 a Whether books of accounts are prescribed under section 44AA, if yes, list of books so prescribed. : Yes

Books prescribed
Journal book
Purchase Register
Sales Register
Bank Book
Cash Book

KASHIYA KANAIYA & CO. Chartered Accountants
Parm D. Jain
M. No.
166168

Jain

b Whether the assessee has furnished the statement of tax deducted or tax collected within the prescribed time. If not, please furnish the details: : Yes

Tax deduction and collection Account Number (TAN)	Type of Form	Due date for furnishing	Date of furnishing, if furnished	Whether the statement of tax deducted or collected contains information about all transactions which are required to be reported
Nil	Nil	Nil	Nil	Nil

c whether the assessee is liable to pay interest under section 201(1A) or section 206C(7). If yes, please furnish : AS PER ANNEXURE 'VIII'

35 a In the case of a trading concern, give quantitative details of principal items of goods traded : NA

b In the case of manufacturing concern, give quantitative details of the principal items of raw materials, finished products any by-products

(A) Raw materials : NA

(B) Finished products : NA

(B) By products : NA

36 In the case of Domestic Company, details of tax on distributed profits under section 115-O in the following forms : NA

37 Whether any cost audit was carried out. ?" : NA

38 Whether any audit was conducted under the Central Excise Act, 1944. ? : NA

39 Whether any audit was conducted under section 72A of the Finance Act,1994 in relation to valuation of taxable services, finance act 1994 in relation to valuation of taxable service as may be reported/identified by the auditor. ? : NA

40 Details regarding turnover, gross profit, etc., for the previous year and preceding previous year:

Particulars	Previous year			Preceding previous year		
Total turnover of the assessee	9431000			Nil		
Gross profit/turnover	2201413	9431000	23.34			Nil
Net profit/turnover	1414645	9431000	15.00			Nil
Stock-in-trade/turnover	147246305	9431000	1561.30			Nil
material consumed/Finished goods produced	0	0	0.00			Nil

41 Please furnish the details of demand raised or refund issued during the previous year under any tax laws other than Income tax Act, 1961 and Wealth tax Act, 1957 alongwith details of relevant proceedings. : NA

For ASAWA KANAIYA AND CO.
Chartered Accountants

Parth Dineshchandra Jain

(Partner)

ASAWA KANAIYA & CO. Chartered Accountants Parth D. Jain M. No. 165166

Date : 27/10/2017
Place : Surat

M. No. : 165166
FRN : 0117390W

ARHAM DEVELOPERS

TRADING ACCOUNT FOR THE YEAR ENDING ON 31ST MARCH, 2017

PARTICULARS	SCH NO	AMOUNT	PARTICULARS	SCH NO	AMOUNT
TO OPENING STOCK			BY SALES A/C		
WORK IN PROCESS		8,40,68,157.00	BUNGLO SALES		94,31,000.00
TO PURCHASE A/C	10	6,93,95,599.00	BY CLOSING STOCK		14,72,46,305.00
TO DIRECT EXPENSES					
ELECTRICAL EXP.		9,34,096.00			
GRAMPANCHAYAT TAX		78,040.00			
TO GROSS PROFIT		**22,01,413.00**			
TOTAL		**15,66,77,305.00**	TOTAL		**15,66,77,305.00**

Schedules 1 to 11 form an integral part of accounts

For ARHAM DEVELOPERS	In terms of our attached report of even date
	For ASAWA KANAIYA AND CO. CHARTERED ACCOUNTANTS
RAMESH R KOTHARI (PARTNER)	PARTH DINESHCHANDRA JAIN (PARTNER) M. NO. : 165166 FRN : 0117390W
Place : Surat Date : 27/10/2017	

ASAWA KANAIYA & CO. Chartered Accountants
Parth D. Jain
M. No.
165166

ARHAM DEVELOPERS

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ON 31ST MARCH, 2017

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
TO INDIRECT EXPENSES		BY GROSS PROFIT	22,01,413.00
ADVERTISEMENT & PUBLICITY EXP	1,38,090.00		
AUDIT FEES	26,550.00		
BANK CHARGE	17,389.50		
ELECTRICITY EXP.	62,463.25		
LEGAL FEES	5,700.00		
MUNICIPAL TAX	9,144.00		
RATE & REBATE	(9,159.00)		
SALARIES & WAGES EXP.	1,80,000.00		
SERVICE TAX(EXP)	43,246.00		
VAT EXP	88,746.00		
TO DEPRECIATION	2,24,598.00		
TO NET PROFIT	14,14,645.25		
	22,01,413.00		22,01,413.00
TO PROFIT TRANSFERRED TO PARTNER'S CAPITAL ACCOUNT		BY NET PROFIT	14,14,645.25
DINESH RANGLAL KOTHARI (50%)	7,07,322.62		
RAMESH RANGLAL KOTHARI (50%)	7,07,322.63		
TOTAL	14,14,645.25	TOTAL	14,14,645.25

Schedules 1 to 11 form an integral part of accounts

	In terms of our attached report of even date
For ARHAM DEVELOPERS	For ASAWA KANAIYA AND CO. CHARTERED ACCOUNTANTS
RAMESH R KOTHARI (PARTNER)	ASAWA KANAIYA & CO. Chartered Accountants Parth D. Jain M. No. 165166 PARTH DINESHCHANDRA JAIN (PARTNER) M. NO. : 165166 FRN : 0117390W
Place : Surat Date : 27/10/2017	

ARHAM DEVELOPERS

BALANCE SHEET AS AT 31ST MARCH, 2017

LIABILITIES	SCH NO	AMOUNT	ASSETS	SCH NO	AMOUNT
CAPITAL	1	14,25,53,745.07	FIXED ASSETS	4	1,90,73,830.00
UNSECURED LOANS	2	16,37,43,172.00	**CURRENT ASSETS**		
			INVENTORY	5	14,72,46,305.00
CURRENT LIABILITIES	3	2,05,90,200.67	SUNDRY DEBTORS	6	7,07,620.00
			CASH AND BANK	7	37,00,995.25
			OTHER CURRENT ASSETS	8	7,12,33,609.49
			LOANS AND ADVANCES (ASSETS)	9	8,49,24,758.00
TOTAL		**32,68,87,117.74**	TOTAL		**32,68,87,117.74**

Schedules 1 to 11 form an integral part of accounts

For ARHAM DEVELOPERS RAMESH R KOTHARI (PARTNER) Place : Surat Date : 27/10/2017	In terms of our attached report of even date For ASAWA KANAIYA AND CO. CHARTERED ACCOUNTANTS ASAWA KANAIYA & CO. Chartered Accountants Parth D. Jain M. No. 165166 PARTH DINESHCHANDRA JAIN (PARTNER) M. NO. : 165166 FRN : 0117390W

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2017

Schedule : 1

Capital Account of Dinesh Ranglal Kothari

Particulars	Amount	Particulars	Amount
To Interest On Tds	120.00	By Opening Balance	45,79,966.91
To Advance Income Tax	8,456.00	By Net Profit	7,07,322.62
To Self Assesment Tax	9,365.00	By Introduction Of Capital	14,19,00,000.00
To Withdrawal During The Year	4,00,50,000.00		
To Old Loss Written Off	3,81,057.00		
To Interest On Service Tax	40,723.50		
To Closing Balance	10,66,97,568.03		
Total	**14,71,87,289.53**	**Total**	**14,71,87,289.53**

Capital Account of Ramesh Ranglal Kothari

Particulars	Amount	Particulars	Amount
To Interest On Tds	120.00	By Opening Balance	1,31,79,788.91
o Advance Income Tax	8,456.00	By Net Profit	7,07,322.63
To Self Assesment Tax	9,365.00	By Introduction Of Capital	12,75,20,000.00
To Withdrawal During The Year	10,51,11,213.00		
To Old Loss Written Off	3,81,057.00		
To Interest On Service Tax	40,723.50		
To Closing Balance	3,58,56,177.04		
Total	**14,14,07,111.54**	**Total**	**14,14,07,111.54**

Schedule : 2

UNSECURED LOANS

PARTICULARS	AMOUNT
Unsecured Loans	16,37,43,172.00
TOTAL	**16,37,43,172.00**

Schedule : 3

CURRENT LIABILITIES

PARTICULARS	AMOUNT
vance From Customer	1,36,00,000.00
Current Liabilities	13,02,337.00
Sundry Creditors	56,87,863.67
TOTAL	**2,05,90,200.67**

Schedule : 4

FIXED ASSETS

Particulars	Rate	WDV as on 01/04/2016	Addition		Deduction	Total	Dep for the Year	WDV as on 31/03/2017
			More than 180 Days	Less than 180 Days				
		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
PLANT & MACHINERY RO WATER TREATMENT	15%	11,16,518.00	0.00	0.00	0.00	11,16,518.00	1,67,478.00	9,49,040.00
LAND PIPLA LAND	-	0.00	49,71,110.00	0.00	0.00	49,71,110.00	0.00	49,71,110.00
(983.2) LAND DAMAN	-	1,16,60,000.00	0.00	11,70,000.00	0.00	1,28,30,000.00	0.00	1,28,30,000.00
MOTOR CYCLE MOTOR CYCLE	15%	96,050.00	0.00	0.00	0.00	96,050.00	14,408.00	81,642.00
MACHINERY AND PLANT MACHINERY	15%	2,84,750.00	0.00	0.00	0.00	2,84,750.00	42,712.00	2,42,038.00
Total		1,31,57,318.00	49,71,110.00	11,70,000.00	0.00	1,92,98,428.00	2,24,598.00	1,90,73,830.00

Schedule : 5

INVENTORY

PARTICULARS	AMOUNT
Stock-in-trade	14,72,46,305.00
TOTAL	14,72,46,305.00

Schedule : 6

SUNDRY DEBTORS

PARTICULARS	AMOUNT
Sundry Debtors	7,07,620.00
TOTAL	7,07,620.00

Schedule : 7

CASH AND BANK

PARTICULARS	AMOUNT
Cash And Bank	37,00,995.25
TOTAL	37,00,995.25

Schedule : 8

OTHER CURRENT ASSETS

PARTICULARS	AMOUNT
Other Current Assets	7,12,33,609.49
TOTAL	7,12,33,609.49

Schedule : 9

LOANS AND ADVANCES (ASSETS)

PARTICULARS	AMOUNT
Loans And Advances (assets)	8,49,24,758.00
TOTAL	8,49,24,758.00

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2017

Schedule : 10

PURCHASE A/C

PARTICULARS	AMOUNT
Purchase A/c	6,93,95,5[illegible].00
TOTAL	6,93,95,5[illegible].00

Jain

Chartered Accountants

Schedule: 11

Accounting Polices & Notes on Accounts

1. The accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.
2. Fixed Asset are value at cost less depreciation. The depreciation has been calculated at the rates provided.
3. The Income & Expenses which are not supported by formal proofs are certified by partner as correct & incurred for the purpose of business only.
4. Being first year under audit, balances of previous year are not given.
5. Sundry Debtors, Loans & Advances, Unsecured Loans are subject to confirmation and reconciliation.
6. Details given in form no. 3CD are furnished by the Auditee Firm and we have broadly reviewed the basis of compiling and checked where ever considered necessary.
7. Balances of Sundry Debtors, Sundry Creditors and Unsecured Loans are subject to confirmation and are taken as appearing in Books of Accounts.
8. Closing Stock are taken, valued and certified by the partner of the firm. It is informed to us that, such Work-in -Progress were taken on Proportion wise on Cost incurred of full project.

Schedules 1 to 11 form an integral part of accounts

r ARHAM DEVELOPERS, RAMESH R KOTHARI (PARTNER) Place : Surat Date : 27/10/2017	In terms of our attached report of even date For ASAWA KANAIYA AND CO. CHARTERED ACCOUNTANTS ASAWA KANAIYA & CO. Chartered Accountants Parth D. Jain M. No. 165166 PARTH DINESHCHANDRA JAIN (PARTNER) M. NO. : 165166 FRN : 0117390W

Date: 23.10.2017.

Place: Surat.

From

M/S ARHAM DEVELOPERS

5/188, RUWALA S TEKRO, HARIPURA,

SURAT GUJARAT - 395003

To

Asawa Kanaiya & Co.

236-237, Annapurna Textile Market,

Ring Road, Surat.

Sub: Certificate for financial year 2016-17.

Dear Sir,

With reference to above subject, we hereby clarify as well as certify the following matters:

a) that payment of all the revenue expenditure in excess of Rs. 20000/- were made by account payee cheques or bank draft as the case may be,

b) that every single rupee in the case of any loans or deposits account having credit balance of Rs. 20000/- or more had been accepted or repaid were made through account payee cheques or bank draft,

c) that payments made to persons specified under section 40A(2)(b) as mentioned in annexure attached to Form No. 3 CD are correct and final,

d) that balances of Unsecured Loans, sundry Receivables and balance with banks are correct as per my knowledge,

e) that expenses which are not supported by formal proofs are correct and was actually incurred for the purpose of business only.

FOR M/S ARHAM DEVELOPERS

(PARTNER : RAMESH R KOTHARI)