M/S. TRUE VALUE BUSINESS BAY

AUDIT REPORT

FINANCIAL YEAR – 2014-15

PARTNERS

SAMEER B. MAHESHWARI
MANISH D. SHAH

REGISTERED OFFICE

TRUE VALUE HOUSE.
OPP. SUNDARVAN BUS-STOP,
NR. ISRO, SATELLITE,
AHMEDABAD – 380 015.

AUDITORS

VKJD & ASSOCIATES
Chartered Accountants
808, SPAN TRADE CENTRE,
OPP. KOCHRAB ASHRAM,
PALDI, AHMEDABAD – 380007.

M/S. True Value Business Bay
BALANCE SHEET AS AT 31st MARCH, 2015

Particulars	Note No.	Amount (in Rs.)	Amount (in Rs.)
SOURCES OF FUNDS:			
(a) Partners' Capital A/C.	1		20000
(b) Current Liabilities & Provision			
(i) Sundry Creditors & Other Current Liab.	2	95146954	
			95146954
TOTAL...			**95166954**
APPLICATIONS OF FUNDS:			
(a) Current Asset, Loan & Advances			
(i) Inventory	3	51827790	
(ii) Deposits, Loans & Advances	4	42757280	
(iii) Cash & Bank Balance	5	233446	
(iv) Receivable From Revenue Authority	6	170978	
(v) Sundry Debtors		0	
(vi) Short Term Loans & Advances	7	177460	
			95166954
Notes of Accounts			
TOTAL...			**95166954**

subject to our report of even date attached herewith

For, True Value Business Bay

Manish D. Shah (Partner)

Sameer B. Maheshwari (Partner)

For, V K J D & Associates
Chartered Accountants

JIGNASHU K. SHAH
(Partner)
Membership No. 117481
Firm Reg. No.128985W

PLACE : AHMEDABAD
DATE : 01/08/2015

PLACE: AHMEDABAD
DATE : 01/08/2015

M/S. True Value Business Bay

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31. 03. 2015

Particulars	Amount	Particulars	Amount
Opening Work-in Process	0	Closing Work-in-Process	51827790
Land	47655400		
Construction Expenses	4172390		
Total	**51827790**	**Total**	**51827790**

Subject to our report of even date attached herewith

For, True Value Business Bay

Manish D. Shah
(Partner)

Sameer B. Maheshwari
(Partner)

For, V K J D & Associates
Chartered Accountants

JIGNASHU K. SHAH
PARTNER
Membership No. 117481
FIRM REG. NO. 128985W

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Notes Forming Part of Profit & Loss Account :

CONSTRUCTION EXPENSES :

Particulars	**Note No.**	**Amount**
Construction Expenses	8	2593920
Professional Fees for the Project	9	24600
Advertisement,Selling & Other Expenses	10	1553870
Total Amount		**4172390**

M/S. True Value Business Bay

NOTE NO : 1
PARTNER'S CAPITAL ACCOUNT

NAME	Share of Profit	Opening Balance 01.04.2014	Addition	Share of Profit / Loss	Interest to Partner	Remuneration to Partner	Withdrawal	Closing Balance 31.03.2015
1. Manish D. Shah	50.00%	0	10000	0	0	0	0	10000
2. Sameer B.Maheshwari	50.00%	0	10000	0	0	0	0	10000
		0	**20000**	**0**	**0**	**0**	**0**	**20000**

AHMEDABAD
Chartered Accountants

M/S. True Value Business Bay
F.Y. 2014-15

NOTE NO : 2
SUNDRY CREDITORS & OTHER CURRENT LIABLITIES

Particulars	Amount
Sundry Creditors	92256
Balance with Bank	
CBI A/c No. 3431424906 (Due to Reconciliation)	44635910
Other Current Liabilities	
Service tax payable	886701
VAT payable	212095
Advance Received from Customers	35519992
Other Payable	13800000
TOTAL...	**95146954**

NOTE NO : 3
INVENTORY

Particulars	Amount
CLOSING WORK-IN-PROCESS	51827790
TOTAL...	**51827790**

NOTE NO : 4
DEPOSITES, LOANS & ADVANCES

Particulars	Amount
Loans & Advances	42709280
Deposites	48000
TOTAL...	**42757280**

NOTE NO : 5
CASH & BANK BALANCE

Particulars	Amount
Cash in Hand	233446
TOTAL...	**233446**

NOTE NO : 6
RECEIVABLE FROM REVENUE AUTHORITY

Particulars	Amount
TDS Receivable F.Y. 2014 - 15	170978
TOTAL...	**170978**

NOTE NO : 7
SHORT TERM LOANS & ADVANCES

Particulars	Amount
Advanced to Suppliers	177460
TOTAL...	**177460**

VKJD & Associates Chartered Accountants AHMEDABAD

Notes Forming Part of Profit and Loss Account:

LAND PURCHASED :

Particulars	Amount
Land at Plot No. 318	47655400
Total...	47655400

NOTE NO : 8
CONSTRUCTION MATERIAL EXPENSES :

Particulars	Amount
M.S.Steel,Pipe,Angle,Flate Bars	736565
Total...	736565

DIRECT EXPENSES (CONSTRUCTION) :

Particulars	Amount
Bank Charges	1292
Electricity Charges	37479
Stationery Expense	3445
Security Chargs	118354
Testing, Inspection & Certification	57871
Waterproofing Work	33500
Site Office Expense	20154
Municipal Commissioner	1373165
VAT Expense	212095
Total...	1857355

Total...	2593920

NOTE NO : 9
PROFESSIONAL FEES :

Particulars	Amount
Audit Fees	17100
Project Professional Fees	7500
Total...	24600

NOTE NO : 10
ADVERTISEMENT, SELLING & OTHER EXPENSES :

Particulars	Amount
Brokerage for Project	1500000
Travelling Exp.	53870
Total...	1553870

KJD & Associates AHMEDABAD

M/S. TRUE VALUE BUSINESS BAY
(F.Y.2014-15)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

(1.1) Basis of Preparation of financial statements:

- The financial statements have been prepared under the historical cost convention, on an accrual basis and in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting standards.

(1.2) REVENUE RECOGNITION

(i) Recognition of Revenue from real estate projects

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Income from operations is net of adjustment on account of cancellation/returns if any.

Revenue from sale of developed property is recognized upon transfer of all significant risks and rewards of ownership of such property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the allotment letter/agreements, except for contracts where the Firm still has obligations to perform substantial acts even after the transfer of all significant risks and rewards. In such cases, the revenue is recognized on percentage of completion method, when the stage of completion of each project reaches a significant level which is estimated to be at least 25% of the total estimated construction cost of the project. Revenue is recognized in proportion that the costs incurred for work performed up to the reporting date bear to the estimated total project costs including land / land development right.

Revenue from projects is recognized when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

(ii) Interest Income

Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(1.3) FIXED ASSETS AND DEPRECIATION

(i) Fixed Assets, if any are stated at cost less depreciation. Cost includes all identifiable expenditure incurred to bring the assets to its present condition and location.

(i) Depreciation is provided on Written down Value Method at the rates specified under the Income Tax Act, 1961.

(1.4) TAXATION

(i) Taxes on Income are recognized in the books of accounts as and when paid to the credit of Government.

(1.5) INVENTORIES

(i) Work-in-progress - Real Estate Projects:

Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized.

(ii) Related to Construction and Real Estate Projects:

Direct expenditure relating to construction activity is inventoried. Indirect expenditure (including borrowing costs) during the period of construction is inventoried to the extent the expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the profit and loss account. Cost incurred/items purchased specifically for projects are taken as consumed as and when incurred/received.

(1.6) TRANSACTIONS IN FOREIGN CURRENCY

Foreign Currency transactions are accounted at the exchange rates prevailing on the date of the relevant transactions. Foreign currency transactions are translated at exchange rates prevailing on the balance sheet date and gain or loss arising on such translation is adjusted to the profit and loss account.

VINOD & ASSOCIATES AHMEDABAD

(1.7) 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 financial statements and the reported amount of revenues and expenses during the reported period. Differences between the actual result and estimates are recognized in the period in which the results are known/determined.

In the opinion of the Partners, The current Assets, Loans and Advances are of the approximate value as stated in the Balance Sheet. If realized in the ordinary course of business and the provisions for all known liabilities are adequate and not in excess of amount reasonably necessary.

The closing work-in-process has been taken, valued, verified and certified by the partners of the Firm.

The Auditors have verified the transaction as recorded in the books with such documentary evidences as were available and produced before them. Where the documentary evidences were not available, the vouchers / entries as certified by the partners have been relied upon.

The Balances of Bank, Unsecured Loans, Loans & Advances, Sundry Debtors and Sundry Creditors are subject to confirmation.

As per our report of even dated attached herewith

FOR VKJD & ASSOCIATES
CHARTERED ACCOUNTANTS

JIGNASHU K SHAH
PARTNER
M No. 117481
Firm Reg. No. 128985W

PLACE : AHMEDABAD
DATE : 01/08/2015

For and on behalf of the firm
True value Business Bay

Manish D. Shah **Sameer B. Maheshwari**
(Partner) **(Partner)**

PLACE : AHMEDABAD
DATE : 01/08/2015