PRATHAM PROPERTIES

Pratham Properties

Statement of Profit and Loss for the year ended as on 31st March, 2017

Particulars	Note No	Year ended 31st March 2017 ₹	Year ended 31st March 2016 ₹
INCOME :			
Sale of Units		12,97,83,392	18,16,87,774
Other Income	7	57,73,232	66,47,571
Prior Period Adjustments		(1,23,443)	2,63,224
	Total	**13,54,33,181**	**18,85,98,570**
EXPENDITURE :			
Cost of Land, Plots & Construction Expenses	8	8,46,99,702	10,70,86,321
Increase/ (Decrease) in Work in Progress	9	(2,21,42,375)	43,38,561
Financial Charges	10	4,87,736	18,55,671
Payment to and Provision for Employees	11	4,71,95,053	3,70,37,435
Selling & Administration Expenses	12	1,73,80,908	1,94,81,071
Depreciation	4	54,79,765	44,05,266
	Total	**13,31,00,790**	**17,42,04,324**
Profit Before Tax		**23,32,392**	**1,43,94,246**
Income Tax (Including Provision)		13,00,000	31,00,000
Deferred Tax Adjustments		(11,28,033)	11,52,265
Profit/(Loss) After Tax	**Total**	**21,60,425**	**1,01,41,981**
Profit/(Loss) For the year Transferred to Capital A/c as	%		
Pratham Realty Pvt. Ltd.	51%	11,01,817	51,72,410
Shri Jayant S Sanghvi	30%	6,48,127	25,35,495
Smt. Vishakha J Sanghvi	14%	3,02,460	14,19,877
Shri Chandrakant J Doshi	5%	1,08,021	5,07,099
Shri Jayant S Sanghvi (HUF)		-	5,07,099
	Total	**21,60,425**	**1,01,41,981**

Notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For S G Bhagwat & Co
Chartered Accountants
Firm Registration No.:- 0101124W

For Pratham Properties

Jayant Sanghvi

Vsanghvi

Bhagwat

S G Bhagwat
Partner
Membership No. 30849

Partner **Partner**

Place : Vadodara
Date:- 29th September 2017

Place : Vadodara
Date:- 29th September 2017

PRATHAM PROPERTIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2017

Particular		31 March, 2017 ₹	31 March, 2016 ₹
Note 7 - Other Income			
Other Project Recovery		3,83,465	3,89,412
Other Miscellaneous Income		5,57,655	16,37,570
Property Rent		48,32,113	46,20,589
Total		57,73,232	66,47,571
Note 8 - Cost of Land, Plots & Construction Expenses			
Raw Materials Consumed			
Opening Stock Of Raw Material	1,09,41,210		
Add : Raw Material Purchase	1,72,74,237		2,47,63,914
Less: Closing Stock Of Raw Material	97,56,160	1,84,59,287	
Construction Materials		52,175	59,224
Contract for Construction Works		45,74,186	93,40,719
Labour Charges		1,03,15,861	1,93,88,787
Other Project Cost		5,12,98,193	5,35,33,678
Total		**8,46,99,702**	**10,70,86,321**
Note 9 - Increase (Decrease) in Work in progress			
Opening Stock of Raw Material		1,09,41,210	1,70,34,406
Opening Stock of Work In Progress		98,85,40,708	90,20,26,060
Opening Stock of Finished Goods		23,86,94,159	32,40,24,019
Opening Stock of Land		4,08,64,542	4,02,94,694
		1,27,90,40,619	1,28,33,79,179
Less : Stock of Raw Material(See Note 8 above)		1,09,41,210	-
	Total A	**1,26,80,99,409**	**1,28,33,79,179**
Closing Stock of Raw Material		97,56,160	1,09,41,210
Closing Stock of Work In Progress		98,43,65,848	98,85,40,708
Closing Stock of Finished Goods		24,79,10,334	23,86,94,159
Closing Stock of Land		5,79,65,602	4,08,64,542
		1,29,99,97,944	1,27,90,40,619
Less : Stock of Raw Material(See Note 8 above)		97,56,160	-
	Total B	**1,29,02,41,784**	**1,27,90,40,619**
	Total A-B	**(2,21,42,375)**	**43,38,561**
Note 10 - Financial Charges			
Interest Paid		4,87,736	18,55,671
Total		**4,87,736**	**18,55,671**
Note 11 - Payment to and Provisions For Employees			
Payment to Employees - Direct		2,52,25,699	1,84,48,667
- Indirect		2,19,69,354	1,85,88,768
Total		**4,71,95,053**	**3,70,37,435**
Note 12 - Selling & Administration Expenses			
Administration Expenses		31,25,958	11,93,349
Selling & Marketing Expenses		42,16,856	58,27,183
Communication Expenses		7,63,377	8,03,888
Electricity Expenses		10,31,477	8,41,870
Financial Charges		3,54,705	81,553
Interest & Penalty		22	4,168
Legal & Professional Expenses		60,06,998	75,85,077
Rent & Rates & Taxes		13,69,927	20,35,922
Repairs & Maintenance		4,25,939	7,58,533
Vehicle Running and Maintenance Expenses		85,650	3,49,527
Total		**1,73,80,908**	**1,94,81,071**

Pratham Properties

Notes forming part of the financial statements -31st March, 2017

Note 4: Fixed Assets

In ₹

Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	WDV As at 01-Apr-16	Additions during the year	Adjustments during the year	As at 31-Mar-17	As at 01-Apr-16	Addition	Adjustments	As at 31-Mar-17	WDV As at 31-Mar-17	WDV As at 31-Mar-16
Building	41,90,197	-	-	41,90,197	24,76,642	1,71,356	-	26,47,998	15,42,199	17,13,555
Computer Software	1,68,81,157	7,62,012	-	1,76,43,168	1,46,91,282	14,61,938	-	1,61,53,219	14,89,950	21,89,875
Construction Equipments	99,93,947	70,170	-	1,00,64,117	61,62,443	6,06,306	-	67,68,749	32,95,368	38,31,504
Furniture & Fixtures	36,55,878	3,13,195	-	39,69,073	20,36,000	2,86,162	-	23,22,162	16,46,911	16,19,878
Office Euipments	13,94,964	42,632	-	14,37,596	7,10,408	1,81,032	-	8,91,440	5,46,156	6,84,556
Temporary Structure	14,71,709	90,520	-	15,62,229	14,70,129	92,100	-	15,62,229	-	1,580
Vehicles	92,55,431	1,05,489	27,25,687	66,35,233	34,81,339	10,93,603	23,14,122	22,60,820	43,74,413	57,74,092
Domain Intangible Assets	5,08,636	-	-	5,08,636	1,27,159	95,369	-	2,22,528	2,86,108	3,81,477
SAP	4,25,000	43,28,000	-	47,53,000	1,27,500	14,91,900	-	16,19,400	31,33,600	2,97,500
Total ₹	**4,77,76,920**	**57,12,018**	**27,25,687**	**5,07,63,251**	**3,12,82,901**	**54,79,765**	**23,14,122**	**3,44,48,545**	**1,63,14,706**	**1,64,94,017**
Previous Year ₹	**4,32,75,957**	**90,55,891**	**41,40,868**	**4,81,90,981**	**3,01,64,799**	**44,05,266**	**28,73,102**	**3,16,96,963**	**1,64,94,020**	**1,31,11,158**

Pratham Properties

Notes Forming Part of the Financial Statements – 31st March 2017

Note 14

1] Significant Accounting Policies

A. Basis of Preparation of Financial Statements

The financial Statements are prepared under the mercantile system of accounting on historical cost convention basis.

B. Fixed Assets

Fixed Assets are stated at cost and including all taxes, less accumulated depreciation. Cost comprises of purchase price and any directly attributable expenditure on making the assets ready for its intended use.

C. Depreciation

The firm provides depreciation on assets on written down value method.

D. Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence.

Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred to in bringing them to their respective present location and condition.

E. Revenue Recognition

I. Revenue from Sale of Residential Units

a. In respect of projects which were commenced before 1st April 2012:

Inconsistence with the method of recognition of revenue in the previous years, the revenue from sale of Residential Unit is recognized on substantial completion of the terms of the composite contracts with the purchasers of the unit subject to the payment being received in full in respect of the same.

b. In respect of project commenced after 1st April 2012

Revenue is recognized on the principles laid out in paragraphs 11 and 12 of Accounting Standard (AS) 9 [Recognition of Revenue] which is further supplemented by the Revised Guidance Note on Recognition of Revenue by Real Estate Developers published by the Institute of Chartered Accountants of India. Accordingly, the firm has adopted the percentage of Completion Method as mandated by Accounting Standard (AS) 7 for recognizing revenue in project commenced after 1st April 2012.

Pratham Properties

Notes Forming Part of the Financial Statements – 31st March, 2017

II. Income from interest

Income from interest is accounted for on time proportion basis, taking into account the amount outstanding and rates applicable.

F. Advance Payments

Advance payment on account of Capital or revenue accounts are shown under appropriate heads under current assets, loans and advances in the Balance Sheet.

G. Borrowing Cost

Borrowing cost that are directly attributable to qualifying assets, including long term projects/Development Activities are treated as part of the respective project cost and added to the stock in trade. Other borrowing costs are charged as an expense in the year in which they are incurred.

H. Employee Cost

I. Short-term employee benefits are recognized as an expense, at the undiscounted amount in the Statement of profit & Loss of the year in which the related service is rendered.

II. Post Employment and other long term employee benefits are recognized as an expense in the Statement of profit & loss for the year in which the employee has rendered services. The expenses is recognized at the present value of the amounts payable determined using actuarial valuation techniques, for which certificate from Registered Valuer has been obtained. Actuarial gains and losses in respect of the post employment and other long term benefits are charged to the statement of Profit & Loss.

I. Taxation

Provision for current income tax is made in accordance with the Income Tax Act, 1961. Deferred tax liabilities and assets are recognized at subsequently enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

2] Notes to financial statements

1. Previous year's figure have been re-grouped and re-arranged wherever found necessary to make them comparable to those of the current year.

Pratham Properties

Notes Forming Part of the Financial Statements – 31st March, 2017

2. Balance standing to the debit/credit of the parties disclosed under the heads current assets, loans and advances as well as current liabilities are subject to confirmation as are the balances of lenders.

3. In Opinion of the firm, all known liabilities are provided for and all the current assets, loans and advances have a value on realization, the value stated in Balance Sheet, if realized in the ordinary course of business.

For S.G.Bhagwat & Co.
Chartered Accountants
FRN 101124W

CA S.G.Bhagwat
Partner
Membership No.30849
Vadodara 29th September, 2017

For Pratham Properties

Partner Partner

Vadodara 29th September, 2017