AUDIT REPORT

FOR THE ACCOUNTING YEAR

2014 - 2015

OF

3K PRIME PROPERTIES
(PROP. : KISHORBHAI B. KHENI)

GODADRA, .. SURAT, GUJARAT-395007

BY
AUDITORS

SUTARWALA AND ASSOCIATES
CHARTERED ACCOUNTANTS
2ND FLOOR, IRA, KHARADI SHERI, NANPURA, SURAT-395001
GUJARAT

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. I have examined the balance sheet as on 31/03/2015, and the Profit and loss account for the period beginning from 01/04/2014 to ending on 31/03/2015, attached herewith of KISHORBHAI BABUBHAI KHENI (PROP. of 3K PRIME PROPERTIES), GODADRA, SURAT, GUJARAT-395007, PAN - ADGPK2024H.

2. I 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 GODADRA, , SURAT, GUJARAT-395007 and 0 branches.

3. (a) I report the following observations/comments/discrepancies/inconsistencies, if any: Nil

   (b) Subject to above -

   (A) I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purposes of the audit.

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

   (C) In my opinion and to the best of my information and according to the explanations given to me, 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, 2015 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 my opinion and to the best of my information and according to explanations given to me, the particulars given in the said Form No. 3CD are true and correct subject to following observations/qualifications, if any.

For Sutarwala And Associates
Chartered Accountants

Mahish Niranajan Sutarwala
(Proprietor)
M. No. : 101515
FRN : 116671W
2nd Floor, Ira, Kharadi Sheri,
Nanpura, Surat-395001 Gujarat

Date : 20/09/2015
Place : Surat

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 : KISHORBHAI BABUBHAI KHENI (PROP. of : 3K PRIME PROPERTIES)

2 Address : ,, GODADRA, ,, SURAT, GUJARAT-395007

3 Permanent Account Number : ADGPK2024H

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	Sales Tax/VAT (GUJARAT)	24221704963
2	Service Tax	ADGPK2024HSD001

5 Status : Individual

6 Previous year from : 01/04/2014 to 31/03/2015

7 Assessment year : 2015-16

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

SN	Type
1	Clause 44AB(a)- Total sales/turnover/gross receipts in business exceeding Rs. 1 crore

PART-B

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

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 : 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
Construction income PURCHASE REGISTER, CASH BOOK, BANK BOOK, LEDGER

b List of books of account maintained and the address at which the books of accounts are kept.(In case books of account are maintained in a computer system, mention the books of account generated by such computer system. If the books of accounts are not kept at one location, please furnish the addresses of locations along with the details of books of accounts maintained at each location.)

Books maintained	Address line 1	Address line 2	City/Town/District	State	Pincode
Construction income	, GODADRA		SURAT	GUJARAT	395007

PURCHASE REGISTER CASH BOOK BANK BOOK LEDGER					

c. List of books of account and nature of relevant documents examined — Construction income PURCHASE REGISTER, CASH BOOK, BANK BOOK, LEDGER

12. Whether the profit and loss account includes any profits and gains assessable on presumptive basis, if yes, indicate the amount and the relevant section (44AD, 44AE, 44AF, 44B, 44BB, 44BBA, 44BBB, Chapter XII-G, First Schedule or any other relevant section.) — No

Section	Amount
Nil	Nil

13. a. Method of accounting employed in the previous year — Mercantile system

b. Whether there has been any change in the method of accounting employed vis-a-vis the method employed in the immediately preceding previous year — No

c. If answer to(b) above is in the affirmative, give details of such change, and the effect thereof on the profit or loss

Particulars	Increase in profit	Decrease in profit
NA	NA	NA

d. Details of deviation, if any, in the method of accounting employed in the previous year form the accounting standards prescribed under section 145 and the effect thereof on the profit or loss.

Particulars	Increase in profit	Decrease in profit
NA	NA	NA

14. a. Method of valuation of closing stock employed in the previous year — At Cost or Net Realisable Value, which ever is lower

b. In case of deviation from the method of valuation prescribed under section 145A, and the effect thereof on the profit or loss, please furnish — No

Particulars	Increase in profit	Decrease in profit
Nil	Nil	Nil

15. Give the following particulars of the capital asset converted into stock-in-trade :-

Description of capital asset	Date of acquisition	Cost of acquisition	Amount at which asset is converted in to stock in trade
Nil	Nil	Nil	Nil

16. Amounts not credited to the profit and loss account, being :-

a. The items falling within the scope of section 28. : NA

b. The proforma credits, drawbacks, refunds of duty of customs or excise or service tax or refunds of sales tax or value added tax, where such credits, drawbacks or refunds are admitted as due by the authorities concerned. : NA

c. Escalation claims accepted during the previous year : NA

d. Any other item of income — AS PER ANNEXURE 'I'

e. Capital receipt, if any

Description	Amount
Agriculture Income	714611

17 Where any land or building or both is transferred during the previous year for a consideration less than value adopted or assessed or assessable by any authority of a State Government referred to in section 43CA or 50C, please furnish: AS PER ANNEXURE 'II'

18 Particulars of depreciation allowable as per the Income-tax Act, 1961 in respect of each asset or block of assets, as the case may be, in the following form :- AS PER ANNEXURE 'III'

19 Amount admissible under sections 32AC/33AB/33ABA/35/35ABB/35AC/35CCA/35CCB/35D/35DD/35DDA/35E: NA

20 a Any sum paid to an employee as bonus or commission for services rendered, where such sum was otherwise payable to him as profits or dividend [section 36(1)(ii)]: NA

b Details of contributions received from employees for various funds as referred to in section 36(1)(va): NA

21 a Please furnish the details of amounts debited to the profit and loss account, being in the nature of capital, personal, advertisement expenditure etc.

Capital expenditure

Particulars	Amount
Nil	Nil

Personal expenditure

Particulars	Amount
Nil	Nil

Advertisement expenditure in any souvenir, brochure, tract, pamphlet or the like published by a political party

Particulars	Amount
Nil	Nil

Expenditure incurred at clubs being entrance fees and subscriptions

Particulars	Amount
Nil	Nil

Expenditure incurred at clubs being cost for club services and facilities used

Particulars	Amount
Nil	Nil

Expenditure by way of penalty or fine for violation of any law for the time being force

Particulars	Amount
Nil	Nil

Expenditure by way of any other penalty or fine not covered above

Particulars	Amount
Nil	Nil

Expenditure incurred for any purpose which is an offence or which is prohibited by law

Particulars	Amount
Nil	Nil

b Amounts inadmissible under section 40(a) :-

i as payment to non-resident referred to in sub-clause (i)

(A) Details of payment on which tax is not deducted

Date of payment	Amount of payment	Nature of payment	Name of the payee	PAN of the payee	Address line 1	Address line 2	City/Town/ District	Pincode
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(B) Details of payment on which tax has been deducted but has not been paid during the previous year or in the subsequent year before the expiry of time prescribed under section 200(1)

Date of payment	Amount of payment	Nature of payment	Name of the payee	PAN of the payee	Address line 1	Address line 2	City/Town /District	Pincode	Amount of tax deducted

Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

ii. as payment referred to in sub-clause (ia)

(A) Details of payment on which tax is not deducted

Date of payment	Amount of payment	Nature of payment	Name of the payee	PAN of the payee	Address line 1	Address line 2	City/Town/District	Pincode
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(B) Details of payment on which tax has been deducted but has not been paid on or before the due date specified in sub-section (1) of section 139

Date of payment	Amount of payment	Nature of payment	Name of the payee	PAN of the payee	Address line 1	Address line 2	City/Town/District	Pincode	Amount of tax deducted	Amount out of (V) deposited, if any
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

iii. Fringe benefit tax under sub-clause (ic) Nil

iv. Wealth tax under sub-clause (iia) Nil

v. Royaltee, license fee, service fee etc. under sub-clause (iib) Nil

vi. Salary payable outside india/to a non resident without TDS etc. Under sub-clause (iii)

Date of payment	Amount of payment	Name of the payee	PAN of the payee	Address line 1	Address line 2	City/Town/District	Pincode
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

vii. Payment to PF/other fund etc. under sub-clause (iv) Nil

viii. Tax paid by employer for perquisites under sub-clause (v) Nil

c Amounts debited to profit and loss account being, interest, salary, bonus, commission or remuneration inadmissible under section 40(b)/40(ba) and computation thereof

Particulars	Section	Amount debited to P/L A/C	Amount admissible	Amount inadmissible	Remarks
Nil	Nil	Nil	Nil	Nil	Nil

d Disallowance/deemed income under section 40A(3)

(A) On the basis of the examination of books of account and other relevant documents/evidence, whether the expenditure covered under section 40A(3) read with rule 6DD were made by account payee cheque drawn on a bank or account payee bank draft. If not, please furnish the details Yes

Date of payment	Nature of payment	Amount	Name of the payee	PAN of the payee
Nil	Nil	Nil	Nil	Nil

(B) On the basis of the examination of books of account and other relevant documents/evidence, whether the payment referred to in section 40A(3A) read with rule 6DD were made by account payee cheque drawn on a bank or account payee bank draft If not, please furnish the details of amount deemed to be the profits and gains of business or profession under section 40A(3A) Yes

Date of payment	Nature of payment	Amount	Name of the payee	PAN of the payee
Nil	Nil	Nil	Nil	Nil

e provision for payment of gratuity not allowable under section 40A(7) Nil

f any sum paid by the assessee as an employer not allowable under section 40A(9) Nil g Particulars of any liability of a contingent nature

Nature of liability	Amount
Nil	Nil

h Amount of deduction inadmissible in terms of section 14A in respect of the expenditure incurred in relation to income which does not form part of the total income

Particulars	Amount
Nil	Nil

i amount inadmissible under the proviso to section 36(1)(iii) Nil

22 Amount of interest inadmissible under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 Nil

23 Particulars of any payment made to persons specified under section 40A(2)(b). NA

24 Amounts deemed to be profits and gains under section 32AC or 33AB or 33ABA or 33AC. NA

25 Any amounts of profits chargeable to tax under section 41 and computation thereof NA

26 (i) In respect of any sum referred to in clause (a),(b),(c),(d),(e) or (f) of section 43B the liability for which -

A Pre-existed on the first day of the previous year but was not allowed in the assessment of any preceding previous year and was -

(a) Paid during the previous year NA

(b) Not paid during the previous year NA

B Was incurred in the previous year and was -

(a) Paid on or before the due date for furnishing the return of income of the previous year 139(1). NA

(b) Not paid on or before the aforesaid date. NA

State whether sales tax, customs duty, excise duty or any other indirect tax, levy, cess, impost etc is passed through the profits and loss No

27 a Amount of Central Value Added Tax credits availed of or utilised during the previous year and its treatment in the profit and loss account and treatment of outstanding Central Value Added Tax credits in the accounts. No

b Particulars of income or expenditure of prior period credited or debited to the profit and loss account. NA

28 Whether during the previous year the assessee has received any property, being share of a company not being a company in which the public are substantially interested, without consideration or for inadequate consideration as referred to in section 56(2)(viia), if yes, please furnish the details of the same. No

Name of the person from which shares received	PAN of the person	Name of the company from which shares received	CIN of the company	No. of shares received	Amount of consideration paid	Fair market value of shares
Nil	Nil	Nil	Nil	Nil	Nil	Nil

29 Whether during the previous year the assessee received any consideration for issue of shares which exceeds the fair market value of the shares as referred to in section 56(2)(viib), if yes, please furnish the details of the same No

Name of the person from	PAN of the person	No. of shares	Amount of	Fair market value of

which consideration received for issue of shares			consideration received	the shares
Nil	Nil	Nil	Nil	Nil

30 Details of any amount borrowed on hundi or any amount due thereon (including interest on the amount borrowed) repaid, otherwise than through an account payee cheque. (Section 69D) : No

Name of person from whom amount borrowed or repaid on hundi	PAN of the person	Address line 1	Address line2	City/Town/District	State	Pincode	Amount borrowed	Date of borrowing	Amount due including interest	Amount repaid	Date of repayment
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

31 a Particulars of each loan or deposit in an amount exceeding the limit specified in section 269SS taken or accepted during the previous year : NA

b Particulars of each repayment of loan or deposit in an amount exceeding the limit specified in section 269T made during the previous year : AS PER ANNEXURE 'IV'

c Whether the taking or accepting loan or deposit, or repayment of the same were made by account payee cheque drawn on a bank or account payee bank draft based on the examination of books of account and other relevant documents : No

32 a Details of brought forward loss or depreciation allowance, in the following manner, to extent available -

Serial No	Assessment Year	Nature of loss /Depreciation allowance	Amount as returned	Amount as assessed	Order No and Date	Remarks
NA						

b Whether a change in shareholding of the company has taken place in the previous year due to which the losses incurred prior to the previous year cannot be allowed to be carried forward in terms of section 79 : No

c Whether the assessee has incurred any speculation loss referred to in section 73 during the previous year. If yes, please furnish the details of the same : No

d Whether the assessee has incurred any loss referred to in section 73A in respect of any specified business during the previous year : No

e In case of a company, please state that whether the company is deemed to be carrying on a speculation business as referred in explanation to section 73 : NA

33 Section-wise details of deductions, if any, admissible under Chapter VIA or Chapter III (Section 10A, Section 10AA) : Yes

Section under which deduction is claimed	Amounts admissible as per the provision of the Income-tax Act, 1961 and fulfils the conditions, if any,specified under the relevant provisions of Income-tax Act, 1961 or Income-tax Rules,1962 or any other guidelines, circular, etc, issued in this behalf.
80C	69327
80D	15000

34 a Whether the assessee is required to deduct or collect tax as per the provisions of Chapter XVII-B or Chapter XVII-BB, if yes please furnish: Yes

Tax deduction and collection Account Number (TAN)	Section	Nature of payment	Total amount of payment or receipt of the nature specified in column (3)	Total amount on which tax was required to be deducted or collected out of (4)	Total amount on which tax was deducted or collected at specified rate out of (5)	Amount of tax deducted or collected out of (6)	Total amount on which tax was deducted or collected at less than specified rate out of (7)	Amount of tax deducted or collected on (8)	Amount of tax deducted or collected not deposited to the credit of the Central Government out of (6) and (8)
1	2	3	4	5	6	7	8	9	10
SRTK02065A	194C	Payments to contractors	3030796	3030796	3030796	30534	0	0	0
SRTK02065A	194H	Commission or brokerage	350000	350000	350000	35050	0	0	0
SRTK02065A	194J	Fees for professional or technical services	312360	312360	312360	31236	0	0	0

b Whether the assessee has furnished the statement of tax deducted or tax collected within the prescribed time. If not, please furnish the details: No

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: Yes

Tax deduction and Collection Account Number(TAN)	Amount of interest under section 201(1A)/206C(7) is payable	Amount paid out of column (2)	Date of payment.
SRTK02065A	1476	0	

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 and 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 ?: No

38. Whether any audit was conducted under the Central Excise Act 1944 ? — No

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 ? — No

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			79794346			94425044
Gross profit/turnover	18230764	79794346	22.85	30611142	94425044	32.42
Net profit/turnover	16194601	79794346	20.30	17912913	94425044	18.97
Stock-in-trade/turnover	0	0	0.00	0	0	0.00
material consumed/Finished goods produced	NA	NA	NA	NA	NA	NA

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 Sutarwala And Associates
Chartered Accountants

Manish Niranajan Sutarwala
(Proprietor)
M. No. : 101515
FRN : 116671W
2nd Floor, Ira, Kharadi Sheri,
Nanpura, Surat-395001 Gujarat

Date : 20/09/2015
Place : Surat

Annexure 'I'

SN	Any other item of income	
	Description	Amount
1	Dividend Income	1403
2	Interest Income	1745884
3	LTCG on Sale of Land	3744157
4	Partners Interest 3K Prime	3357457
5	Profit From 3m Prime Pro. (Godadara)	[illegible]
6	Rent From School	1257200
7	Rent Income	188854
8	STCG on Sale of Land	[illegible]

Annexure 'II'

Where any land or building or both is transferred during the previous year for a consideration less than value adopted or assessed or assessable by any authority of a State Government referred to in section 43CA or 50C, please furnish

S N	Details of Property	Address Line 1	Address Line 2	City / Town / District	State	Pincode	Consideration recevied or accured	Value Adopted or assessed or assessable
1	Deladva	AT Post Surat		Surat	GUJARAT	395007	2972000	2972000
2	Umbhel	AT Post Surat		Surat	GUJARAT	395007	515152	515152
3	Lady	AT Post Surat		Surat	GUJARAT	395007	6645350	6645350

Annexure 'III'

Particulars of depreciation allowable as per the Income-tax Act, 1961 in respect of each asset or block of assets, as the case may be, in the following form :-

SN	Description of the block of assets	Rate of depreciation	Opening WDV	Additions					Deductions	Depreciation allowable	Written down value at the end of the year
				Purchase value	Adjustments on account of			Total value of purchase			
					CENVAT	Change in rate of exchange	Subsidy/ Grant				
1	(18r) Furnitures & Fittings @ 10%- Sec 32(1)(ii)	10%	33339	18000	0	0	0	18000		5134	46205
2	(18a) Plant & Machinery @ 15%- Sec 32(1)(ii)	15%	76483	7100000	0	0	0	7100000		1076472	6100011
3	(18e) Plant & Machinery @ 60%- Sec 32(1)(ii)	60%	3180							1908	1272
	Total		113002	7118000	0	0	0	7118000	0	1083514	6147488

Additions : (18r) Furnitures & Fittings @ 10%- Sec 32(1)(ii)

Date of purchase	Date of put to use	Amount	MODVAT	Exchange rate change	Subsidy grant	Total Amount

15/05/2014	15/05/2014	18000	0	0	0	18000
	Total	18000	0	0	0	18000

Additions : (18a) Plant & Machinery @ 15%- Sec 32(1)(ii)

Date of purchase	Date of put to use	Amount	MODVAT	Exchange rate change	Subsidy grant	Total Amount
07/07/2014	07/07/2014	7100000	0	0	0	7100000
	Total	7100000	0	0	0	7100000

Annexure 'IV'

Particulars of each repayment of loan or deposit in an amount exceeding the limit specified in section 269T made during the previous year.

S N	Name of Payee:	Address of Payee	PAN of Payee:	Amount of the repayment:	Maximum amount outstanding in the account at any time during Previous Year:	Whether the repayment was made otherwise than by account payee cheque or account payee bank draft:
1	Darshana Sutarwala	Surat	ANAPS7261A	200000	200000	Yes
2	Rameshbha S. Sutarwala	Surat	AFXPS2489D	200000	200000	Yes
3	V. R. Sutarwala	Surat	ADRPS1583L	200000	200000	Yes
4	Varshit Enterprise	Surat	AAFHM0835G	500000	500000	Yes
5	Jayshreeben N Sutarwala	Surat	ADRPS1312D	913500	913500	Yes
6	K.B. Kheni HUF	Surat	AAFHK2316J	200000	330190	No
7	Mangal Murti Impex Pvt. Ltd	Surat	AAGCM5940C	1750000	1750000	Yes