M/S. VEE AAR ASSOCIATES
606, LALBHAI CONTRACTOR COMPLEX,
OPP. PARSI LIBRARY,
NANPURA, SURAT - 395001

ACCOUNTING POLICIES :-

[1] (a) The financial statements have been prepared in accordance with normally accepted accounting principles.

(b) Revenue is ascertained on the basis of Architect's Certification and expenditure is accounted on accrual basis.

NOTES ON ACCOUNTS :-

[1] The balance of sundry debtors, creditors and various bookers are subject to confirmation, however, the partner has confirmed the same as correct.

[2] The expenses for which no supportings found are certified by the partner as correct.

[3] Previous year figures are regrouped, reclassified wherever considered necessary to confirm with current year figures.

[4] The financial statements are the responsibility of the management, our responsibility is to express an opinion on the given financial statement which is as per our Audit Report.

[5] Depreciation is not provided in the books of account. Fixed assets are stated at cost of acquisition.

[6] We have conducted the audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

[7] During the year under consideration, there was a search of service tax preventive wing conducted on the " Sangini" group on 12-11-2014, wherein three firms having various construction projects were covered. In one of the firm viz. Vee Aar Associates a sum of Rs. 5,90,36,000/- (61,86,000 Gardania + 58,00,000 [3.71%] Swar Sangini + 4,70,50,000 [3.71%] Solitaire) were declared as booking amount during the quarter July-Sepember, 2014. The said amount was through oversight shown as "Unsecured Loan" in the books of accounts.

The original ST-3 return for the period April, 2014 to September 2014 was filed before 12-11-2014(serach date) and therefore revised ST-3 was filed within the stipulated time adding the declared figure of booking amount and thereby paying the Service Tax on it. Now, as the accountant of the firm rectified the entries of "Unsecured Loan" to "Booking Account" on 12-11-2014, the amount of service tax amounting to Rs. 21,51,882/- (1,91,147 + 2,15,180 + 17,45,555) was paid again i.e. in the quater Ocober - December,2014 (paid twice). This mistake came to notice during the course IT audit work of CA. Hence, this note is incorporated for the better understanding. Therefore, the final balance of CANVAT credit of service tax comes to Rs. 23,20,380/- as on 31-03-2015 (CENVAT credit as per ST - 3 as on 31-03-2014 - Rs.1,68,498 + Rs. 21,51,882 as explained above).

[8] As the time for filing revised ST-3 return i.e.90 days for the period Ocober-March, 2015 has been lapsed from filing of original ST-3 return i.e.24-04-2015, the effect of the same will be given in ST-3 for the period April - September,2015. Hence, this note is incorporated for the better understanding

FOR VEE AAR ASSOCIATES

X

PARTNER

FOR SHUKLA MODY & CO.
CHARTERED ACCOUNTANTS

SHUKLA MODI & Co.
SURAT
CHARTERED ACCOUNTANTS

CA. HITENDRA R. MODY
PARTNER
M. NO. 46835
FRN : 118247W