s.g.bhagwat & co.
Chartered Accountants
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INDEPENDENT AUDITORS REPORT

To
The Partners of
Pratham Properties, Vadodara

Report on the Financial Statements

We have audited the accompanying financial statements of Pratham Properties having their office at Ground Floor, "Pratham", Makrand Desai Road Gotri, Vadodara 390007 which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss for the year ended on that date and the annexed summary of significant accounting policies and other explanatory information (The Financial Statements).

Management's Responsibility for the Financial Statements

Management of the firm is responsible for the preparation of these financial statements in accordance with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the firm in accordance with the accounting principles generally accepted in India, prescribed by the Institute of Chartered Accountants of India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Firm and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the accounting and auditing standards and matters which are required to be included in the audit report

We conducted our audit in accordance with the Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Firm's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us subject to Notes on Accounts thereon:

a. the financial statements of Pratham Properties, Vadodara for the year ended 31st March 2020 are prepared, in all material respects, in accordance with Generally Accepted Accounting Standards prescribed by the Institute of Chartered Accountants of India

b. in our opinion proper books of account as required by law have been kept by the firm so far as appears from our examination of those books

c. the Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account and ;

d. the financial statements give the information in the manner so required and give a true and fair view :

   i in the case of the Balance Sheet, of the state of affairs of the Firm as at March 31, 2020.

   and

   ii in the case of the Statement of Profit and Loss of the **Profit** for the year ended on that date.

For S.G.Bhagwat & Co.
Chartered Accountants
FRN 0101124W

CA S.G. Bhagwat
Partner
Membership No. 030849
UDIN: 20030849AAAADA5733

Vadodara, 1st October 2020

Pratham Properties

Notes Forming Part of the Financial Statements – 31st March 2020

Note 16

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. Cost of raw materials is determined on First in First out basis [FIFO].

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.

II. Income from interest

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

Pratham Properties

Notes Forming Part of the Financial Statements – 31st March, 2020

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. Contingent Liabilities: Nil
2. The firm has considered the uncertainty relating to impact of the Covid 19 on the financial statements, the Firm has used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis and based on the current estimates, the Firm expects to fully recover the carrying amount of inventories, loans and advances, trade receivables, intangible assets and investments. In the opinion of the Partners, All known liabilities are provided for and the entire current asset, Loans & Advances have a value on realization at the value stated in Balance sheet if realized in the ordinary course of business
3. 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, 2020

4. 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.

5. 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 0101124W

CA S.G.Bhagwat
Partner
Membership No.030849
UDIN: 20030849AAAADA5733
Vadodara,1st October 2020

For Pratham Properties

Partner Partner

Vadodara,1st October 2020