

KAILASH CHAND JAIN & CO. (Regd.)

CHARTERED ACCOUNTANTS

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Near Income Tax Office,
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Independent Auditors' Report

To

The Members of

Adeshwar Realty Private Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of **M/s Adeshwar Realty Private Limited** ('the Company'), which comprise the Balance Sheet as at **31st March, 2014** and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act") read with the General Circular 15/2013 dated 13 September 2013 of Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.

4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at **31st March, 2014**
 - (b) In the case of the Statement of Profit and Loss, of the **profit** for the year ended on that date;
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

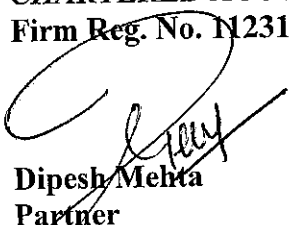
7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

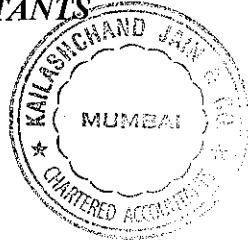


8. As required by section 227(3) of the Act, we report that:

- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet and Statement of Profit and Loss dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.; and
- (e) On the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For and on behalf of
KAILASH CHAND JAIN & CO.,
CHARTERED ACCOUNTANTS
Firm Reg. No. N2318W.


Dipesh Mehta
Partner
Membership No. 134607



Place : Mumbai
Dated : 28/04/2014

Annexure to the Auditors' Report

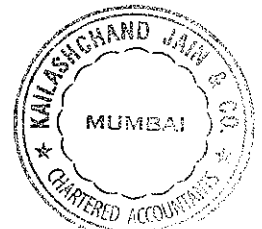
ADESHWAR REALTY PRIVATE LIMITED

(Referred to in paragraph 1 of our Report of even date)

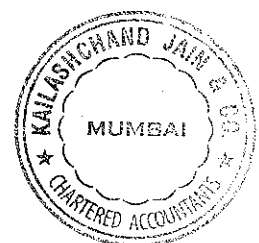
- 1 a) According to the information and explanation given to us the company has maintained proper records showing full particulars including quantitative details & situation of fixed assets.
- b) All the assets have been physically verified by management during the year and no material discrepancies were noticed on such verification.
- c) During the year the company has not disposed any substantial part of fixed assets affecting going concern of the company.
- d) None of the fixed assets have been revalued during the year.

- 2 a) The inventory is physically verified during the year by the management of the company. In our opinion, the frequency of such verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of company and nature of its business
- c) As per explanation provided by management the company is maintaining proper records of inventory and no discrepancies were noticed on verification between physical stock and book stocks.

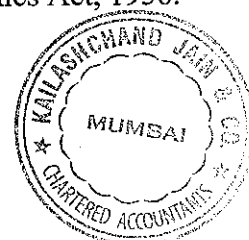
- 3 a) The company has not granted any loans to parties covered under register maintained under Section 301 of the Act. Accordingly, paragraphs 4(iii) (b) to (d) of the order are not applicable to the Company.
- e) The Company has taken unsecured loan from One parties listed in the register to be maintained under section 301 of the Act. The outstanding balance of such loan is Rs.18,63,12,043/- as on 31.03.2014. The maximum aggregate balance of the loan during the year is Rs. 25,66,80,005/-
- f) The rate of interest and terms and conditions of such loans are prima facie not prejudicial to the interest of the company.
- g) The principal amount and interest thereon are paid regularly on due date or immediately thereafter.



- 4 In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and its nature of its business with regard to purchase of inventory, fixed assets and with regards to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- 5 According to the information and explanation given to us, In case of transaction exceeding the value of Rs. 5 Lakhs in the financial year in respect of a party that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956:
- a) The transaction that needs to enter in the register maintained u/s 301 of the company Act, 1956 have been so entered.
 - b) In our opinion, each of these transactions has been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6 In our opinion, and according to information and explanation given to us , the company has not taken any deposits in accordance with section 58A, 58AA of the companies' act 1956 during the year.
- 7 In our opinion the company has an internal audit system commensurate with its size and nature of its business.
- 8 The central government of India has not prescribed the maintenance of cost records under clause (d) of sub section (1) of section 209 of the Act for any of the product of the company.
- 9
- a) According to the information and explanation given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, profession tax, tax deducted at sources, service tax and other material statutory dues applicable to it.
 - b) According to information and explanation given to us there is no amount in respect of income tax, service tax and other statutory dues that have not been deposited with appropriate authorities on accounts of any dispute.



- 10 The company has no accumulated losses. The company has not incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
- 11 Based on our audit procedures and on the information and explanation given by management, we are of the opinion that the company has not defaulted in repayment of its due to any financial institution and bank during the year.
- 12 According to the information and explanation given to us, the Company has not granted loans and advances on the basis of securities by way of pledge of shares, debenture and other securities. Accordingly , the provision of clause 4 (xiii) of the order are not applicable.
- 13 In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors Report) (Amendment) Order 2004 are not applicable to the Company.
- 14 In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors Report) (Amendment) Order 2004 are not applicable to the Company.
- 15 The company has not given guarantee for loans taken by others from Bank/financial institutions. In our opinion, the terms and conditions whereof are not prejudicial to the interest of the company.
- 16 According to the information and explanation given to us, term loan were applied for the purpose for which the loan were obtained.
- 17 According to the information and explanation given to us and on an overall examination of Balance Sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
- 18 During the year, the company has not made preferential allotment of shares to parties & Companies covered in the Register maintained U/s 301 of the Companies Act, 1956.



- 19 The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- 20 The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- 21 We have been informed that there is no fraud on or by the Company has been either noticed or reported during the Financial Year 2013-2014.

**FOR KAILASH CHAND JAIN & CO.,
CHARTERED ACCOUNTANTS**

FRN : 112318W



**Dipesh Mehta
Partner**

Mem. No. : 134607



**Place : Mumbai
Date : 28/04/2014**

ADESHWAR REALTY PVT. LTD.
Balance Sheet as at 31 March, 2014

Particulars		Note No.	As at 31 March, 2014	As at 31 March, 2013
			₹	₹
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	100,000	100,000
	(b) Reserves and surplus	4	17,476,033	70,171
			17,576,033	170,171
2	Share application money pending allotment			
3	Non-current liabilities			
	(a) Long-term borrowings	5	90,000,000	-
	(b) Deferred tax liabilities (net)	24	537,227	-
			90,537,227	-
4	Current liabilities			
	(a) Short-term borrowings	6	186,312,043	203,802,176
	(b) Trade payables	7	12,074,413	567,963
	(c) Other current liabilities	8	105,433,979	132,617,474
	(d) Short term provisions	9	8,639,910	72,040
			312,460,345	337,059,653
	TOTAL		420,573,605	337,229,824
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	10	8,803,298	745,691
	(ii) Capital WIP		-	950,000
	(b) Deferred tax assets (net)	24	-	18,194
			8,803,298	1,713,885
2	Current assets			
	(a) Inventories	11	162,824,789	26,588,026
	(b) Trade receivables	12	7,075,209	-
	(c) Cash and cash equivalents	13	1,578,258	5,708,064
	(d) Short-term loans and advances	14	3,708,302	315,746
	(e) Other Current Assets	15	236,583,749	302,904,103
			411,770,307	335,515,939
	TOTAL		420,573,605	337,229,824
	See accompanying notes forming part of the financial statements	1 & 2		

In terms of our report attached.

M/S KAILASH CHAND JAIN & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No.: 112318W

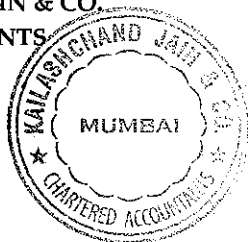
DIPESH MEHTA

Partner

M.No.: 134607

Place : Mumbai

Date : 28/04/2014



For and on behalf of the Board of Directors

Ashok B. Chhajjer

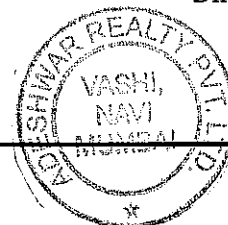
ASHOK B. CHHAJER

Director

Sangeeta A. Chhajjer

SANGEETA A. CHHAJER

Director

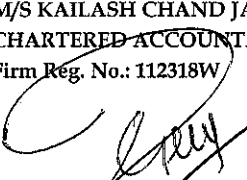


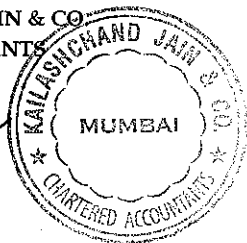
ADESHWAR REALTY PVT. LTD.
Statement of Profit and Loss for the year ended

Particulars		Note No.	31st March 2014	31st March 2013
			₹	₹
1	Revenue from operations	16	176,453,307	7,500,000
2	Other income	17	59,377	-
3	Total revenue (1+2)		176,512,684	7,500,000
4	Expenses			
	(a) Cost of construction, land and development expenses	18.a	260,920,175	24,749,500
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	18.b	(136,236,763)	(26,588,026)
	(c) Employee benefits expense	19	6,712,564	4,137,607
	(d) Finance costs	20	12,583,026	-
	(e) Depreciation expense	10	342,270	5,857
	(f) Other expenses	21	5,603,768	5,091,377
	Total expenses		149,925,040	7,396,315
5	Profit/ before tax (3 - 4)		26,587,644	103,685
6	Tax expense:			
	(a) Current tax expense		8,626,360	72,040
	(c) Deferred tax		555,422	(19,168)
			9,181,782	52,872
7	Profit/ (Loss) from continuing operations (5-6)		17,405,862	50,813
8	Earnings per share (of Rs.10/- each):			
	(a) Basic	23	1,740.59	5.08
	See accompanying notes forming part of the financial statements	1 & 2		



In terms of our report attached.

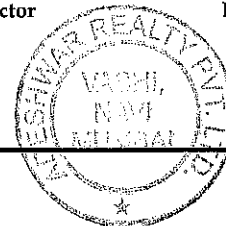
M/S KAILASH CHAND JAIN & CO
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W


DIPESH MEHTA
Partner
M.No.: 134607



For and on behalf of the Board of Directors

 
ASHOK B. CHHAJER SANGEETA A. CHHAJER
Director Director



Place: Mumbai
Date: 28/04/2014

ADESHWAR REALTY PVT. LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED

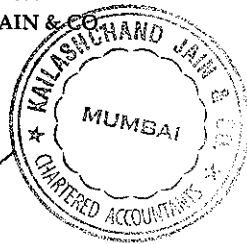
Particulars	31st March 2014	31st March 2013
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and before Extra ordinary Items :	26,587,644	103,685
Adjustment for Non Cash Items		
Add: Depreciation	342,270	5,857
Add: Gratuity Provision	-	124,512
Add: Interest Expenses	10,247,474	-
Less :- Non Operating Income		
less: Interest Received	58,859	-
	37,118,529	234,054
Changes in Working Capital related to:		
(Increase)/ Decrease in Trade & Other Receivable	(80384175)	(329,041,829)
Increase/ (Decrease) in Current Liabilities & Provision	(15677045)	133,273,517
less: Income Tax paid	(58,490)	-
Before extraordinary & exceptional items	(59,001,181)	(195,534,258)
Exceptional Items :	-	-
Net Cash flow from operating activities	(59,001,181)	(195,534,258)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Net)	(7,449,877)	(1,677,329)
Interest Received	58,859	-
Cash Generated from Investment Activities	(7,391,018)	(1,677,329)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Secured Loans	90,000,000	-
Increase / (Decrease) in Unsecured Loans	(17,490,133)	202,874,305
Less: Interest Expenses	(10,247,474)	-
Cash Generated from Financial Activities	62,262,393	202,874,305
Net Increase in Cash & Cash Equivalents	(4,129,806)	5,662,718
Opening Balance of Cash & Cash Equivalents	5,708,064	45,346
Closing Balance of Cash & Cash Equivalents	1,578,258	5,708,064

In terms of our report attached.

M/S KAILASH CHAND JAIN & CO
Chartered Accountants
Firm Reg. No.: 112318W

DIPESH MEHTA
Partner
M.No.: 134607

Place : MUMBAI
Date : 28/04/2014



For and on behalf of the Board of Directors

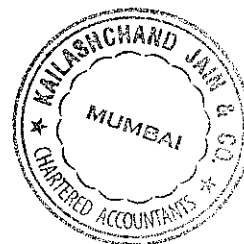
ASHOK B. CHHAJER **SANGEETA A. CHHAJER**
Director Director



ADESHWAR REALTY PVT. LTD.

Notes forming part of the financial statements

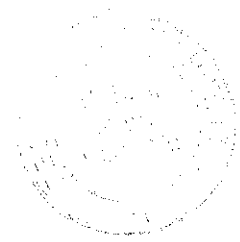
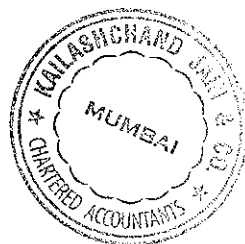
Note	Particulars
1 Corporate information	<p>ADESHWAR REALTY PVT. LTD is registerd under companies act, 1956 as private limited company. The company's registered office is located at 302, Persipolis Building Plot No. 74, Sector 17, Vahi, Navi Mumbai - 400703 and its registered office is situated in the state of Maharashtra, i.e. within the jurisdiction of the Registrar of Companies, Maharashtra, at Mumbai. The operation of the company span in all aspect of real estate development, from the identification and acquisition of land, planning, execution, construction and marketing of projects.</p>
2 Significant accounting policies (Illustrative)	<p>2.1 Basis of accounting and preparation of financial statements</p> <p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent.</p>
2.2 Use of estimates	<p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>



ADESHWAR REALTY PVT. LTD.

Notes forming part of the financial statements

Note	Particulars
2.3	<p>Inventories</p> <p>i) Construction materials and consumables : The construction materials and consumables purchased are treated as consumables and added in work-in-progress.</p> <p>ii) Incomplete Project / Construction Work-In-Progress : The Incomplete Project / construction work-in-progress is valued lower at cost or net realisable value.</p> <p>(a) For projects where revenue is recognised : "Cost includes cost of land, development rights, rates and taxes, construction cost, borrowing cost, other direct expenditure, allocated overheads and other incidental expenses".</p> <p>(b) For projects where revenue is not recognised : "Cost includes direct expenses, construction cost, rates and taxes, borrowing cost, other direct expenditure, allocated overheads and other incidental expenses except land & development rights which is treated as other assets".</p>
2.4	<p>Cash flow statement</p> <p>Cash flows are reported using the indirect method as per AS-3, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>
2.5	<p>Depreciation and amortisation</p> <p>Depreciation has been provided on straight line basis method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 or on the basis of useful lives estimated by the management whichever is higher.</p> <p>Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds five years, the company amortizes the intangible asset over the best estimate of its useful life.</p>



ADESHWAR REALTY PVT. LTD.**Notes forming part of the financial statements**

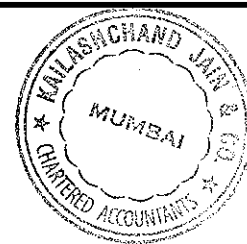
Note	Particulars
2.6	Revenue recognition "Pursuant to issuance of revised Guidance Note on Accounting for Real Estate Transactions (Revised 2012), by The Institute of Chartered Accountants of India (ICAI), the Company revised its Accounting Policy of revenue recognition for all projects commencing on or after April 1, 2012 or project where the revenue is recognised for the first time on or after the above date. For project Arihant Arshiya Phase I revenue is recognized during the year due to the fulfilment of conditions of recognizing of revenue as per revised Guidance Note. Whereas for remaining phases of project Arihant Arshiya which came under the purview of the revised guidance note but as at March 31, 2014, the conditions for recognizing revenue for these phases were not met."
2.7	Other income Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head other income in the statement of profit and loss.
2.8	Tangible fixed assets Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.
2.9	Intangible fixed assets Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred. During the year there was no intangible assets held by the company.



ADESHWAR REALTY PVT. LTD.

Notes forming part of the financial statements

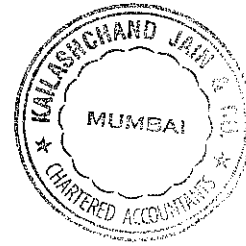
Note	Particulars
2.10	Investments Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. During the year the company has not made any investment.
2.11	Borrowing costs Borrowing costs as per AS-16 include interest, amortisation of ancillary costs incurred. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.
2.12	Taxes on income Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability. Deferred tax as per AS-22 is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.



ADESHWAR REALTY PVT. LTD.

Notes forming part of the financial statements

Note	Particulars
2.13	<p>Earning Per Share</p> <p>Basic earnings per share as per AS-20 are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.</p> <p>For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.</p>
2.14	<p>Provisions</p> <p>A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.</p>
2.15	<p>Contingent Liabilities</p> <p>A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.</p>



Note 3 Share capital

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of ₹10 each with voting rights	100,000	1,000,000	100,000	1,000,000
(b) Issued Equity shares of ₹10 each with voting rights	10,000	100,000	10,000	100,000
(c) Subscribed and fully paid up Equity shares of ₹10 each with voting rights	10,000	100,000	10,000	100,000
Total	10,000	100,000	10,000	100,000

Notes:

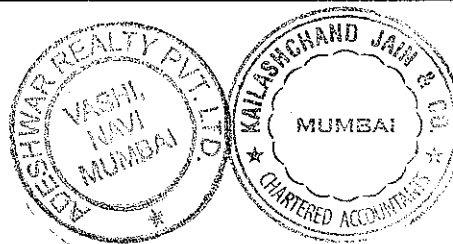
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Other changes (give details)	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2014			
- Number of shares	10,000	-	10,000
- Amount (₹)	100,000	-	100,000
Year ended 31 March, 2013			
- Number of shares	10,000	-	10,000
- Amount (₹)	100,000	-	100,000

Class of shares / Name of shareholder (holding more than 5%)	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
ASL	9940	99.40	9940	99.40

Note 4 Reserves and surplus

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Statement of Profit / (Loss)		
Opening balance	70,171.00	19,358
Add: Profit / (Loss) for the year	17,405,862	50,813
Closing balance	17,476,033	70,171
Total	17,476,033	70,171



ADESHWAR REALTY PVT. LTD.

Notes forming part of the financial statements

Note 5 Long-term borrowings

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(b) Other loans and advances		
Secured		
Term Loan With HDFC	90,000,000	-
Total	90,000,000	-

Note :

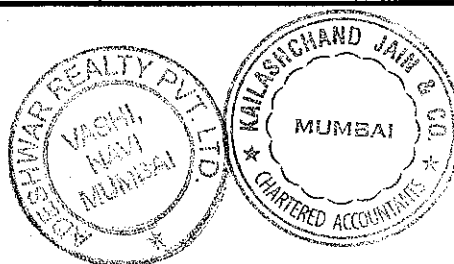
Term loan from HDFC Bank Ltd. Is secured against mortgage of 851971 sq. ft approx. of project land located at survey no. 20/1, 20/2, 20/3, 25/11, 22/4, 22/1, 21/2B, 22/2, 23/2, 25/9 and 22/3, pen road, adjacent to khalapur toll naka, dahivali, khopoli - 410203, Maharashtra.

Note 6 Short-term borrowings

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Loans repayable on demand		
From Related Parties		
Arihant Superstructure Limited	186,312,043	203,802,176
Total	186,312,043	203,802,176

Note 7 Trade payables

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Trade payables:		
Sundry Creditors	10,775,501	534,198
Retention	1,298,912	33,765
Total	12,074,413	567,963



ADESHWAR REALTY PVT. LTD.

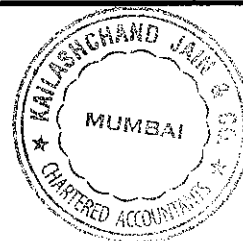
Notes forming part of the financial statements

Note 8 Other current liabilities

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Other payables		
(i) Statutory remittances		
VAT Payable	237,969	-
Professoinal Tax Payable	38,675	-
TDS Payable	730,344	911,523
Service tax Payable	(421,955)	954,875
(ii) Advance from customers - Booking	103,853,449	130,066,775
(iii) Others		
Gratuity Payable	61,862	124,512
Salary Payable	538846	534,508
Audit fees payable	25,000	25,281
Electricity Expenses payable	93,069	-
Telephone Bill	843	-
Provision for expenses	275,877	-
Total	105,433,979	132,617,474

Note 9 Short Term Provisions

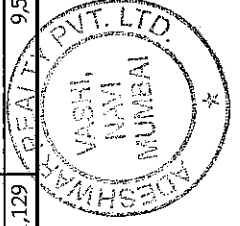
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Provision for Income tax	8,639,910	72,040
	8,639,910	72,040



ADESHWAR REALTY PVT. LTD.
Notes forming part of the financial statements

Note 10: Fixed assets

A.	Tangible assets	Gross block				Accumulated depreciation and impairment					Net block	
		Balance as at 1 April, 2013	Additions	Disposals	Balance as at 31 March, 2014	Balance as at 1 April, 2013	Depreciation for the year	Eliminated on disposal of assets	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Computer												
Own use												
Computer	51,919	-	-	51,919	1,299	8,416	-	9,715	42,204	50,620		
Plotter	-	80,000	-	80,000	-	11,121	-	11,121	68,879	-		
(b) Plant and Equipment												
Owned												
Bar Bending & Cutting Machine	279,410	28,415	-	307,825	255	13,605	-	13,860	293,965	279,155		
Concrete Batching Plant	-	1,700,000	-	1,700,000	-	60,617	-	60,617	1,639,383	-		
Concrete Pump	-	1,893,569	-	1,893,569	-	67,520	-	67,520	1,826,049	-		
D. G. Set	396,000	-	-	396,000	2,164	18,810	-	20,974	375,026	393,836		
Generator	-	413,000	-	413,000	-	14,296	-	14,296	398,704	-		
Tough Rider Machine	-	461,882	-	461,882	-	16,229	-	16,229	445,653	-		
Tower Crane	-	1,389,132	-	1,389,132	-	22,055	-	22,055	1,367,077	-		
Weigh Scale	-	913,125	-	913,125	-	29,112	-	29,112	884,013	-		
(c) Furniture and Fixtures												
Owned												
Furniture and Fixtures (Aura Office)	-	1,125,000	-	1,125,000	-	63,408	-	63,408	1,061,592	-		
Furniture	33,800	47,869	-	81,669	11,720	4,263	-	15,983	65,686	22,080		
(d) Office equipment												
Owned												
Camera	-	5,400	-	5,400	-	66	-	66	5,334	-		
Television	-	25,850	-	25,850	-	316	-	316	25,534	-		
(e) Site equipment												
Air Conditioner	-	117,479	-	117,479	-	4,128	-	4,128	113,351	-		
Finger Print Machine	-	10,856	-	10,856	-	302	-	302	10,554	-		
Security Cabin	-	148,500	-	148,500	-	6,376	-	6,376	142,124	-		
Water Coller	-	29,500	-	29,500	-	1,182	-	1,182	28,318	-		
Water Dispenser	-	10,300	-	10,300	-	448	-	448	9,852	-		
Total	761,129	8,399,877	-	9,161,006	15,438	342,270	-	357,708	8,803,298	745,691		
Previous year	33,800	727,329	-	761,129	9,581	5,857	-	15,438	745,691	24,219		



ADESHWAR REALTY PVT. LTD.

Notes forming part of the financial statements

Note 11 Inventories

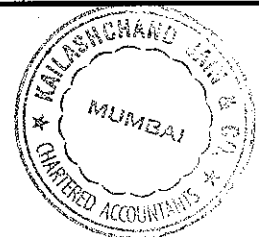
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Work in Progress	162,824,789	26,588,026
Total	162,824,789	26,588,026

Note 12 Trade receivables

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Other Trade receivables Unsecured, considered good	7,075,209	-
Total	7,075,209	-

Note 13 Cash and cash equivalents

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Cash on hand	695,439	431,046
(b) Foreign Currency	150,030	-
(c) Balances with banks		
(i) In current accounts		
Federal Bank	(2,943,106)	5,277,018
HDFC current	503,073	-
HDFC Escrow	1,368,822	-
(ii) In deposit accounts		
Fixed deposit with Federal Bank (Auto Sweep) (matured within 3 months)	1,804,000	-
Total	1,578,258	5,708,064



ADESHWAR REALTY PVT. LTD.

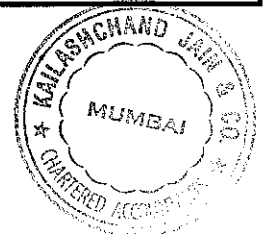
Notes forming part of the financial statements

Note 14 Short-term loans and advances

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Security deposits		
Unsecured, considered good		
Kalpana Maruti Patil-(Deposit ag. Shop)	250,000	250,000
Security Deposit-Diesel	50,000	50,000
	300,000	300,000
(b) Loans and advances to employees		
Unsecured, considered good	12,120	(2,711)
	12,120	(2,711)
(c) Balance with government authorities		
Advance Tax F.Y 2013-14	3,000,000	-
TDS Receivable-F.Y 2013-14	5,832	-
Income Tax Refund-(F.Y 2009-10)	226	3,316
CENVAT Credit	390,124	15,141
	3,396,182	18,457
Total	3,708,302	315,746

Note 15 Other Current Assets

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Land-Dahivali	236,541,637	302,904,103
Prepaid expenses	42,112	-
	236,583,749	302,904,103



Note 16 Revenue from operations

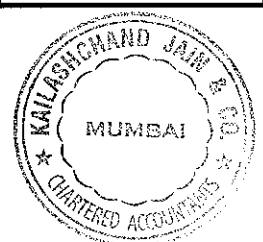
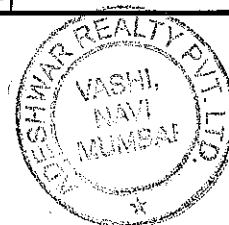
	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(a)	Sale of products (Refer Note (i) below)	176,453,307	7,500,000
	Total	176,453,307	7,500,000

Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(i)	Manufactured finished / unfinished goods sold Arihant Arshiya	176,453,307	-
	Sale of Land	-	7,500,000
	Total - Sale of products	176,453,307	7,500,000

Note 17 Other income

	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(a)	Interest income From Bank	58,859	-
(b)	Other non-operating income	518	-
	Total	59,377	-

Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(i)	Interest income comprises: Interest from banks on: Deposits	58,859	
	Total - Interest income	58,859	-
(ii)	Other non-operating income comprises: Rate Difference Discount Received	511 7	
	Total - Other non-operating income	518	-



ADESHWAR REALTY PVT. LTD.

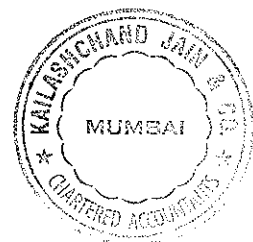
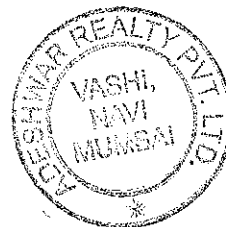
Notes forming part of the financial statements

Note 18.a Cost of construction, land and development expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Purchases (Refer note (i) below)	89,809,959	7,030,372
Land Cost (Refer note (ii) below)	99,049,642	7,288,030
Direct Expenses (Refer note (iii) below)	72,060,574	10,431,098
Total	260,920,175	24,749,500

Notes :

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
i) Purchases		
Arihant Arshiya	89,809,959	7,030,372
	89,809,959	7,030,372
ii) Land Cost		
Arihant Arshiya	99,049,642	7,288,030
	99,049,642	7,288,030
iii) Direct Expenses		
Arihant Arshiya	72,060,574	10,431,098
	72,060,574	10,431,098

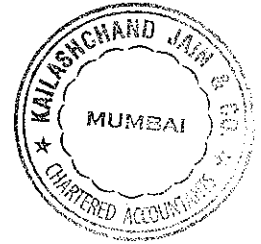


ADESHWAR REALTY PVT. LTD.

Notes forming part of the financial statements

Note 18.b Changes in inventories of WIP

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
<u>Inventories at the end of the year:</u>		
Incomplete projects (WIP)		
Arihant Arshiya Phase I	162,824,789	26,588,026
	162,824,789	26,588,026
<u>Inventories at the beginning of the year:</u>		
Incomplete projects (WIP)		
Arihant Arshiya Phase I	26,588,026	-
	26,588,026	-
Net (increase) / decrease	(136,236,763)	(26,588,026)



ADESHWAR REALTY PVT. LTD.

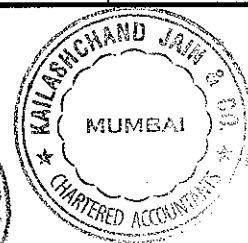
Notes forming part of the financial statements

Note 19 Employee benefits expense

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Salaries, wages and bonus	6,478,536	3,818,036
Staff welfare expenses	234,028	195,059
Gratuity expenses	-	124,512
Total	6,712,564	4,137,607

Note 20 Finance costs

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
(a) Interest expense on:		
(i) Borrowings	10,247,474	
(b) Loan Processing Charges	2,335,552	-
Total	12,583,026	-

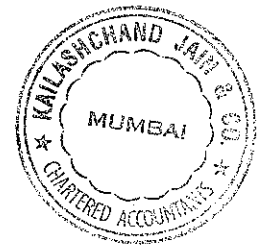
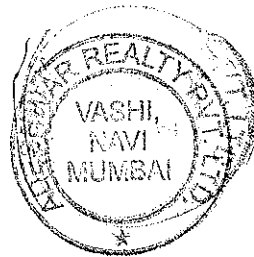


ADESHWAR REALTY PVT. LTD.**Notes forming part of the financial statements****Note 21 Other expenses**

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Selling & Distribution (Refer note (21.i))	3,931,497	3,786,631
Legal and Professional Fees (Refer note (21.ii))	194,601	289,156
Rent, Rates & Taxes (Refer note (21.iii))	232,300	161,000
Donation	20,000	6,000
Compensation	360,000	-
Administrative Expenses (Refer note (21.iv))	838,119	749,889
Audit Fee	21,910	28,090
ROC Fee	1,100	3,200
Others (Refer note (21.v))	4,241	67,411
Total	5,603,768	5,091,377

Notes:

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors	21,910	28,090
Total	21,910	28,090



ADESHWAR REALTY PVT. LTD.

Notes forming part of the financial statements

Note 21.i) Selling and Distribution Expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Advertisement & Publicity A/c	3,704,661	1,272,447
Branding	29,800	-
Browsers & Booklet	-	263,656
Business Promotion	114,264	80,000
Customer Delight	59,750	-
Exhibition Expenses	8,022	2,170,528
Software on Rent	15,000	-
Total	3,931,497	3,786,631

Note 21.ii) Legal and Professional Fees

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Legal Exp.	56,110	127,478
Professional Fees	79,056	69,472
Stampduty & Registration Chgs A/c	14,345	6,400
Stamping & Notary Charges	44,490	73,306
Survey Expenses	-	10,000
Translation Charges	600	2,500
Total	194,601	289,156

Note 21.iii) Rent, Rates and Taxes

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Rent for Shop	232,300	161,000
Total	232,300	161,000



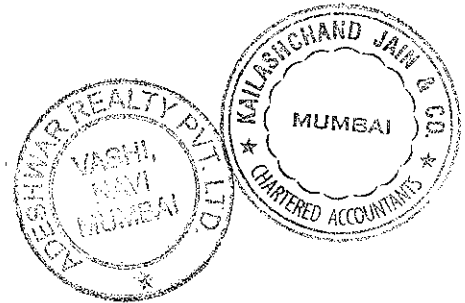
ADESHWAR REALTY PVT. LTD.
Notes forming part of the financial statements

Note 21.iv) Administrative Expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Insurance Exps.	5,922	-
Computer Exp	11,263	-
Bank Charges	7,241	3,727
Vehicle Expenses	154,609	54,895
General Expenses	20,887	21,912
News Paper & Magazine	480	-
Office Expenses	33,081	-
Postage & Courier	20,863	-
Printing & Stationery	559,412	659,355
Communication	20,194	10,000
VAT (expense)	4,167	-
Total	838,119	749,889

Note 21.v) Other Expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Interest on Service Tax	1,669	-
Interest on TDS	2,572	67,411
Total	4,241	67,411



ADESHWAR REALTY PVT. LTD.

Notes forming part of the financial statements

Note 22 Disclosures under Accounting Standards 18

Related party transactions

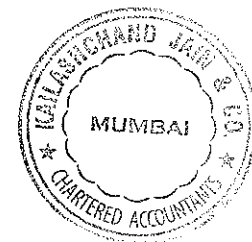
Details of related parties:

Description of relationship	Names of related parties
Holding	1. Arihant Superstructures Ltd.
Key Management Personnel (KMP)	1. Ashok B. Chhajer 2. Sangeeta A. Chhajer
Relatives of KMP	-
Company in which KMP / Relatives of KMP can exercise significant influence	-

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2014 and balances outstanding as at 31 March, 2014:

	Holding	KMP	Entities in which KMP / relatives of KMP have significant influence	Total
<u>Transactions during the year</u>				
Loan Taken				
1. Arihant Superstructures Ltd.	90,350,000	-	-	90,350,000
Loan Repayment				
1. Arihant Superstructures Ltd.	130,500,000	-	-	130,500,000
Interest Paid				
1. Arihant Superstructures Ltd.	25,177,630	-	-	25,177,630
<u>Balances outstanding at the end of the year</u>				
1. Arihant Superstructures Ltd.				
Closing Balance	186,312,043	-	-	186,312,043
Opening Balance	(203,802,176)	-	-	(203,802,176)



ADESHWAR REALTY PVT. LTD.

Notes forming part of the financial statements

Note 23 Disclosures under Accounting Standards 20

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Earnings per share		
<u>Basic</u>		
<u>Continuing operations</u>		
Net profit / for the year from continuing operations attributable to the equity shareholders	17,405,862	50,813
Weighted average number of equity shares	10,000	10,000
Par value per share	10	10
Earnings per share from continuing operations - Basic	1,740.59	5.08

Note 24 Disclosures under Accounting Standards 22

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Deferred tax (liability) / asset		
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of fixed assets	556,343	20,280
<u>Tax effect of items constituting deferred tax liability</u>	556,343	20,280
<u>Tax effect of items constituting deferred tax assets</u>		
Others	19,115	38,474
<u>Tax effect of items constituting deferred tax assets</u>	19,115	38,474
Net deferred tax (liability) / asset	(537,228)	18,194

In terms of our report attached.

M/S KAILASH CHAND JAIN & CO.

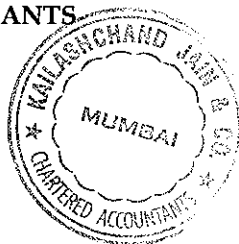
CHARTERED ACCOUNTANTS

Firm Reg. No.: 112318W

DIPESH MEHTA

Partner

M.No.: 134607



For and on behalf of the Board of Directors

Ashok B. Chhajjer

ASHOK B. CHHAJER

Director

Sangeeta A. Chhajjer

SANGEETA A. CHHAJER

Director



Place : Mumbai

Date : 28/04/2014