AJAY KISHORE & CO.
CHARTERED ACCOUNTANTS
☎ : 0612 3299023(O), 9931917919 (M)
D-315, 3rd Floor, Dumraon Place, Fraser Road, Patna -800001

Independent Auditor's Report

To the Members of **Shanti Creation Private Limited**
Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Shanti Creation Private Limited**, which comprise the balance sheet as at 31st March 2015, the statement of profit and loss for the period starting from 01st April 2014 and ending on 31st March 2015 and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation and presentation of these stand alone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 Company'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, but not for the

purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31 March 2015 and its profit for the period starting from 01st April 2014 and ending on 31st March 2015 and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. Subject to Notes on Account, we report that ;

   (a) Balance confirmation in respect of Sundry debtors, bank balances, Unsecured Loan, Advance against flat and other advances not produced before us for our verification.

   (b) Separate Books to record purchase, movement and consumption of materials haven't been produced before us for our verification.

   (c) Proper supporting bills in many cases relating to purchase of material from unregistered dealer and external evidence in the form of cash memos/bills, stamped receipts etc. were not available, The vouchers were internally prepared by the management and signed by the authorised signatory.

   (d) The labour cess on the cost of construction was neither provided for nor paid. No records for VAT returns, provision for VAT and payment for the same was shown to us, hence, we are unable to comment on it.

2. As required by Section 143 (3) of the Act, we report that:

   (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014; and

(e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act

For, AJAY KISHORE & Co.
CHARTERED ACCOUNTANTS
Firm's Reg. No. : 005899C



ALOKMOY MAZUMDAR
Partner
M. No. : 054587

Place: Patna
Date : 04.09.2015

SHANTI CREATION PRIVATE LIMITED

VIDYA VATIKA APARTMENT, GORAKH NATH LANE, PATNA

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No	Figures as at 31-03-2015	Figures as at 31-03-2014
EQUITY AND LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	1	500000.00	500000.00
(b) Reserves and Surplus	2	3593514.38	2578892.29
2 Liabilities :			
(a) **Current Liabilities**	3	36115545.00	24989210.00
(b) **Non-Current Liabilities**	4	196500.00	196500.00
Total		**40405559.38**	**28264602.29**
ASSETS			
1 Non-current assets			
(a) Fixed assets	5	31215.00	50128.00
(b) Other Non Current assets	6A	0.00	0.00
(c) Deferred Tax Asset	6B	8854.13	5065.13
2 Current assets			
(a) Inventories	7	35882474.00	19558961.00
(b) Trade receivables	8	4189862.00	4654102.00
(c) Cash and cash equivalents	9	293154.25	3995488.16
(d) Short-term loans and advances	10	0.00	858.00
Total		**40405559.38**	**28264602.29**

Significant Accounting Policies & Notes to Accounts from Note no. 1 to 17 form an Integral part of this Financial Statements.

As per our report of even date attached

For AJAY KISHORE & CO.
Chartered Accountants

DIRECTOR

DIRECTOR

CA ALOKMOY MAZUMDAR
PARTNER
M.No. : 054587

Place : Patna
Date : 04.09.2015

SHANTI CREATION PRIVATE LIMITED

VIDYA VATIKA APARTMENT, GORAKH NATH LANE, PATNA

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No	Figures as at the end of current Year	Figures as at the end of previous Year
1 Revenue from operations	11	2,79,51,437.00	2,40,25,000.00
2 Other Income	12	0.00	1,737.00
3 **Total Revenue**		**2,79,51,437.00**	**2,40,26,737.00**
4 Expenses:			
Purchase Cost	13	2,33,61,000.00	2,07,50,000.00
Employee benefit expense	14	26,07,592.00	25,33,597.00
Financial costs	15	5,589.91	758.43
Other expenses	16	4,90,004.00	4,16,365.00
Depreciation	5	18,913.00	11,078.00
Total Expenses		**2,64,83,098.91**	**2,37,11,798.43**
5 Profit before tax		14,68,338.09	3,14,938.57
6 Tax expense:			
(a) Current Income tax		4,57,505.00	98,457.00
(b) Deferred tax		-3,789.00	-1,139.28
7 Profit/(Loss) for the period		**10,14,622.09**	**2,17,620.85**
8 Earning per equity share:			
(a) Basic			
(b) Diluted			

Significant Accounting Policies & Notes to accounts from Note no. 1 to 17 form an Integral part of this Financial Statements

As per our report of even date attached

For AJAY KISHORE & CO.
Chartered Accountants

DIRECTOR

DIRECTOR

AJAY KISHORE & CHARTERED ACCOUNTANTS PATNA

CA ALOKMOY MAZUMDAR
PARTNER
M.No. : 054587

Place : Patna
Date : 04.09.2015

SHANTI CREATION PRIVATE LIMITED

Notes forming part of the financial statements

PARTICULARS		Figures as at 31-03-2015		Figures as at 31-03-2014
NOTE NO. - 1- SHARE CAPITAL				
Authorised				
250000 Equity Share of Rs. 10/- each		2500000.00		2500000.00
Issued, Subscribed & Paid up				
50000 Equity Share of Rs. 10/- Each		500000.00		500000.00
Total		500000.00		500000.00
Shareholders holding more than 5 percent shares		**Current Year**		**Previous Year**
Name	%	No. of Shares	%	No. of Shares
Sri Ajay Kumar	50	25000	40	20000
Smt. Meena Sinha	15	7500	15	7500
Smt. Nitu Kumari	18	8750	15	7500
Sri Ram Kishore Singh	18	8750	15	7500
NOTE NO. - 2 - RESERVE AND SURPLUS				
Surplus				
Opening Balance		2578892.29		2357345.59
Add: Profit/ (Loss) for the Year		1014622.09		217620.85
Add: Deferred Tax Adjustment (Earlier)				3925.85
TOTAL		3593514.38		2578892.29
NOTE NO. - 3 - CURRENT LIABILITIES				
Trade Payables (Acceptance)				
Liabilities for Supplies		1125313.00		0.00
Liabilities for Expenses		28090.00		28090.00
Other Current Liabilities				
Advance against Flat		32684062.00		24156589.00
Other Liabilities		900000.00		0.00
Statutory Liabilities				
Service Tax Payable		921433.00		706074.00
Short-term provisions				
Provision for Income Tax		456647.00		98457.00
TOTAL		36115545.00		24989210.00
NOTE NO. - 4 - NON-CURRENT LIABILITIES				
Long-term Borrowings				
Unsecured Loan		196500.00		196500.00
TOTAL		196500.00		196500.00
NOTE NO. - 6A - OTHER NON CURRENT ASSETS				
Misc Expenditure (to the extent not written off or adjusted)				
Preliminary Expenses		0.00		0.00
TOTAL		0.00		0.00
NOTE NO. - 6B - DEFERRED TAX ASSETS				
Deferred Tax		8854.13		5065.13
		8854.13		5065.13
NOTE NO. - 7 - INVENTORIES				
Opeing Stock of Development Expenditure (WIP)		19558961.00		20613088.00
Purchase and Expenses during the year		39684513.00		19695873.00
		59243474.00		40308961.00
Less : Cost of Flat Sold		23361000.00		20750000.00
TOTAL		35882474.00		19558961.00
NOTE NO. - 8 - TRADE RECEIVABLES				
(Secured, Unsecured Considered good & doubtful)				
Debts more than 6 months		4189862.00		2142575.00
Other Debts		0.00		2511527.00
TOTAL		4189862.00		4654102.00
NOTE NO. - 9 - CASH AND CASH EQUIVALENTS				
Balance with Banks				
- In Current A/C		133240.25		3788629.16
Cash in Hand		159914.00		206859.00
TOTAL		293154.25		3995488.16
NOTE NO. - 10 - SHORT TERM LOANS AND ADVANCES				
Advance Income tax		0.00		858.00
Security Deposits		0.00		0.00
TOTAL		0.00		858.00

AJAY KISHORE & CO. CHARTERED ACCOUNTANTS PATNA

Notes forming part of the financial statements

PARTICULARS	Figures as at 31-03-2015	Figures as at 31-03-2014

SHANTI CREATION PRIVATE LIMITED

Notes forming part of the financial statements

PARTICULARS	Figures as at 31-03-2015	Figures as at 31-03-2014
NOTE NO. - 11- Revenue from operations		
Sale of Flats	27951437.00	24025000.00
Total	**27951437.00**	**24025000.00**
NOTE NO. - 12 - Other Income		
Other Income	0.00	1737.00
TOTAL	**0.00**	**1737.00**
NOTE NO. - 13A - Consumption Cost		
Cost of Flats	23361000.00	20750000.00
TOTAL	**23361000.00**	**20750000.00**
NOTE NO. - 14 - Employee benefit expense		
Salary, Bonus and Other Benefits	989032.00	916638.00
Director's Remuneration	1600000.00	1600000.00
Staff Welfare	18560.00	16959.00
TOTAL	**2607592.00**	**2533597.00**
NOTE NO. - 15 - Financial cost		
Bank Charges	5589.91	758.43
TOTAL	**5589.91**	**758.43**
NOTE NO. - 16 - Other expenses		
Printing & Stationary	66550.00	36600.00
Travelling & Conveyance	149250.00	100417.00
Office Expenses	71131.00	40619.00
Sales Promotion	0.00	27901.00
Telephone & Mobile Expenses	36880.00	18605.00
Newspaper and Periodicals	2560.00	1983.00
Postage & Courier	1580.00	1986.00
Power & Fuel	45865.00	33853.00
ROC Filling Fee	9500.00	0.00
Audit Fee	28090.00	28090.00
Advertisement	0.00	10500.00
Interest on Service tax and Income Tax	78598.00	106811.00
Preliminary Expenses W/off	0.00	9000.00
TOTAL	**490004.00**	**416365.00**

AJAY KISHORE & CO. CHARTERED ACCOUNTANTS PATNA

SHANTI CREATION PRIVATE LIMITED

NOTE NO. - '5' OF FIXED ASSETS FORMING PART OF THE BALANCE SHEET AS ON 31.03.2015

PARTICULARS		Gross Block			Accumulated Depreciation			Net Block	
		as on 01.04.2014	Addition	TOTAL	Upto 01.04.2014	During the year	TOTAL	WDV as on 31.03.2015	WDV as on 31.03.2014
Furniture & Fixtures		91248.00	0.00	91248.00	41120.00	18913.00	60033.00	31215.00	50128.00
TOTAL Rs.		**91248.00**	**0.00**	**91248.00**	**41120.00**	**18913.00**	**60033.00**	**31215.00**	**50128.00**
Previous year's Figure		**91248.00**	**0.00**	**91248.00**	**30042.00**	**11078.00**	**41120.00**	**50128.00**	

AJAY KISHORE & CO. CHARTERED ACCOUNTANTS PATNA

SHANTI CREATION PRIVATE LIMITED

VIDYA VATIKA APARTMENT, GORAKH NATH LANE, PATNA

NOTE NO. 17 OF ACCOUNTING POLICIES AND NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH,2015

1. 'CORPORATE INFORMATION

The Company has done development work of new residential and commercial apartment other similar business of the same nature at Bihar.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements are prepared in accordance with historical cost convention and generally accept accounting principles and generally comply with the mandatory accounting standards. Significant items of income and expenditure are recognised on accrual basis.

(b) Revenue recognition

Revenue is recognised when The seller has transferred to the buyer all significant risks and rewards of ownership.The seller has effectively handed over possession of the real estate unit to the buyer forming part of the transaction and there is no uncertainty exists regarding the amount of consideration received from customers.

The amount recognised as revenue is exclusive of service tax and discounts given by the company.

(c) Fixed Assets and Depreciation

Fixed Assets are stated at cost and includes any incidental acquisition and installation expenses. Depreciation on fixed assets has been provided on all depreciable assets on diminishing balance method over useful lives as prescribed in Part C of Schedule - II of the Companies Act, 2013 as amended from time to time.

(d) Employees Benefits

Employee benefits include provident fund. The Company has not yet incurred any liability under the provisions of payment of Gratuity Act.

(e) Investment

The Company has not held any investment during the financial year.

(f) 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.

Deferred tax 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.

Current and deferred tax relating to items are recognised in the Statement of Profit and Loss.

3. NOTES ON ACCOUNTS

1 Project cost includes cost of land, Material Cost, Labour Charges, Site Expenses, Development Cost, Design & Architect Fees Freight Charges etc. Development expenditure (Inventory) is debited to profit & loss a/c on proportionate basis for the flat sold during the year of the concerned project.

2 The amount received from each customer against flat booking is inclusive of service tax. However ,The amount shown under "Advance against Flat" is net off service tax.

3 The company has taken Interest free loan of Rs.196500.00 (Earlier) from Mrs. Nitu Kumari, a shareholder of the company and it is still outstanding as on 31st March 2015.

4 Sale is recognised on agreement value made with each flat holder.

5 Considering the nature of business, where proper supporting vouchers in respect of expenditures were not available the vouchers were internally prepared.

6 Confirmation of balances in respect of Sundry debtors,Bank balances, Unsecured Loan and other advances are in process.

7 Depreciation on fixed assets has been provided over useful lives as prescribed in Part C of Schedule - II of the Companies Act, 2013 .

8 Value of import on CIF basis : Nil

9 Expenditure in Foreign Currency : Nil

10 Earning in Foreign Currency : Nil

11 Directors waived their meeting fee.

12 Contingent Liability: NIL

13 Previous year's figures have been regrouped/rearranged wherever necessary to bring them in confirmity with current year's figures.

SHANTI CREATION PRIVATE LIMITED

For AJAY KISHORE & CO.
Chartered Accountants

CA ALOKMOY MAZUMDAR
PARTNER
M.No. : 054587

Director