



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PERFECT BUILDWELL PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of M/s PERFECT BUILDWELL PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2015 and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, 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 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 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 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 operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March 2015, its PROFIT for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of 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.



- f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014.
- g) The Company has not disclosed the impact of pending litigations on its financial position in its financial statements as no liability has been ascertained by the Revenue Authorities on the pending litigation.
- h) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- i) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

For HARNEET SINGH & ASSOCIATES

Chartered Accountants

Firm Registration No. : 024648N

HARNEET SINGH (ACA)

Proprietor

Membership No.: 516592

Place: New Delhi

Date: 02/09/2015



Annexure referred to in the Auditor's Report of even date to the Members of PERFECT BUILDWELL PRIVATE LIMITED on the financial statements for the year ended March 31, 2015

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified annually. In accordance with this programme, fixed assets were verified during the year and no discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
c) The Company has not disposed off any fixed assets during the year.
- ii) The Company does have adequate inventories; accordingly, the provisions of clause 4(ii) of the Order are applicable to the Company.
- iii) As informed, the company has granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business and we have not observed any continuing failure to correct major weaknesses in such internal control system. There were no transactions for the purchase of inventory and fixed assets and for the sale of goods and services during the year.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. No order has been passed by the Company Law Board of National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi) To the best of our knowledge and as explained, the Central Government has not specified maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the products of the Company. Therefore the same is not applicable.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income-tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities except in certain cases which have been deposited with interest. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax,



Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues were in arrears, as at March 31, 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there were no amounts required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

- viii) The Company has not incurred cash losses in current financial year.
- ix) The Company has no dues in respect of a financial institution, bank or a debenture holder.
- x) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- xi) The Company did not have raised any new term loans during the year.
- xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For HARNEET SINGH & ASSOCIATES
Chartered Accountants
Firm Registration No. : 024648N

HARNEET SINGH (ACA)
Proprietor
Membership No.: 516592

Place: New Delhi
Date: 02/09/2015



M/S PERFECT BUILDWELL PRIVATE LIMITED
CIN:U45201DL2004PTC125145
D-64, 1st Floor, Defence Colony, New Delhi-110024
Email id-director@perfectbuildwell.com, Tel: 011-24616415

BALANCE SHEET AS AT 31ST MARCH, 2015

PARTICULARS	NOTE No.	AMOUNT (Rs) 31.03.2015	AMOUNT (Rs) 31.03.2014
1. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	1	3,00,00,000.00	3,00,00,000.00
(b) Reserves and surplus	2	35,97,757.57	30,91,317.13
(c) Money received against share warrants			
(2) Share application money pending allotment			
(3) Non-current liabilities			
(a) Long-term borrowings			
(b) Deferred tax liabilities			
(c) Other Long term liabilities	3	8,83,51,202.00	2,68,92,363.00
(d) Long-term provisions			
(4) Current liabilities			
(a) Short-term borrowings			
(b) Trade payables	4	2,31,09,172.83	7,88,89,107.40
(c) Other current liabilities	5	44,33,113.00	28,06,612.00
(d) Short-term provisions	6	2,69,423.42	2,86,444.00
TOTAL (Rs)		14,97,60,668.81	14,19,55,843.53
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	7	6,584.00	23,470.00
(ii) Intangible assets			
(iii) Capital work-in-progress			
(iv) Intangible assets under development			
(b) Non-current investments			
(c) Deferred tax assets (net)	8	6,577.94	2,128.70
(d) Long-term loans and advances	9	2,50,20,512.49	3,14,50,512.49
(e) Other non-current assets	10	26,98,368.00	24,73,355.00
(2) Current assets			
(a) Current investments			
(b) Inventories	11	11,67,28,020.00	10,45,97,800.00
(c) Trade receivables	12	17,500.00	17,500.00
(d) Cash and Cash equivalents	13	18,29,777.88	31,828.62
(e) Short-term loans and advances			
(f) Other current assets	14	34,53,328.50	33,69,248.72
TOTAL (Rs)		14,97,60,668.81	14,19,65,843.53

For
Harneet Singh & Associates
Chartered Accountants

Harneet Singh (CA)
Proprietor
Membership No. 516592

PLACE: New Delhi
DATE: 02.09.2015

for and on behalf of
The Board of directors of
Perfect Buildwell Private Limited

(Ajay Bharti)
(Director)
DIN: 00999777

(Vipul Suchdeva)
(Director)
DIN: 01210705



M/S PERFECT BUILDWELL PRIVATE LIMITED
CIN:U45201DL2004PTC125145
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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	NOTE No.	AMOUNT (Rs.) 31.03.2015	AMOUNT (Rs.) 31.03.2014
I. Revenue from operations	15	39,60,750.00	79,70,875.00
II. Other income	16	5,36,462.50	8,61,245.00
III. Total Revenue (I+II)		44,97,212.50	88,32,120.00
IV. Expenses:			
(a) Cost of materials consumed			
(b) Purchases of Stock-in-Trade			
(c) Changes in inventories of finished goods, work-in-process and stock-in-Trade	11	(1,21,30,220.00)	(4,56,744.00)
(d) Employee benefits expenses	17	7,80,376.50	5,73,802.00
(e) Finance costs	18	5,07,997.24	8,54,986.23
(f) Depreciation and amortization expenses		16,886.00	1,283.00
(g) Other Expenses	19	1,45,95,702.15	70,89,387.49
Total Expenses		37,70,741.89	80,62,714.72
V. Profit before exceptional and extraordinary items and Tax (III-IV)		7,26,470.61	7,69,405.28
VI. Exceptional items			
VII. Profit before extraordinary items and tax (V-VI)		7,26,470.61	7,69,405.28
VIII. Extraordinary items			
IX. Profit before Tax (VII-VIII)		7,26,470.61	7,69,405.28
X. Tax expense:			
(1) Current tax		2,24,479.42	2,41,500.00
(2) Deferred tax Assets/ (Liabilities)		4,449.24	507.69
(3) Previous Tax/Int. Adjusted			
XI. Profit (loss) for the period from continuing operations (VII-VIII)		5,06,440.44	5,28,412.97
XII. Profit / (loss) from discontinuing operations			
XIII. Tax expense of discontinuing Operations			
XIV. Profit / (loss) from Discontinuing operations (after tax) (XII-XIII)			
XV. Profit (Loss) for the period (XI + XIV)		5,06,440.44	5,28,412.97
XVI. Earnings per equity share:			
(1) Basic		2.03	2.11
(2) Diluted			

For
Harneet Singh & Associates
Chartered Accountants

for and on behalf of
The Board of directors of
Perfect Buildwell Private Limited

Harneet Singh (CA)
Proprietor
Membership No. 516592

(Ajay Bharti)
(Director)
DIN: 00999777

(Vipul Suchdeva)
(Director)
DIN: 01210309

PLACE: New Delhi
DATE : 02.09.2015

M/S PERFECT BUILDWELL PRIVATE LIMITED
CIN:U45201DL2004PTC125145
D-64, 1st Floor, Defence Colony, New Delhi-110024
Email Id-director@perfectbuildwell.com, Tel: 011-24616415

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR OF 31st MARCH, 2015

Note No.	Particulars	As on 31.03.2015	As on 31.03.2014
1	<u>SHARE CAPITAL</u>		
	<u>AUTHORISED</u>		
	30,00,000 Equity Shares of Rs. 10/- each	3,00,00,000.00	25,00,000.00
	(30,00,000 Equity Shares of Rs. 10/- each)		
	<u>ISSUED SUBSCRIBED & PAID UP</u>		
	30,00,000 Equity Shares of Rs. 10/- each fully paid up	3,00,00,000.00	3,00,00,000.00
	(25,00,000 Equity Shares of Rs. 10/- each) previous year		
	<u>RECONCILIATION OF SHARES</u>		
	Opening Balance 25,00,000 Equity Shares	-	25,00,000
	(25,00,000 Equity Shares) Previous Year		
	Changes During the year-		2,75,00,000
	Addition of 27,50,000 Equity shares of Rs. 10/- each fully paid up	3,00,00,000	3,00,00,000
	Closing Balance 30,00,000 Equity Shares		
	(25,00,000 Equity Shares) Previous year		
	<u>List of Shareholders holding more than 5% shares</u>		
	Name of Shareholders	No. of Shares	No. of Shares
	(i) Vipul Suchdeva 50%	15,00,000.00	15,00,000.00
	(iii) Ajay Bharti 50%	15,00,000.00	15,00,000.00
2	<u>Reserves and Surplus</u>		
	Opening Balance	30,91,317.13	25,62,904.16
	Net Profit of Current Year	5,06,440.44	5,28,412.97
	Closing Balance	35,97,757.57	30,91,317.13
	Total (Rs.)	35,97,757.57	30,91,317.13
3	<u>Other Long Term Liabilities</u>		
	<u>Advances</u>		
	Zara Infrastructure Pvt Ltd	82,50,000.00	22,98,746.00
	Perspicacity Consultants Pvt Ltd	50,00,000.00	1,19,00,000.00
	M.S.Kataria	85,00,000.00	
	Raj Hans Kataria	92,85,000.00	
	Responsive Finance	42,50,000.00	
	Sandeep Maheshwari	45,00,000.00	
	Shri Paras Enterprises	2,50,00,000.00	
	Nupur Kataria		
	<u>From Shareholders & Directors</u>		
	Vipul Suchdeva	80,05,000.00	37,00,000.00
	Kiranjeet Kaur Bharti		63,32,415.00
	Ajay Bharti	1,54,00,000.00	25,00,000.00
	Director's Current Account	1,61,202.00	1,61,202.00
	Total (Rs.)	8,83,51,202.00	2,68,92,363.00
4	<u>Trade Payables</u>		
	Trade Payable	1,77,27,245.83	1,76,33,857.40
	Advance from Customers	53,81,927.00	6,12,55,250.00
	Total (Rs.)	2,31,09,172.83	7,88,89,107.40
5	<u>Other Current Liabilities</u>		
	Sunil Mehdiratta	19,101.00	19,101.00
	S. K. Arora	21,90,330.00	21,90,330.00
	Vivek Mittal	5,00,000.00	5,00,000.00
	Arvind K. Jain & Associates	22,472.00	67,472.00
	Hameet Singh & Associates	22,800.00	
	A Q TV Communication	14,09,130.00	
	Grass Root Research	1,52,923.00	
	TDS Payable on Commission	6,850.00	23,100.00
	TDS Payable on Contractor	19,007.00	2,359.00
	TDS Payable on Professional	75,000.00	4,250.00
	Salary Payable	15,500.00	
	Total (Rs.)	44,33,113.00	28,06,612.00



Hameet Singh

6	<u>Short-term provisions</u>	44,944.00	44,944.00
	Audit Fee Payable	2,24,479.42	2,41,500.00
	Provision for Income Tax	2,69,423.42	2,86,444.00
	Total (Rs.)		
7	Fixed Assets are show sepraty at annexure 1	6,584.00	23,470.00
8	<u>Defered Tax</u>	2,128.70	2,636.39
	Balance as per Last Balance Sheet	4,449.24	(507.69)
	Balance debited/credited to P&L A/c	6,577.94	2,128.70
	Total (Rs.)		
9	<u>Long Term Loans & Advances</u>	61,25,512.49	60,00,512.49
	Bhagwati Dream Homes Pvt Ltd	1,59,45,000.00	2,15,00,000.00
	Sri Venkatesh Builders		20,00,000.00
	Deepak Gupta	29,50,000.00	19,50,000.00
	M.K Dang	2,50,20,512.49	3,14,50,512.49
10	<u>Other Non Current Assets</u>	24,50,000.00	24,50,000.00
	FDR-RBL Bank Guarantee	750.00	750.00
	Security Deposit	2,47,618.00	22,605.00
	Accrued Interest	26,98,368.00	24,73,355.00
	Total		
11	<u>Inventories</u>	10,45,97,800.00	2,34,62,150.00
	Opening Stock		8,06,78,906.00
	Purchase	11,67,28,020.00	10,45,97,800.00
	Closing Stock	(1,21,30,220.00)	(4,56,744.00)
	Total (Rs.)		
12	<u>Trade Receivable</u>	17,500.00	17,500.00
	Advance to Suppliers	17,500.00	17,500.00
13	<u>Cash and cash equivalents includes the followings:-</u>	7,98,572.70	13,083.70
	Cash in Hand		
	Balance with Banks in Current Accounts	3,68,384.87	11,575.92
	-HDFC Nirwana Greens A/c	22,189.00	7,169.00
	-Vijaya Bank	6,40,631.31	
	-Axis Bank	18,29,777.88	31,828.62
	Total (Rs.)		
14	<u>Other Current Assets</u>	1,09,787.00	1,34,570.00
	Income Tax Refundable AY 2014-15	2,50,000.00	87,297.00
	TDS	20,230.00	2,50,000.00
	Advance Income Tax	8,806.50	20,230.00
	Income Tax Refund Receivable for AY. 2012-13	30,64,505.00	15,431.50
	Staff Advances/Salaries N.G.		28,01,570.27
	House Constructions 61-62 NG		60,149.95
	VAT Recivable	34,53,328.50	33,69,248.72
	Total (Rs.)		
15	<u>Revenue from operations</u>	39,60,750.00	79,70,875.00
	Nirwana Green Sale		
	Dashmesh Academy Sale	39,60,750.00	79,70,875.00
	Total (Rs.)		
16	<u>Other Income</u>	2,73,859.50	6,92,767.00
	Interest on FDR	2,50,015.00	25,117.00
	Interest on RBL FDR	12,588.00	193.00
	Interest on Income tax refund		1,43,168.00
	Dr/Cr Written off	5,36,462.50	8,61,245.00
	Total (Rs.)		



17	<u>Employee Benefit Exp.</u>		
	Staff Salary	7,14,324.00	5,41,760.00
	Staff Welfare	66,052.50	32,042.00
	Total (Rs.)	7,80,376.50	5,73,802.00
18	<u>Finance Costs</u>		
	Bank Charges & Int.	2,27,722.00	34,750.00
	Bank Guarantee Expense	2,78,859.50	8,20,000.00
	Bank Charges & Int.	1,415.74	236.23
	Total (Rs.)	5,07,997.24	8,54,986.23
19	<u>Other Expenses</u>		
	Direct Expenses	1,32,41,446.80	47,33,172.99
	Advertisement Exp.	31,380.00	67,891.00
	Audit Fees	22,800.00	22,472.00
	Commission Dashmesh	68,500.00	2,31,000.00
	PUDA EDC Instalment	7,22,710.50	6,84,388.50
	Freight & cartage	6,375.00	2,775.00
	Electricity Bill DA	7,385.00	24,745.00
	Legal & Professional Charges	1,15,265.00	98,680.00
	News Papers & Periodicals	2,053.50	1,972.50
	Office Exp. NG./Misc. Exp	62,873.46	3,010.00
	Printing & Stationery	6,886.50	8,531.50
	Rate, Fee & Taxes	1,800.00	3,15,000.00
	Interest on TDS	517.00	
	Repair & Maintenance	2,41,691.39	8,37,672.00
	Telephone Exp.	9,058.00	5,861.00
	Travelling & Conveyance	44,950.00	43,803.00
	Water Charges	2,335.00	618.00
	Postage and Telegram	175.00	195.00
	Website Maint. Exp.	7,500.00	7,500.00
	Sales Promotion	0.00	100.00
	Total (Rs.)	1,45,95,702.15	70,89,387.49



M/S PERFECT BUILDWELL PRIVATE LIMITED

CIN:U45201DL2004PTC125145

D-64, 1st Floor, Defence Colony, New Delhi-110024

Email Id-director@perfectbuildwell.com, Tel: 011-24616415

NOTES OF FIXED ASSETS AS PER COMPANIES ACT 2013

TANGIBLE ASSETS AS ON 31-03-2015

S.No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		BALANCE AS ON 01.04.2014	ADDITIONS DURING YEAR	ADJUSTMENT DURING YEAR	BALANCE AS ON 31.03.2015	BALANCE AS ON 01.04.2014	CHARGED DURING YEAR	ADJUSTMENT DURING THE YEAR	BALANCE AS ON 31.03.2015
1	Air-Conditioner	27,000.00	0.00	0.00	27,000.00	3,530.00	16,886.00	0.00	6,584.00
	TOTAL	27,000.00	0.00	0.00	27,000.00	3,530.00	16,886.00	0.00	23,470.00



M/s PERFECT BUILDWELL PRIVATE LIMITED

Schedules forming part of the accounts for the year ended 31 March 2015
Significant accounting policies and notes to accounts

1. Background and nature of business

M/s Perfect Buildwell Private Limited ('the Company CIN: U45201DL2004PTC125145 ') was incorporated on 12th March, 2004 and is primarily engaged in the business of Development and Construction of Real Estate.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of financial statements

These financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting. The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b) Use of estimates

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) Inventory and Work-in-progress

Inventories comprises raw materials and project under construction (work-in-progress).

Raw materials are valued at the lower of cost on FIFO (First In First Out) basis, and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale/use, including octroi and other levies, transit insurance and receiving charges.

Work-in-progress is valued at lower of cost and net realisable value. Cost comprises cost of land (including development rights), materials, services, overheads related to projects under construction and borrowing costs.



M/s PERFECT BUILDWELL PRIVATE LIMITED

Schedules forming part of the accounts for the year ended 31 March 2015
Significant accounting policies and notes to accounts

d) Revenue Recognition

i. Revenue in respect of sale of residential units is recognised at the point of transfer of property in goods or when all significant risk and ownership are transferred to the buyer and the company retains no effective control of the residential unit to a degree usually associated with ownership. As per guidance note on Recognition of Revenue by Real Estate Developers issued by Institute of Chartered Accountants of India, all significant risk and rewards are considered to be transferred when legal title passes to the buyer or possession of residential units is given to the buyers. All significant risks and rewards of ownership are also considered to be transferred, if the seller has entered into a legally enforceable agreement for sale with the buyer and all the following conditions are satisfied even though the legal title is not passed or the possession of the real estate is not given to the buyer:

- a. The significant risks related to real estate have been transferred to the buyer.
- b. The buyer has a legal right to sell or transfer his interest in the property, without any condition or subject to only such conditions which do not materially affect his rights to benefits in the property.

No revenue is recognised in case there is a significant uncertainty regarding the amount of the consideration that will be derived for sale of the residential units or it is unreasonable to expect ultimate collection.

ii. Any expected loss on real estate projects or construction contracts is recognised as an expense when it is certain that the total cost will exceed the total revenue.

iii. The revenue on account of interest on delayed payments by customers and expenditure on account of compensation/penalty for project delays are accounted for at the time of acceptance/settlement with the customers due to uncertainties with regard to determination of amount receivable/payable.

iv. Interest income is recognised on accrual basis on a time proportion basis.

e) Borrowing cost

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are considered as part of asset/project. All other borrowing costs are directly charged to the profit & loss a/c.



M/s PERFECT BUILDWELL PRIVATE LIMITED

Schedules forming part of the accounts for the year ended 31 March 2015
Significant accounting policies and notes to accounts

f) Taxation

Income tax expense comprises current tax (that is amount of tax for the period determined in accordance with the Income tax laws) and deferred tax charge or credit (reflecting the tax effects of timing difference between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liability or deferred tax assets is recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that the assets can be realized in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and are written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

g) Provisions, contingent liabilities and contingent assets

A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

h) Fixed assets and depreciation

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is put to use. 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 on fixed assets after its purchase is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Tangible assets are depreciated on a pro-rata basis based on the written down value method over the estimated useful lives of the assets considering the guidelines of Part C of Schedule II to the Companies Act, 2013. Following are useful lives for each asset category:



M/s PERFECT BUILDWELL PRIVATE LIMITED

Schedules forming part of the accounts for the year ended 31 March 2015
Significant accounting policies and notes to accounts

Asset Category	Useful Life (in years)
Plant and machinery	12
Furniture and fixtures	10
Vehicles	8
Office equipments	5
Computers	3

Intangible assets comprises computer softwares and are amortised over their estimated useful life estimated at 4 years.

i) Employee benefits

(i) Short-term benefits

All employee benefits payable/available within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the Profit and Loss Account in the period in which the employee renders the related service.

(ii) Defined contribution plans

Provident fund is a post-employment defined contribution plan, with no legal and constructive obligation to pay further amounts. Contributions to provident fund are recognised in the financial statements on an accrual basis.

j) Operating leases

Lease payments under operating lease are recognized as an expense in the Profit and Loss Account on a straight line basis over the lease term.

k) Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with AS 20, Earnings per Share. Basic earnings per equity share have been computed by dividing net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding for the year. Diluted earnings per share is computed using the weighted average number of equity and equivalent dilutive equity shares outstanding during the year, except where results would be anti-dilutive.



M/s PERFECT BUILDWELL PRIVATE LIMITED

Schedules forming part of the accounts for the year ended 31 March 2015
Significant accounting policies and notes to accounts

3. Auditors Remuneration (inclusive of service tax)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Statutory Audit Fees	22,800	22,472
Total	22,800	22,472

4. Prior period comparatives


Previous year's figures have been appropriately regrouped/ reclassified to conform to current year's presentation.

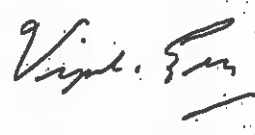
FOR HARNEET SINGH & ASSOCIATES
Chartered Accountants
Firm registration No.024748N

HARNEET SINGH (ACA)
Proprietor
M.No. 516592

PLACE: New Delhi
DATE : 02.09.2015

For and on behalf of the Board of Directors of
M/s Perfect Buildwell Private Limited


AJAY BHARTI
Director
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VIPUL SUCHDEVA
Director
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