

## INDEPENDENT AUDITORS' REPORT

To  
The Members Of  
Master Infrastructure & Real Estate  
Developers Ltd.

### Report on the Financial Statements

We have audited the accompanying financial statements of **Master Infrastructure & Real Estate Developers Ltd ('the Company')**, which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the 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 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 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 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 thereunder.

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 misstatements.

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 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 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 financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statement 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 March 31, 2015 and its profit and its cash flows 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 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, 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 financial statement 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 the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 19 to the financial statements.

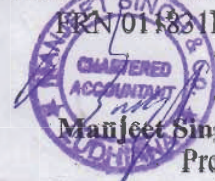


- (ii) The Company did not have any outstanding long-term contract including derivative contracts as at March 31, 2015 for which there were any material foreseeable losses: and
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Ludhiana, 30<sup>th</sup> May, 2015

**For Manjeet Singh & Co.**  
**Chartered Accountants**

RRN 014831N



**Manjeet Singh**  
Prop.

(Membership No. 088759)

## ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statement for the year ended March 31, 2015, we report that:

1. As the company doesn't have any fixed assets, hence related reporting requirements of clause (I) specified in para 4 of the Order.
2. a) The inventory, which are held in physical form, has been verified during the year by the management and in our opinion the frequency of verification is reasonable.  
b) In our opinion and according to the information and explanations given to us, the procedures of verification of inventory followed by the company are reasonable and adequate commensurate with the size of company and the nature of its business.  
c) The company is maintaining proper record of inventory. No material discrepancy were noticed on verification between the physical inventory and book records.
3. The Company has granted loan to one party covered in the register maintained under section 189 of the Companies Act 2013 ('the Act')  
a) In the case of the loan granted to the parties covered in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of the principle amount  
b) There are no overdue amounts of more than rupees 0.1 mn in respect of the loans granted to the parties covered in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanation given to us during the course of audit, there are adequate internal control procedures commensurate with the size of company and the nature of its business with regard to purchase of inventory and for the sale of goods. Further on the basis of our examination of books and records of the company and according to information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control procedures.



5. According to the information and explanations given to us, the Company has not accepted deposits from the public during the period covered by our audit report. According to the information and explanation given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal in this regard in the case of the Company.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
7. a) According to the information and explanations given to us and on the basis of our examination of the record of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.

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 any other statutory dues applicable to it 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, there are no dues of income tax, sales tax, service tax, wealth tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.

c) There were no amounts which were required to be transferred to the investor education and protection fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

8. The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
9. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders during the year.



10. 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.
11. The Company did not have any term loans outstanding during the year.
12. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

**For Manjeet Singh & Co.**  
Chartered Accountants

FRN 011831N



**Manjeet Singh**  
Prop.

(Membership No. 088759)

Ludhiana, 30<sup>th</sup> May, 2015

# MASTER INFRASTRUCTURE & REAL ESTATES DEVELOPERS LTD.

Balance Sheet as at 31st March, 2015

Particulars	Note	As at 31st March, 2015	As at 31st March, 2014
		Rs.	Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	1	2,000,000	2,000,000
Reserves and surplus	2	89,131,818	88,588,555
		<b>91,131,818</b>	<b>90,588,555</b>
<b>Current liabilities</b>			
Short-term borrowings	3	32,290,000	13,016,179
Other current liabilities	4	173,288,295	225,827,118
Short-term provisions	5	165,000	17,000
		<b>205,743,295</b>	<b>238,860,297</b>
<b>TOTAL</b>		<b>296,875,113</b>	<b>329,448,852</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Non-current investments	6	89,109,326	109,031,857
Long-term loans and advances	7	84,732	16,345
		<b>89,194,058</b>	<b>109,048,202</b>
<b>Current assets</b>			
Inventories	8	96,355,573	99,681,904
Cash and cash equivalents	9	132,586	144,646
Short-term loans and advances	10	111,192,896	120,574,100
		<b>207,681,055</b>	<b>220,400,650</b>
<b>TOTAL</b>		<b>296,875,113</b>	<b>329,448,852</b>
<b>Significant Accounting Policies</b>			
<b>Notes on Financial Statements 1 to 23</b>			

As per our Report of even date

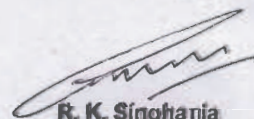
For Manjeet Singh & Co.  
Chartered Accountants  
FRN 041834N



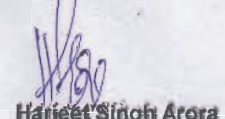
Membership Number 088759

Ludhiana, 30th May, 2015

For and on behalf of the Board

  
R. K. Singhania  
Director

DIN-00077540

  
Harjeet Singh Arora  
Director

DIN-00063176

**MASTER INFRASTRUCTURE & REAL ESTATES DEVELOPERS LTD.**

**Statement of Profit and Loss for the year ended 31st March, 2015**

Particulars	Note No.	For the year ended 31st March, 2015 Rs.	For the year ended 31st March, 2014 Rs.
<b>INCOME</b>			
Revenue from operations	11	3,630,000	11,181,000
Other income	12	944,670	669,642
<b>Total Revenue</b>		<b>4,574,670</b>	<b>11,850,642</b>
<b>Expenses</b>			
Purchases of Stock in Trade	13	-	11,690,339
Changes in inventories of Stock in Trade	14	3,326,331	(1,789,725)
Finance costs	15	3,700	1,203,745
Employee Benefit Expenses	16	253,613	-
Other expenses	17	69,545	66,840
<b>Total Expenses</b>		<b>3,653,189</b>	<b>11,171,199</b>
<b>Profit before tax</b>		<b>921,481</b>	<b>679,443</b>
<b>Tax expense:</b>			
Current tax		165,000	17,000
Current tax expense relating to prior years		213,218	(14,305)
<b>Profit for the year</b>		<b>543,263</b>	<b>676,748</b>
<b>Earnings per equity share of face value Rs. 10 each</b>			
Basic and Diluted ( in Rs.)		2.72	3.38
Weighted average number of shares outstanding		200,000	200,000
<b>Significant Accounting Policies</b>			
<b>Notes on Financial Statements</b> 1 to 23			

As per our Report of even date

**For Manjeet Singh & Co.**

Chartered Accountants

FRN 051831N



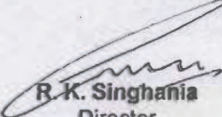
Manjeet Singh

Prop.

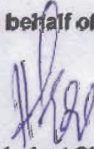
Membership Number 088759

Ludhiana, 30th May, 2015

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R. K. Singhania  
Director

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Harjeet Singh Arora

Director

DIN-00063176



# MASTER INFRASTRUCTURE & REAL ESTATES DEVELOPERS LTD.

## Cash Flow Statement for the year ended 31st March, 2015

Particulars	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operating activities</b>				
Net Profit before tax and extraordinary items		921,481		679,443
<u>Adjustments for:</u>				
Miscellaneous Expenditure	5,030		5,030	
		5,030		5,030
Operating profit before working capital changes		926,511		684,473
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	3,326,331		(1,789,725)	
Short-term loans and advances	9,376,174		88,651,840	
Long-term loans and advances	(68,387)		65,835	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Other current liabilities	(52,538,823)		59,117,300	
Short-term borrowings	19,273,821		(130,468,281)	
		(20,630,884)		15,576,969
		(19,704,373)		16,261,442
Cash flow from extraordinary items		-		-
Cash generated from operations		(19,704,373)		16,261,442
Net income tax (paid) / refunds		(230,218)		(42,895)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(19,934,591)</b>		<b>16,218,547</b>
<b>B. Cash flow from investing activities</b>				
Purchase of Investment		-		-
Sale of Investment		19,922,531		(16,335,966)
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>19,922,531</b>		<b>(16,335,966)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from issue of equity shares		-		-
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>-</b>		<b>-</b>
<b>Net (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(12,060)</b>		<b>(117,419)</b>
Cash and cash equivalents at the beginning of the year		144,646		262,065
Cash and cash equivalents at the end of the year		132,586		144,646

As per our Report of even date

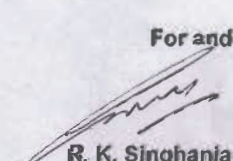
For Manjeet Singh & Co.  
Chartered Accountants  
FRN 011831N



Manjeet Singh  
Proprietor  
Membership Number 088759

Ludhiana, 30th May, 2015

For and on behalf of the Board

  
R. K. Singhania  
Director  
DIN-00077540

  
Harjeet Singh Arora  
Director  
DIN-00063176

## **MASTER INFRASTRUCTURE & REAL ESTATE SIGNIFICANT ACCOUNTING POLICIES**

### **A. Basis of Preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014.

### **B. Use of Estimates**

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 recognized in the periods in which the results are known / materialize.

### **C. 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. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

### **D. Depreciation and Amortization**

Depreciation on fixed assets is provided on the straight line method using the rates arrived at based on useful life of the assets prescribed under Schedule II of the Companies Act, 2013 which is also as per the useful life of the assets estimated by the management.

### **E. Impairment of Assets**

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit & Loss Account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost.



**F. Investments**

Current investments are carried at lower of cost and fair value. Long Term investments are stated at cost. Provision for diminution in the value of long- term investments is made only if such a decline is other than temporary.

**G. Inventories**

Inventories are valued at the lower of cost and the net realizable value.

**H. Revenue Recognition**

The Company follows the mercantile system of accounting and recognized Profit & Loss on that basis.

**I. Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**J. 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 recognized 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 recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized 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 realized. 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.

**K. Provisions and contingencies**

Contingent liabilities, if material, are disclosed by way of notes, contingent assets are not recognized or disclosed in the financial statements, A provision is recognized when an enterprise has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation(s), in respect of which a reliable estimate can be made for the amount of obligation.



**Note 1 Share capital**

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised</b> Equity shares of Rs. 10 each	200,000	2,000,000	200,000	2,000,000
<b>Issued</b> Equity shares of Rs. 10 each	200,000	2,000,000	200,000	2,000,000
<b>Subscribed and fully paid up</b> Equity shares of Rs. 10 each	200,000	2,000,000	200,000	2,000,000
<b>Total</b>	<b>200,000</b>	<b>2,000,000</b>	<b>200,000</b>	<b>2,000,000</b>

1.1 The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share.

1.2 The details of shares held by holding company:

Name of the shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% of holding	Number of shares held	% of holding
Master Trust Ltd	200,000	100	200,000	100

1.3 The details of shareholders holding more than 5% shares:

Name of the shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% of holding	Number of shares held	% of holding
Master Trust Ltd	200,000	100	200,000	100

1.4 The reconciliation of the number of shares and amount outstanding is set out below :

Particulars	As at 31 March, 2015 Number of shares	As at 31 March, 2014 Number of shares
Equity Shares at the beginning of the year	200,000	200,000
<b>Equity Shares at the end of the year</b>	<b>200,000</b>	<b>200,000</b>



**Note 2 Reserves and surplus**

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
<b>Securities Premium Account</b> As per last Balance Sheet	87,500,000	87,500,000
<b>Profit and Loss Account</b> As per last Balance Sheet	1,088,555	411,807
Add: Profit for the year	543,263	676,748
Closing balance	<b>1,631,818</b>	<b>1,088,555</b>
<b>Total</b>	<b>89,131,818</b>	<b>88,588,555</b>

**Note 3 Short-term borrowings**

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
<b>Loans and advances from related parties</b> Unsecured	32,290,000	13,016,179
<b>Total</b>	<b>32,290,000</b>	<b>13,016,179</b>

**Note 4 Other current liabilities**

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Advance against sale of property	168,660,000	188,660,000
Other payables	67,795	163,118
Cheque issued (Net)	4,560,500	37,004,000
<b>Total</b>	<b>173,288,295</b>	<b>225,827,118</b>

**Note 5 Short-term provisions**

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Provision for tax	165,000	17,000
<b>Total</b>	<b>165,000</b>	<b>17,000</b>



**Note 6 Non-current investments**

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
<b>Investments (At cost):</b>		
<b>Investment in equity instruments (Quoted)</b>		
283000 (As at 31 March, 2014: 428,000) Fully paid up equity shares of Rs. 10/- each of Prime Industries Ltd.	622,520	10,627,520
625000 (As at 31 March, 2014: 625000) Fully paid up equity shares of Rs. 10/- each of Vardhman Polytex Ltd.	21,281,250	21,281,250
	<b>21,903,770</b>	<b>31,908,770</b>
<b>Investment in equity instruments (Unquoted)</b>		
NIL (As at 31 March, 2014: 100) Fully paid up equity shares of Rs. 10/- each of Convexity Solutions & Advisors Private Ltd.	-	1,100
<b>Investment in debentures or bonds (Unquoted)</b>		
305 (As at 31 March, 2014: 380) 18% Cumulative Deep discount Bonds of Master Capital Services Ltd.	3,050,000	3,800,000
<b>Investment property</b>	<b>63,674,820</b>	<b>70,597,060</b>
<b>Investment in Partnership Firms</b>	<b>480,736</b>	<b>2,724,927</b>
<b>Total</b>	<b>89,109,326</b>	<b>109,031,857</b>
<b>Aggregate market value of listed and quoted investments</b>	<b>24,237,000</b>	<b>21,580,730</b>

**Note 7 Long-term loans and advances**

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Advance income tax	84,732	16,345
<b>Total</b>	<b>84,732</b>	<b>16,345</b>

**Note 8 Inventories**

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Land	96,355,573	99,681,904
<b>Total</b>	<b>96,355,573</b>	<b>99,681,904</b>



**Note 9 Cash and cash equivalents**

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Cash on hand	56,931	46,118
Balances with banks		
In current accounts	10,256	38,687
In FDR	65,399	59,841
<b>Total</b>	<b>132,586</b>	<b>144,646</b>

**Note 10 Short-term loans and advances**

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Advance against purchase of Land Unsecured, considered good	91,692,421	119,592,421
Other Receivable Unsecured, considered good	19,500,475	981,679
<b>Total</b>	<b>111,192,896</b>	<b>120,574,100</b>

**Note 11 Revenue from operations**

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Rs.	Rs.
Sales of Land	3,630,000	11,181,000
<b>Total</b>	<b>3,630,000</b>	<b>11,181,000</b>

**Note 12 Other income**

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Rs.	Rs.
<b>Other non-operating income</b>		
Interest Income	354,178	6,816
Share of Profit in Partnership Firms	1,117,232	624,596
Profit/Loss on Sale of Investment	(526,740)	38,230
<b>Total</b>	<b>944,670</b>	<b>669,642</b>



**Note 13 Purchase of stock in Trade**

Particulars	For the year ended 31st March, 2015 Rs.	For the year ended 31st March, 2014 Rs.
Purchase of Land	-	11,690,339
<b>Total</b>	-	<b>11,690,339</b>

**Note 14 Changes in inventories of finished goods**

Particulars	For the year ended 31st March, 2015 Rs.	For the year ended 31st March, 2014 Rs.
Opening stock of Land	99,681,904	97,892,179
Closing stock of Land	96,355,573	99,681,904
<b>Total</b>	<b>3,326,331</b>	<b>(1,789,725)</b>

**Note 15 Finance costs**

Particulars	For the year ended 31 March, 2015 Rs.	For the year ended 31 March, 2014 Rs.
Interest expenses	-	1,203,230
Bank Charges	3,700	515
<b>Total</b>	<b>3,700</b>	<b>1,203,745</b>

**Note 16 Employee Benefit Expenses**

Particulars	For the year ended 31 March, 2015 Rs.	For the year ended 31 March, 2014 Rs.
Salary and Wages	250,000	-
Staff Welfare Expenses	3,613	-
<b>Total</b>	<b>253,613</b>	<b>-</b>

**Note 17 Other expenses**

Particulars	For the year ended 31st March, 2015 Rs.	For the year ended 31st March, 2014 Rs.
Audit Fees	25,000	25,000
Statutory Audit	5,000	5,000
Others	8,900	8,923
Fees & Taxes	23,500	1,200
General Expenses	197	185
Printing & Stationery	570	21,502
Travelling & Conveyance	1,348	-
Telephone Expense	5,030	5,030
Preliminary Expenses Written Off		
<b>Total</b>	<b>69,545</b>	<b>66,840</b>





## Notes forming parts of financial statements

18. Bank Guarantee of Rs. 0.05 mn (previous year Rs. 0.05 mn) given in favour of Greater Ludhiana Area Development Authority.

19. As per an Ex-Parte Ad- Interim Order number WTM/RKA/ISD/162/2014 dated 19 December, 2014 by SEBI in the matter of First Financial Services Limited, Master Securities amongst others in which our company is a main partner, has been restrained from accessing the securities market and buying, selling or dealing in securities, either directly or indirectly, in any manner, till further directions. The Order has affected its activity i.e. trading/investment in securities till further directions.

The order is being contested by the partnership firm and is sub-judice. In the view of the management and as per the legal advice, no liability is likely to arise. Even, the amount of liability, if any, is indeterminate. Accordingly, no liability has been provided for.

20. In the opinion of Board of Directors other current assets, loans and advances have the value at which they are stated in the Balance sheet, if realized in the ordinary course of business.

### 21. Related Party Disclosures

As required by AS-18, Related Party Disclosures, are given below:

<b>Holding/Fellow Subsidiaries</b>	<b>Associates/Enterprises owned or significantly influenced by the key Management Persons or their Relatives</b>	<b>Key Management Personnel and their Relatives</b>
Master Trust Ltd	Prime Industries Ltd.	Mr. Harjeet Singh Arora
Master Capital Services Ltd.	Master Share & Stock Brokers Ltd.	Mr. R K Singhania
Master Insurance Brokers Ltd	H.K Arora Real Estate Service Ltd	Mr. G S Chawla
Master Commodity Services Ltd	Prime Agro Farms Pvt Ltd	Mr. Pavan Chhabra
Master Portfolio Services Ltd.	Big Build Real Estate Pvt Ltd	Mrs. Harneesh Kaur Arora
H.A. Share & Stock Brokers Ltd.	Amni Real Estate Pvt Ltd	Mr. Ashwani Kumar
	Matria Estate Developers Pvt Ltd	Mr. Anil Kumar Bhatiya
	MTL Capital Consultants Pvt Ltd	Mr. Sudhir Kumar
	Sanawar Investments	Mrs. Parveen Singhania
	PHDA Financial Services (P) Ltd.	Mr. Puneet Singhania
	Saintco India (P) Ltd.	Mr. Chirag Singhania
	Singhania Properties.	Mrs. Palka A Chopra
	Partnership Firms	Mr. Jashanjyot Singh
		Mrs. Harinder Kaur Minocha
		Mrs. Rohila Singhania



**Transactions with related parties**

	Holding/ Fellow Subsidiaries	Associates/Enterprises owned or significantly influenced by the key Management Persons or their Relatives	Key Management Personnel and their Relatives	Total
Interest Paid	----- (1203230)	---- (----)	---- (----)	----- (1203230)
Interest Received	343720 (-----)	---- (----)	---- (----)	343720 (-----)
Investment / Stock Purchased	8640000 (21281250)	----- (1800000)	---- (----)	8640000 (23081250)
Sale	420500 (-----)	9330000 (----)	---- (----)	97050500 (-----)
Remuneration	---- (----)	---- (----)	250000 (----)	250000 (----)
Advance against Sale of Property	158660000 (188660000)	---- (----)	---- (----)	158660000 (188660000)
Balance outstanding at the end of the year				
Receivable/Investment	18477526 (----)	480736 (2724927)	---- (----)	18958262 (2724927)
Payable	---- (13016179)	---- (----)	32290000 (----)	32290000 (13016179)

22. Disclosures, relating to amounts unpaid as at the year end together with interest required under the Micro, Small and Medium Enterprises Development Act, 2006 have been given to the extent company has received intimation from "Suppliers" regarding their status under the said Act.



23. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our Report of even date

**For Manjeet Singh & Co.**  
**FRN- 011831N**  
**Chartered Accountants**



**(Manjeet Singh)**  
**Prop.**

**Membership Number 088759**  
**Ludhiana, 30th May, 2015**

**For and on behalf of the Board**

**R.K. Singhania**  
**Director**  
**DIN-00077540**

**Harjeet Singh Arora**  
**Director**  
**DIN-00063176**