

GOEL GARG & CO.

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAYURDHWAJ PROJECTS PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **MAYURDHWAJ PROJECTS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, 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 Standalone 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 standalone 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 31st March, 2015, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements: Note 18 in the financial statements which indicates that the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net loss/net cash loss during the current and previous year(s) and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 18, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

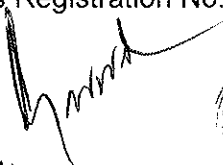
As required by Section 143 (3) of the Act, we report that:


- (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.



- (e) The going concern matter described in sub-paragraph (b) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For GoelGarg & Co
Chartered Accountants
Firm's Registration No. 000397N


(Ashok Kumar Agarwal)
(Partner)
Membership No. 084600



Place: Gurgaon
Date: 27.05.2015


Annexure to the Independent Auditors' Report to the members of Mayurdhwaj Projects Private Limited on the financial statements for the year ended 31st March 2015 referred to in Paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of our report


- (i) The provisions relating to fixed assets are not applicable to the company.
- (ii) The provisions relating to inventories are not applicable to the company.
- (iii) As per information and explanation provided to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies 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 sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company. The provisions relating to the purchase of Inventory and fixed assets are not applicable to the company.
- (v) The company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) As per the information and explanations given to us, the Central Government has not prescribed the maintenance of cost record for any of the Company's products under Section 148(1) of the Companies Act.
- (vii)
 - (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax and other material statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax and cess are not applicable to the Company. However no undisputed amounts were outstanding in respect of statutory dues as at March 31st, 2015 for period of more than six months from the date they became payable.
 - (b) According to the information and explanation given to us, there are no dues pending on account of any dispute.



- (c) According to the information and explanations given to us, there is no amount which is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under and has not been transferred to such fund within time.
- (viii) The Company has accumulated losses of Rs. 154,292,866 which is more than fifty percent as at the end of the financial year. It has incurred a cash loss of Rs. 47,945 during the financial year covered by our audit and cash loss of Rs 61,163 during the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the company has not raised any loan from Financial Institutions, banks or debenture holders.
- (x) According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the company has not raised any term loan.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For Goel Garg & Co.
Chartered Accountants
Firm's Registration No.000397N


ASHOK KUMAR AGARWAL
Partner
Membership No. 084600
Place: Gurgaon
Date: 27.05.2015



MAYURDHWAJ PROJECTS PRIVATE LIMITED
Balance Sheet as at 31st March,2015

Particulars	Notes	31/Mar/15	31/Mar/14
		₹	₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	500,000	500,000
Reserves and surplus	3	(154,292,866)	(154,244,921)
		(153,792,866)	(153,744,921)
Current liabilities			
Short-term borrowings	4	150,905,304	150,905,304
Other current liabilities	5	18,256,863	18,254,054
		169,162,167	169,159,358
Total		15,369,301	15,414,437
Assets			
Current assets			
Trade receivables	6	3,523,087	3,523,087
Cash and bank balances	7	248,027	82,343
Short-term loans and advances	8	11,598,187	11,809,007
		15,369,301	15,414,437
Total		15,369,301	15,414,437

Significant accounting policies

1

The accompanying notes are integral part of the financial statements.

As per our report of even date
For Goel Garg & Co.
Chartered Accountants
Firm Registration No:000397N

(ASHOK KUMAR AGARWAL)
Partner

Membership No : 84600



For and on behalf of the Board of Directors

(Deepak Jain)

Director

DIN 02609411

(Subhash Gupta)

Director

DIN 02542330

Place: Gurgaon

Date: 27/05/2015

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MAYURDHWAJ PROJECTS PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31st March,2015

Particulars	Notes	31/Mar/15	31/Mar/14
		₹	₹
INCOME			
Revenue from operations		-	-
Other income	9	14,760	-
Total Income		14,760	-
EXPENSES			
Other expenses	10	62,705	61,163
Total expenses		62,705	61,163
Profit /(Loss)before tax		(47,945)	(61,163)
Tax expense:			
Current Tax		-	-
Deferred Tax charge/(credit)		-	48,563,237
Profit /(Loss) for the year		(47,945)	(48,624,400)
Earnings per equity share of Rs. 10/- each Basic & Diluted	16	(0.96)	(972.49)

Significant accounting policies

1

The accompanying notes are integral part of the financial statements.

As per our report of even date
For Goel Garg & Co.
Chartered Accountants
Firm Registration No:000397N

(ASHOK KUMAR AGARWAL)
Partner

Membership No: 084660



For and on behalf of the Board of Directors

(Deepak Jain)

Director
DIN 02609411

(Subhash Gupta)

Director
DIN 02542330

Place: Gurgaon

Date: 27/05/2015

MAYURDHWAJ PROJECTS PRIVATE LIMITED
Cash Flow Statement
For the Year Ended 31st March'2015

Particulars	31/Mar/15	31/Mar/14
	₹	₹
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before tax	(47,945)	(61,163)
Adjustments For		
Trade and other receivable	-	386,446
Trade and other payable	2,809	(4,902,388)
Cash generated from operations	(45,136)	(4,577,105)
Tax (Paid) / Refund	210,820	-
NET CASH FROM OPERATING ACTIVITIES	165,684	(4,577,105)
CASH FLOW FROM INVESTING ACTIVITIES	-	-
CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) of Short term Borrowings	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES	-	-
Net change in cash and cash equivalents (A+B+C)	165,684	(4,577,105)
Cash & Cash Equivalent at the beginning of the year	82,343	4,659,448
Cash & Cash Equivalent at the end of the year	248,027	82,343
Components of cash and cash equivalents		
Balance with bank	242,549	78,149
cash on hand	5,478	4,194
Total cash and cash equivalents	248,027	82,343
Significant accounting policies	Note 1	

The accompanying notes are integral part of the financial statements.

As per our report of even date
For Goel Garg & Co.
Chartered Accountants
Firm Registration No: 000397N

(ASHOK KUMAR AGARWAL)
Partner

Membership No. : 084600

Place : Gurgaon

Date : 27/05/2015



For and on behalf of the Board of Directors

(Deepak Jain)
Director
DIN 02609411

(Subhash Gupta)
Director
DIN 02542330

Mayurdhwaj Projects Private Limited

Notes to the financial statements for the year ended 31st March, 2015

2 Share capital

Authorised

50000(Previous year 50000) Equity shares of ₹10/- each

Issued, subscribed and fully paid up

50000(Previous year 50000) Equity shares of ₹10/- each with voting rights

Total

Reconciliation of the shares outstanding at the beginning and end of the reporting year

	31/Mar/15	31/Mar/14
	₹	₹
Authorised	500,000	500,000
Issued, subscribed and fully paid up	500,000	500,000
Total	500,000	500,000

	31/Mar/15		31/Mar/14	
	Number	₹	Number	₹
At the beginning of the year	50,000	500,000	50,000	500,000
Outstanding at the end of the period	50,000	500,000	50,000	500,000

Shares (in aggregate) of each class held by:-

Holding company (Unitech Limited)

	31/Mar/15	31/Mar/14
	No of Shares	No of Shares
Holding company (Unitech Limited)	50,000	50,000

Detail of shareholder holding more than 5% share

Name of shareholder

Unitech Limited

	31/Mar/15		31/Mar/14	
	Number of shares	% held	Number of shares	% held
Unitech Limited	50000	100	50,000	100

3 Reserve and Surplus

Surplus in the statement of Profit and Loss

As per last Financial Statements

Add/(Less): Profit/(Loss) for the year

Total

	31/Mar/15	31/Mar/14
	₹	₹
As per last Financial Statements	(154,244,921)	(105,620,521)
Add/(Less): Profit/(Loss) for the year	(47,945)	(48,624,400)
Total	(154,292,866)	(154,244,921)

4 Short-term borrowings

Loan and advances from related parties-Unsecured

Unitech Limited- Holding Company

Total

Interest free loan payable on demand

	31/Mar/15	31/Mar/14
	₹	₹
Loan and advances from related parties-Unsecured	150,905,304	150,905,304
Total	150,905,304	150,905,304

5 Other current liabilities

Other advances received

Advance from Related Parties

Expenses payable

Statutory taxes and dues

Security deposit received from Customer

Total

	31/Mar/15	31/Mar/14
	₹	₹
Other advances received	165,216	165,216
Advance from Related Parties	11,936,814	11,936,814
Expenses payable	53,989	51,180
Statutory taxes and dues	5,000	5,000
Security deposit received from Customer	6,095,844	6,095,844
Total	18,256,863	18,254,054



(Signature)

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Mayurdhwaj Projects Private Limited

Notes to the financial statements for the year ended 31st March, 2015

6	Trade receivables	31/Mar/15	31/Mar/14
	(Unsecured, considered good;)	₹	₹
	Due over six months.	3,523,087	3,523,087
	Others	-	-
	Total	3,523,087	3,523,087
7	Cash and Bank Balance	31/Mar/15	31/Mar/14
	Cash and cash equivalents	₹	₹
	Balances with banks	242,549	78,149
	Cash on hand	5,478	4,194
	Total	248,027	82,343
8	Short-term loans and advances	31/Mar/15	31/Mar/14
	(Unsecured, considered good;)	₹	₹
	Income tax (Net of Provision)	11,598,187	11,809,007
	Other loans and advances	-	-
	Total	11,598,187	11,809,007
9	Other income	31/Mar/15	31/Mar/14
	Interest received on income tax refund	₹	₹
	Total	14,760	-
		14,760	-
10	Other Expenses	31/Mar/15	31/Mar/14
	Legal & professional charges	₹	₹
	Auditor's Remuneration - Audit fee	2,809	2,400
	Registration & filing fees	56,180	56,180
	Bank charges	3,635	1,500
	Other administrative general expenses	81	493
	Total	-	590
		62,705	61,163



MAYURDHWAJ PROJECTS PRIVATE LIMITED

Notes to the financial statements for the year ended 31st March, 2015

1. SIGNIFICANT ACCOUNTING POLICIES

I. NATURE OF OPERATIONS

Mayurdhwaj Projects Private Limited (The Company) was incorporated in 2006. The Company's main business is development of Real Estate Projects.

II. BASIS OF PREPARATION

The financial statements have been prepared under historical cost convention on an accrual basis in accordance with the requirements of schedule III and accounting standards prescribed in section 133 of the Companies Act, 2013 (The Act) read with the Rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time and the provisions of "The Act" to the extent notified.

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company as per the guidance as set out in the Schedule III to the Companies Act, 2013.

III. TAXES ON INCOME

Tax expense comprises both current and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws that are enacted or substantially enacted.

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 assets, subject to consideration of prudence, are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated on the accumulated timing difference at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

IV. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized in respect of liabilities which can be measured only by using a substantial degree of estimates when:

- a) the company has a present obligation as a result of a past event;



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- b) a probable outflow of resources embodying economic benefits will be required to settle the obligation; and
- c) the amount of the obligation can be reliably estimated. Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of:

- a) a present obligation arising from a past event, when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- b) a possible obligation, that arises out of past events and the existence of which will be confirmed only by one or more uncertain future events unless the probability of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

V. CASH & CASH EQUIVALENT

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short- term investments with an original maturity of three months or less. Cash flow statement is prepared using the indirect method.

VI. EARNING PER SHARE

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue, a share split and share warrants conversion.

Diluted earnings per share is calculated by adjusting net profit or loss for the period attributable to equity shareholders and the weighted number of shares outstanding during the period for the effect of all dilutive potential equity shares.



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MAYURDHWAJ PROJECTS PRIVATE LIMITED

Notes to the financial statements for the year ended 31st March, 2015

11. In the opinion of the Board of Directors and to the best of their knowledge and belief, the aggregate value of current assets and loan & advances on realization in the ordinary course of business will not be less than the amount at which these are stated in the balance sheet.

12. "SEGMENT REPORTING : Segment wise revenue, results & other information

The company is primarily in the business of Real Estate. Further whole of the business conducted is within the geographical boundaries of India.

In view of the above, in the opinion of the management and based on the organizational and internal reporting structure, the company's business activities as described above are subject to similar risks and returns. Further, since the business activities undertaken by the company are within India, in the opinion of the management, the environment in India is considered to have similar risks and returns. Consequently, the company's business activities primarily represent a single business segment. Similarly this company's operations in India represent a single geographical segment."

13. There is no Contingent Liability as on 31st March 2015. (Previous year – Nil).

14. As per information available with the company, the trade payables do not include any amount due to Micro, Small and Medium Enterprises registered under "The Micro, Small and Medium Enterprises Development Act as at 31st March 2015.

15. RELATED PARTY TRANSACTIONS

In accordance with the accounting standard on 'Related Party Disclosures' AS-18, the disclosure in respect of related parties and the transactions with them as identified and certified by the management are as follows:

(a) Nature of Related Parties and description of relationship:

Unitech Amusement Parks Ltd Fellow Subsidiary

(b) Summary of significant related parties transactions carried out in ordinary course of business are as under:

(Amount ₹)			
S.No	Description	Holding Company	Fellow Subsidiary
1	Advance Repaid	-	-
		(-)	(3,49,438)

Previous year figures have been given in (parentheses)

(c) Related Party Closing Balance:

(Amount ₹)				
S.No	Description	Maximum Balance	31.03.2015	
1.	Short-term borrowing from Holding Co.	15,09,05,304 (15,09,05,304)	15,09,05,304	(15,09,05,304)
2.	Trade Payable(from fellow subsidiary)	1,19,36,814 (1,22,86,252)	1,19,36,814	(1,19,36,814)

Previous year figures have been given in (parentheses)



16. EARNING PER SHARE

	Particulars	Current Year	Previous year
a)	Weighted average number of Equity shares at the beginning and end of the period	50,000	50,000
b)	Net Profit/(Loss) after tax ₹	(47945)	(4,86,24,400)
c)	Basic and Diluted Earning per Share ₹	(0.96)	(972.49)
d)	Nominal Value of a Equity Share ₹	10	10

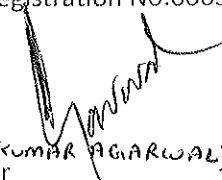
17. Additional information


	Particulars	31.03.2015	31.03.2014
a)	Value of Imports on CIF basis	Nil	Nil
b)	Expenditure in foreign currency - Consultancy fees - Travelling & boarding	Nil Nil	Nil Nil
c)	Consumption of imported raw material, components and spare parts	Nil	Nil
d)	Earnings in foreign currency	Nil	Nil
e)	Amount remitted in foreign currency towards dividend	Nil	Nil

18. The Company has incurred losses in the current year as well as in the previous year and as on date its liabilities have been exceeded to its assets. The company is dependent upon the continuing financial support of its holding company/ultimate holding company after which its ability to continue as a going concern and discharge its liabilities in the ordinary course of business is ensured/confirmed. The holding company/ultimate holding company has indicated its intention to continue providing such financial assistance to the Company to enable it to continue as a going concern and to meet its obligations as they fall due.


19. Previous year figures have been regrouped/ rearranged wherever considered necessary.

As per our report of even date
For Goel Garg & Co.
Chartered Accountants
Firm Registration No:000397N


(ASHOK KUMAR AGARWAL)
Partner
Membership No. : 084600



For and on behalf of the Board of Directors


(Deepak Jain)
Director
DIN 02609411


(Subhash Gupta)
Director
DIN 02542330

Place : Gurgaon
Date : 27/05/2015

