

K M G S & Associates  
Chartered Accountants

Basement,18, National Park,  
Lajpat Nagar-IV, New Delhi-110024  
Ph.: 011-41636286  
Fax No.: 011-41636825  
E-mail: office@kmsgsa.in

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF UNITECH REAL ESTATE MANAGEMENT PRIVATE  
LIMITED  
Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **UNITECH REAL ESTATE MANAGEMENT PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> 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 profits and its cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention to the following matters in the notes to the financial statements:

- a) Refer to Note No. 29: In the financial statements which indicates that the Company has accumulated losses and its net worth has been fully eroded, the company's current liabilities exceeded its current assets as at the balance sheet date. 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**

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 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.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.






- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The going Concern matter described in sub-paragraph (a) 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 KMGS & ASSOCIATES**  
Chartered Accountants  
FRN: 004730N

*Neetu Singla*



Name: Neetu Singla  
(Partner)  
M No.: 501075  
Place: New Delhi  
Date: 13/05/2015

**Annexure to the Independent Auditors' Report to the members of Unitech Real Estate Management 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**

In terms of information and explanations given to us and the books and records examined by us, we report that:

- (i) In respect of fixed assets :
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) All fixed assets have been physically verified by the management in the previous year in accordance with the planned program of verifying them. As informed, no material discrepancies were noticed on such valuation.
- (ii) Provisions relating to inventory are not applicable to the company.
- (iii) As per information 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, for the purchase of inventory, fixed assets and sale of goods. 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.
- (v) As per the information and explanations given to us, the company has not accepted any deposit from public.
- (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, service tax and other material statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, sales-tax, wealth-tax, cess, duty of customs, duty of excise, value added tax are not applicable to the Company. No undisputed amounts were outstanding in respect of statutory dues as at March 31<sup>st</sup>, 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. 15,105,735 which are more than fifty percent of its net worth as at the end of the financial year. The Company has not incurred any cash loss during the current financial year. The Company had incurred cash loss of Rs.22,704,019 during immediate 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 **KMGS & ASSOCIATES**  
Chartered Accountants  
FRN: 004730N


Name: Neetu Singla  
(Partner)  
M No.: 501075  
Place: New Delhi  
Date: 13/05/2015

UNITECH REAL ESTATE MANAGEMENT PRIVATE LIMITED  
Financial Statements as at 31st March,2015

(Amount in Rs)

Particulars	Note No.	31/03/2015	31/03/2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	5,00,000	5,00,000
Reserves and surplus	3	-1,51,05,735	-2,25,32,918
		<b>-1,46,05,735</b>	<b>-2,20,32,918</b>
<b>Non-current liabilities</b>			
Long-term provisions	4	-	13,80,578
<b>Current liabilities</b>			
Trade payables	5	1,40,30,844	1,64,35,072
Other current liabilities	6	1,29,00,854	1,99,87,053
Short-term provisions	7	-	74,363
		<b>2,69,31,698</b>	<b>3,64,96,488</b>
<b>Total</b>		<b>1,23,25,963</b>	<b>1,58,44,148</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed Assets</b>			
Tangible assets	8	51,843	1,36,637
Deferred tax assets (net)	26	72,22,246	1,05,86,450
		<b>72,74,089</b>	<b>1,07,23,087</b>
<b>Current assets</b>			
Trade receivables	9	3,13,925	3,13,925
Cash and bank balances	10	17,88,987	21,65,831
Short-term loans and advances	11	29,48,962	26,41,305
		<b>50,51,874</b>	<b>51,21,061</b>
<b>Total</b>		<b>1,23,25,963</b>	<b>1,58,44,148</b>

Significant accounting policies

1

The accompanying notes are an integral part of financial statements

As per our report of even date

For KMGS & Associates

Chartered Accountants

FRN: 004730N

Partner

Membership No:

NEETA SINGHA  
501025



For and on behalf of Board of Directors

*(Handwritten signatures of Ravi Ramamoorthy and Sunil Kumar Sharma)*

(Ravi Ramamoorthy)

(Sunil Kumar Sharma)

Director

Director

(DIN-01876436)

(DIN-02817965)

Place: Gurgaon

Dated: 13/05/2015

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**UNITECH REAL ESTATE MANAGEMENT PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended 31st March,2015**

(Amount in Rs)

Particulars	Note No.	For the year ended 31/03/2015	For the year ended 31/03/2014
<b>Income</b>			
Revenue from operations	12	6,62,96,688	5,67,08,660
Other income	13	46,971	1,05,439
<b>Total revenue</b>		<b>6,63,43,659</b>	<b>5,68,14,099</b>
<b>Expenses</b>			
Operating expense	14	5,52,47,232	4,42,86,786
Employee benefits expense	15	-	3,44,88,928
Depreciation and amortization expense		84,794	91,091
Other expenses	16	4,64,417	7,42,404
<b>Total expenses</b>		<b>5,57,96,443</b>	<b>7,96,09,209</b>
<b>Profit/(loss) before prior period, exceptional and extraordinary items and tax</b>		<b>1,05,47,216</b>	<b>-2,27,95,110</b>
Prior period & exceptional items	17	-9,794	-
<b>Profit/(Loss) before tax</b>		<b>1,05,57,010</b>	<b>-2,27,95,110</b>
Tax expense		-	-
Current tax		-	-
Earlier year tax/excess provision for tax written back	18	-2,34,377	-
Deferred tax		33,64,204	-1,00,94,817
<b>Profit/(Loss) for the year</b>		<b>74,27,183</b>	<b>-1,27,00,293</b>
<b>Earnings per equity share:</b>	25		
Basic		148.54	-254.01
Diluted		148.54	-254.01

Significant accounting policies

1

The accompanying notes are an integral part of financial statements

As per our report of even date  
 For KMGS & Associates  
 Chartered Accountants  
 FRN: 004730N

Partner **NEETU SINGLA**  
 Membership No: **501095**

For and on behalf of Board of Directors

(Ravi Ramamoorthy)  
 Director  
 (DIN-01876436)

(Sunil Kumar Sharma)  
 Director  
 (DIN-02817965)

Place: Gurgaon  
 Dated: 13/05/2015

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**UNITECH REAL ESTATE MANAGEMENT PRIVATE LIMITED**  
**Cash Flow Statement for the year ended 31st March, 2015**

(Amount in Rs)

	<u>31/03/2015</u>	<u>31/03/2014</u>
Cash flow from operating activities		
Loss before tax and extraordinary items	1,05,57,010	-2,27,95,110
Add Provision for employees benefit	-	13,80,578
Add Depreciation	84,794	91,091
Profit/(loss) before working capital changes	1,06,41,804	-2,13,23,441
Adjustment for changes in working capital		
(Increase)/decrease in current assets	-69,820	1,39,87,301
Increase/(decrease) in current liability	-1,09,45,368	86,56,615
Cash generated from operations before tax	-3,73,384	6,79,432
Less: Taxes paid	-3,459	-12,54,898
Net cash flow from operating activities	-3,76,843	-5,75,466
Net Increase in cash & cash equivalents	-3,76,843	-5,75,466
Cash & cash equivalents at beginning of the year	21,65,831	27,41,298
Cash & cash equivalents at end of the year	17,88,987	21,65,831
Components of cash and cash equivalents		
Balances with banks	17,84,396	21,03,065
Cash in hand	4,591	62,766
Total	17,88,987	21,65,831

Note 1. The above Cash Flow Statement has been prepared under the indirect method set out in AS-3

2. Figures in brackets indicate cash outflow.
3. Direct taxes paid include advance tax.

As per our report of even date

For and on behalf of Board of Directors

Chartered Accountants

FRN: 004730N

*Neetu Singh*  
 For KMGS & Associates

Partner

Membership No:



*NEETU SINGHA*  
*50/10/25*

*Ravi Ramamoorthy*

(Ravi Ramamoorthy) (Sunil Kumar Sharma)

Director

Director

(DIN-01876436)

(DIN-02817965)

Place: Gurgaon

Dated: 13/05/2015

*AC*

*Sunil*



**Unitech Real Estate Management Private Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**I. NATURE OF OPERATIONS**

Unitech Real Estate Management Private Limited (The Company) was incorporated on 08<sup>th</sup> January, 2007. The Company's main business is providing facility maintenance services.

**II. BASIS OF ACCOUNTING**

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. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Significant estimates used by the management in the preparation of these financial statements include estimates of the economic useful lives of fixed assets and provisions for bad and doubtful debts. Any revision to accounting estimates is recognized prospectively.

**IV. TAXES ON INCOME**

- a) Provision for income tax is made in accordance with the Income Tax Act, 1961.
- b) Deferred tax is recognized on timing differences being the differences between the taxable and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to the consideration of prudence are recognized and carried forward only to the extent that there is a 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 yearend based on the tax rates and the laws enacted or substantially enacted on the balance sheet date. In situations where the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.



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**Unitech Real Estate Management Private Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March 2015**

**V. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a) The Company has a present obligation as a result of a past event.
- b) A probable outflow of resources is expected 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 will be required to settle the obligation.
- (b) A possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized nor disclosed.

**VI. CASH & CASH EQUIVALENTS**

Cash for the purposes of Cash Flow Statement comprise cash in hand and at bank (including deposits) and cash equivalents and the statement is prepared on the basis of indirect method.

**VII. EARNING PER SHARE**

Basic earnings per share are 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 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.

**VIII. FIXED ASSETS AND DEPRECIATION**

Fixed assets including capital work in progress as stated at cost (Gross Block) less Accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. It excludes refundable taxes. Borrowing costs related to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to period till such assets are ready to be put to use. Depreciation on fixed assets is provided based on useful lives of the assets assigned to each asset in accordance with the schedule II of Companies Act, 2013 on written down method.



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**Unitech Real Estate Management Private Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March 2015**

**Depreciation Note**

The Company has adopted the useful life of fixed assets as those specified in Part C of schedule II to Companies Act, 2013 (The Act). Accordingly this has resulted into Depreciation Expense charged for the year ended 31<sup>st</sup> March 2015 being higher by Rs. 46149.

**IX. IMPAIRMENT OF ASSETS**

On annual basis company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds the recoverable value. Recoverable amount is higher of an asset's selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

An impairment loss is charged to the profit and loss account in the year in which the asset is identified as impaired.

**X. REVENUE RECOGNITION**

Maintenance income consists of revenue earned from the provision of daily maintenance, security and administration services, and is charged to tenants based on the occupied let table area of the properties

The income from above is recognized as per terms of contract entered into with tenants which is recognized on time proportion basis.

**XI. EMPLOYEE BENEFITS**

**A. Short term employee benefits**

The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees as:-

- (i) A liability (accrued expense) after deducting any amount already paid. Excess of amounts paid over liability incurred is treated as prepaid expenses; or
- (ii) An expense, unless it is eligible to be changed to capital work in progress or Fixed assets as the case may be.

**B. Post-employment benefits**

**I. Defined contribution plans**

The company as per detail hereunder operates defined contribution pertaining to Employees insurance scheme, government administrative pension fund scheme & superannuation scheme for eligible employees.

The above defined contribution plan are post-employment benefit plans under which the company pays fixed Contributions into separate entity (funds) or to financial institute or estate managed benefit scheme. The company contribution to defined contribution plans are recognized in the statement of Profit and Loss in the financial year to be which they relate.



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**Unitech Real Estate Management Private Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March 2015**

**(a) Employees state insurance/pension fund scheme**

The Company makes specified monthly contribution towards employees' state insurance scheme and government administered pension fund scheme.

**(b) Superannuation insurance plan**

The Company has taken group superannuation policy with life insurance Corporation of India for Superannuation payable to the eligible employees.

**II. Defined benefit obligations**

The cost of providing benefits i.e. gratuity and leave encashment is determined using the projected unit credit method, with actuarial valuations carried out annually as at balance sheet date. Actuarial gain or loss is recognized immediately in the statement of profit and loss.

The fair value of the plan assets is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on net basis. Past service cost is recognized as expense on a straight-line basis over the average period until the benefits become vested.

Provident fund contributions are made to the Holding company's provident fund trust. Deficits, if any, between the funds and estimated obligation in this regards is recognized as additional liability.



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**UNITECH REAL ESTATE MANAGEMENT PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31st March,2015**

		(Amount in Rs)	
		31/03/2015	31/03/2014
<b>2</b>	<b>Share capital</b>		
a	<b>Authorised</b>		
	50,000 (Previous Year 50,000) Equity Share of Rs. 10/- each	5,00,000	5,00,000
		5,00,000	5,00,000
b	<b>Issued, subscribed and fully paid up</b>		
	50,000 (Previous Year 50,000) Equity Share of Rs. 10/- each	5,00,000	5,00,000
	<b>Paid up capital</b>	5,00,000	5,00,000
	<b>Notes</b>		
i	<b>Reconciliation of no. of shares and amounts</b>		
	<b>Equity Shares</b>		
	Outstanding at the beginning of the year	50,000	5,00,000
	<b>Outstanding at the end of the year</b>	50,000	5,00,000
	The company has only one class of equity shares having a face value of Rs 10 per share. Each equity shareholder is entitled to one vote per share.		
ii	<b>Shares (in aggregate) of each class held by:-</b>		
	Holding company - Unitech Limited	No of Shares 50,000	No of Shares 50,000
		50,000	50,000
iii	<b>Name of the shareholder holding more than 5% Equity Shares</b>		
	Unitech Limited	31/03/2015 Number 50,000	31/03/2014 Number 50,000
		% held 100	% held 100
		50,000	50,000
		100	100
<b>3</b>	<b>Reserves and surplus</b>		
	Surplus in statement of profit and loss		
	At the commencement of year	-2,25,32,918	-98,32,625
	less: Profit for the year	74,27,183	-1,27,00,293
	Balance carried to balance sheet	-1,51,05,735	-2,25,32,918
<b>4</b>	<b>Long-term provision</b>		
	Provision for employee benefits	-	13,80,578
	<b>Total</b>	-	13,80,578
<b>5</b>	<b>Trade payable</b>		
	Micro & Small Enterprises	-	-
	Others	1,40,30,844	1,64,35,072
		1,40,30,844	1,64,35,072



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**UNITECH REAL ESTATE MANAGEMENT PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31st March,2015**

(Amount in Rs)

		31/03/2015	31/03/2014
<b>Current Liabilities</b>			
<b>6</b>	<b>Other current liabilities</b>		
	Statutory taxes and dues	18,14,228	22,79,332
	Expenses payable	34,76,474	94,76,757
	Payable to related parties	76,10,152	82,30,964
	<b>Total</b>	<b>1,29,00,854</b>	<b>1,99,87,053</b>
<b>7</b>	<b>Short-term provision</b>		
	Provision for employee benefits	-	74,363
	<b>Total</b>	<b>-</b>	<b>74,363</b>
<b>Non-current assets</b>			
<b>9</b>	<b>Trade receivables</b>		
	(Unsecured, considered good)		
	Due over six months	3,13,925	3,13,925
	Others	-	-
	<b>Total</b>	<b>3,13,925</b>	<b>3,13,925</b>
<b>10</b>	<b>Cash and Bank balances</b>		
	Cash and cash equivalents		
	Balances with banks	17,84,396	21,03,065
	Cash in hand	4,591	62,766
	<b>Total</b>	<b>17,88,987</b>	<b>21,65,831</b>
<b>11</b>	<b>Short-term loans and advances</b>		
	Other loans and advances-unsecured considered good		
	Advance income tax (net of provision)	28,79,142	26,41,306
	Advance other taxes	69,820	-
	<b>Total</b>	<b>29,48,962</b>	<b>26,41,306</b>



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UNITECH REAL ESTATE MANAGEMENT PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March,2015

(Amount in Rs)

Unitech Real Estate Management Pvt Ltd		
Fixed Assets Schedule as per new practice		
Note No 8. Fixed Assets	Tangible Owned Fixed Assets	Total
	Computers	
<b>Gross block:</b>		
Cost as at 1st April,2014	4,82,699	4,82,699
Additions	-	-
As at 31st March,2015	4,82,699	4,82,699
<b>As at 31st March,2015</b>	<b>4,82,699</b>	<b>4,82,699</b>
<b>Depreciation and amortisation</b>		
As at 1st April,2013	2,54,971	2,54,971
Charges for the year	91,091	91,091
As at 31st March,2014	3,46,062	3,46,062
Charges for the year	84,794	84,794
<b>As at 31st March,2015</b>	<b>4,30,856</b>	<b>4,30,856</b>
<b>Net Block</b>		
As at 31st March,2014	1,36,637	1,36,637
<b>As at 31st March,2015</b>	<b>51,843</b>	<b>51,843</b>



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**UNITECH REAL ESTATE MANAGEMENT PRIVATE LIMITED**

**Notes to the Financial Statement for the year ended 31st March,2015**

(Amount in Rs)

	31/03/2015	31/03/2014
<b>12 Revenue from operations</b>		
Facility maintenance services	6,62,96,688	5,67,08,660
<b>Total</b>	<b>6,62,96,688</b>	<b>5,67,08,660</b>
<b>13 Other income</b>		
Excess provision written back	3,049	5,268
Miscellaneous income	-	1,00,171
Interest on income tax refund	43,922	-
<b>Total</b>	<b>46,971</b>	<b>1,05,439</b>
<b>14 Operating expense</b>		
Property management expenses	5,52,47,232	4,42,86,786
<b>Total</b>	<b>5,52,47,232</b>	<b>4,42,86,786</b>
<b>15 Employee benefits expense</b>		
Salaries and wages	-	3,24,77,963
Contribution to provident and other funds *	-	20,09,235
Staff welfare expenses	-	1,730
<b>Total</b>	<b>-</b>	<b>3,44,88,928</b>
* Refer note no. 21		
<b>16 Other expenses</b>		
Legal professional charges	15,400	19,600
Telephone and postage	6,772	1,00,216
Rates and taxes	409	
Maintainance expenses	20,945	
Audit fee	2,00,000	2,00,000
Bank charges	2,918	972
Other administrative general expenses	1,42,348	
Interest & Penalty	75,625	4,21,616
<b>Total</b>	<b>4,64,417</b>	<b>7,42,404</b>
<b>17 Prior period items</b>		
Prior period income (other income)	-27,110	-
Prior period expense (other expenses)	17,316	-
	<b>-9,794</b>	<b>-</b>
<b>18 Earlier year tax/excess provision for tax written back</b>		
Earlier year tax/excess provision for tax written back	-2,34,375	-
	<b>-2,34,375</b>	<b>-</b>



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**Unitech Real Estate Management Private Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March 2015**

19. There are no contingent liabilities for the year ended 31<sup>st</sup> March 2015 (Previous Year Nil)
20. The company has not received any information from any supplier of them being a small-scale industrial undertaking. Hence, the amounts due to small-scale industrial units as on 31<sup>st</sup> March 2015 is nil (Previous year NIL).
21. As per Accounting Standard (As) 15 revised, 'employee benefit', the disclosures of employee benefits are as given below:

**(a) Defined Contribution Plan**

Particulars	31/03/2015	31/03/2014
Employer's contribution to superannuation fund	---	239,301
Employer's contribution to ESI	---	84,497

**(b) Defined Benefit Plan**

The Cost of providing gratuity and long term encasement are determined using the projected unit method on the base of actuarial valuation techniques conducted at the end of the financial year.

The following tables summarize the component of the net benefit expense in respect Of gratuity and leave encashment recognized in the statement of profit and loss and balance Sheet as per actuarial valuation as on 31<sup>st</sup> March 2014.

- I. Expenses recognized in the statement of Profit and loss.

Particulars	Gratuity		Leave Encashment	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
Current service cost	---	395,854	---	572,293
Interest cost	---	25,714	---	38,673
Net actuarial (gain) /loss recognized in the year	---	-104,746	---	32,591
Expenses recognized in the Profit and loss	---	312,822	---	643,557

- II. Amount recognized in balance sheet and related analysis.

Particulars	Gratuity		Leave Encashment	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
Present value of obligation as at the end of the year	---	589,529	---	856,412
Funded Status	---	-598,529	---	-856,412
Net assets/(liability) recognized in balance sheet	---	-598,529	---	-856,412-



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Unitech Real Estate Management Private Limited  
Notes to financial statements for the year ended 31<sup>st</sup> March 2015

\* pertaining to current and noncurrent portion as table mentioned here-in-below:

Particulars	Gratuity		Leave Encashment	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
Current Portion	---	4,064	---	70,299
Non-Current Portion	---	594,465	---	786,113

III. Movement in the liability recognized in the Balance Sheet.

Particulars	Gratuity		Leave Encashment	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
Opening net liability	---	285,707	---	429,699
Expenses as above	---	312,822	---	643,227
Benefits Paid	---	---	---	-216,844
Closing net liability	---	598,529	---	856,412

IV. Change in present value of obligation

Particulars	Gratuity		Leave Encashment	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
Present Value of Obligation as at the beginning of the year	---	285,707	---	429,699
Interest cost	---	25,714	---	38,673
Current service Cost	---	395,854	---	572,293
Benefits Paid	---	-	---	-216,844
Actuarial (gain)/loss on obligation	---	-108,746	---	32,591
Present Value of Obligation as at the end of the year	---	598,529	---	856,412

V. Actuarial Assumptions

Particulars	Gratuity		Leave Encashment	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
a) Monthly table (LIC)	---	IALM(2006-2008)-	---	IALM(2006-2008)
b) Discounting rate (per annum)	---	8.00%	---	8.00%



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**Unitech Real Estate Management Private Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March 2015**

c) Rate of escalation in salary (per annum)	---	5.50%	---	5.50%
d) Average working life	---	26.02 Years	---	23.33 Years

The estimates of future salary growth rates have taken in to account the inflation, seniority, promotion and other relevant factors on long term basis

Provident fund contributions are made to a trust administered by the holding company. Pursuant to the Institute of Actuaries of India, estimated obligation at the yearend based on actuarial valuation has indicated that there is no deficit in this regard as at balance sheet date.

**22. SEGMENT REPORTING:**

**Segment wise revenue, results & other information**

The Company has only one segment of Facility Management Business identified in accordance with guiding principles enunciated in Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, hence the segment information is not applicable.

23. On the basis of management estimation there is no impairment during the year.

24. In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18) the disclosures in respect of Related Parties and transactions with them, as identified and certified by the management, are as follows:

**(A) Name of Related Parties and description of relationship**

Unitech Limited	Holding Company
QNS facilities Management Private Limited (Formerly Unitech Property Management Private Limited )	Fellow Subsidiary Company

**(B) (i) Related party's transactions carried out in ordinary course of business is as under:**

S. No.	Description	Name of Entity	Holding Company	Fellow Subsidiary Companies	Amount in Rs. Total
1.	Services Rendered	QNS Facility Management Pvt. Ltd.	- (-)	662,96,688 (567,08,660)	662,96,688 (567,08,660)

**(ii) Balances with related party in ordinary course of business is as under:**

Sr.	Description	Particulars	Holding	Fellow	Total	Dr./ Cr.
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**Unitech Real Estate Management Private Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March 2015**

No.			Company	Subsidiary Companies		
1.	Trade Receivables	Unitech Limited	313,925 (313,925)	- (-)	313,925 (313,925)	Dr.
2.	Advance Received	QNS Facility Management Pvt. Ltd.	-	1487,738 (403,399)	1487,738 (403,399)	r.
3.	Loan Received	Unitech Limited	6122,414 (6122,414)	- (-)	6122,414 (6122,484)	Cr.

Previous year figures have been given in (Parentheses)

25. Earnings per Share:

Sr. No.	Particulars	31/03/2015	31/03/2014
(i)	Weighted average number of Equity shares at the beginning and end of the period	50,000	50,000
(ii)	Net Profit as per Statement of profit & loss (Rs.)	7,427,183	-12,700,293
(iii)	Basic EPS (Rs.)	148.54	-254.01
(iv)	Diluted EPS(Rs.)	148.54	-254.01
(v)	Face Value of each equity share(Rs.)	10	10

26. Deferred Tax

Particulars	31/03/2015	31/03/2014
Deferred tax assets /(liabilities) on depreciation	30684	10,709
Deferred tax assets on business loss	7,191,562	10,575,741
Total	7,222,246	10,586,450
Deferred tax assets/(liability )to be shown in P & L A/c	3,364,204	10,094,817
Deferred Tax assets to be shown in balance sheet	7,222,246	10,586,450

27. Additional Information

	Particulars	31/03/2015	31/03/2014
a)	Value of Imports on CIF Basis	Nil	Nil
b)	Expenditure in Foreign Currency		
	- Consultancy	Nil	Nil
	- Travelling	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 dividends	Nil	Nil



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**Unitech Real Estate Management Private Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March 2015**

28. In the opinion of board of directors and to the best of their knowledge and beliefs, aggregate value of current assets on realization in the ordinary course of business will not be less than the amount at which these are stated in the balance sheet.
29. The Company has incurred losses in the previous years and as on date its liabilities are exceeding its assets. The company is dependent upon the continuing financial support of its 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 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.
30. Previous year figures have been regrouped, rearranged and reclassified wherever considered necessary.

**As per our report of even date**

**For KMGS & Associates.**  
Chartered Accountants  
FRN: 004730N

*Neetu Singh*



Partner

Membership No:

Place: Gurgaon

Dated: 13/05/2015

*NEETU SINGHA*  
*501075*

**For and behalf of the Board of Directors of**

*[Signature]*

**(Ravi Ramamoorthy)**  
Director

*[Signature]*

**(Sunil Kumar Sharma)**  
Director

*[Signature]*

*[Signature]*