

GOEL GARG & CO.

Chartered Accountants

18, Ground Floor, National Park,
Lajpat Nagar-IV, New Delhi-110024
Ph.: 011-46539501, 46539502
Fax No.: 011-41636825
E-mail: office@goelgargroup.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW INDIA CONSTRUCTION COMPANY LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **NEW INDIA CONSTRUCTION COMPANY 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.

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) 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.



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




Partner (S. C. Garg)
Membership No. 13370
Place of Signature: Gurgaon
Date: 18th May, 2015

Annexure to the Independent Auditors' Report to the members of New India Construction Company 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 inventory 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 for the 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 fixed assets and inventory 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.

Details of undisputed amounts as outstanding in respect of statutory dues as at March 31st, 2015 for period of more than six months from the date they became payable are given below:



Name of the Statute	Nature of dues	Assessment Year	Amount (Rs.)	Due Date
Income Tax Act	Self Assessment Tax	2014-2015	31,36,884	30.09.2014
Income Tax Act	Interest and Penalty	2014-2015	7,23,030	N/A

- 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 no accumulated losses as at the end of the financial year. *It has incurred a cash loss of Rs. 778,246 during the financial year covered by our audit.* The company had not incurred any cash loss in 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 given 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



Partner (S. C. Garg)
Membership No. 13370
Place of Signature: Gurgaon
Date: 18th May, 2015

New India Construction Company Ltd
Balance Sheet as at 31st March'2015

	Notes	31.03.2015	31.03.2014
		₹	₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	800,000	800,000
Reserves and surplus	3	14,784,274	15,518,517
		15,584,274	16,318,517
Current liabilities			
Other current liabilities	4	796,064	56,180
Short-term provisions	5	3,137,938	3,181,941
		3,934,002	3,238,121
Total		19,518,276	19,556,638
Assets			
Non-current assets			
Other non-current assets	6	37,647	37,647
		37,647	37,647
Current assets			
Cash and bank balances	7	20,652	39,014
Short-term loans and advances	8	19,459,977	19,479,977
		19,480,629	19,518,991
Total		19,518,276	19,556,638

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
FRN: 000397N



Partner (S. C. Garg)

Membership No: 13370

Place: Gurgaon

Dated: 18th May'2015

For and on behalf of the Board of Directors



Nagaraju Routhu
Director
DIN: 01737862



Deepak Jain
Director
DIN: 02609411

New India Construction Company Ltd
Statement of Profit and Loss for the year ended 31st March'2015

	Notes	31.03.2015	31.03.2014
		₹	₹
INCOME			
Revenue from operations	9	-	14,705,621
Other income		-	-
Total revenue		-	14,705,621
EXPENSES			
Borrowing cost	10	723,030	-
Other expenses	11	55,216	48,915
Total expenses		778,246	48,915
Profit/(Loss) before tax		(778,246)	14,656,706
Tax expense			
Current Year	12	-	4,608,500
Earlier Year Tax	13	(44,003)	-
Profit /(Loss) for the year		(734,243)	10,048,206
Earnings per equity share of face value of ₹ 10 each			
Basic	19	(9.18)	125.60
Diluted	19	(9.18)	125.60

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

FRN: 000397N



For and on behalf of the Board of Directors

(Signature)

Nagaraju Routhu

Director

DIN: 01737862

(Signature)

Deepak Jain

Director

DIN: 02609411

Partner (S. C. Garg)

Membership No: 13370

Place: Gurgaon

Dated: 18th May'2015

NEW INDIA CONSTRUCTION COMPANY LIMITED
Cash Flow Statement for the year ended 31st March'2015

	31.03.2015	31.03.2014
Cash flow from operating activities		
Profit / (Loss) before tax	(778,246)	14,656,706
Adjustment for		
Loans and advances	20,000	(13,184,439)
Trade and other receivables	-	-
Trade and other payables	739,884	16,854
Cash generated from operations	(18,362)	1,489,121
Tax paid	-	(1,470,562)
Net cash flow from operating activities (A)	(18,362)	18,559
Net cash flow from investing activities (B)	-	-
Increase/(Decrease) in Unsecured Loan	-	-
Net cash flow from financing activities (C)	-	-
Net change in cash and cash equivalents (A+B+C)	(18,362)	18,559
Cash and cash equivalents at the beginning of the year	39,014	20,455
Cash and cash equivalents at the end of the year	20,652	39,014
Components of cash and cash equivalents		
Balance with bank	15,477	27,295
Cash on hand	5,175	11,719
Cheques/drafts on hand	-	-
Total cash and cash equivalents	20,652	39,014

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

FRN: 000397N



Partner (S. C. Garg)

Membership No: 13370

Place: Gurgaon

Dated: 18th May'2015

For and on behalf of the Board of Directors

Nagaraju Routhu

Director

DIN: 01737862

Deepak Jain

Director

DIN: 02609411

NEW INDIA CONSTRUCTION COMPANY LIMITED

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

1. SIGNIFICANT ACCOUNTING POLICIES

I. NATURE OF OPERATIONS

New India Construction Company Limited (The Company) was incorporated in 1981. 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;
- b) a probable outflow of resources embodying economic benefits will be required to settle the obligation; and



NEW INDIA CONSTRUCTION COMPANY LIMITED

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

- 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 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, 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.

Handwritten signature

Handwritten signature



New India Construction Company Ltd

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

	31.03.2015	31.03.2014
2 Share capital		
Authorised	₹	₹
80,000 (80,000) equity shares of ₹ 10/- each	800,000	800,000
	800,000	800,000
Issued, subscribed and fully paid up with voting rights		
80,000 (80,000) equity shares of ₹ 10/- each	800,000	800,000
Total	800,000	800,000

The total issued share capital comprises equity shares only, having face value of ₹ 10 each per share, ranked pari passu in all respect including voting rights and entitlement to dividend

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

	31.03.2015		31.03.2014	
	Number	₹	Number	₹
At the beginning of the year	80,000	800,000	80,000	800,000
Outstanding at the end of the year	80,000	800,000	80,000	800,000

Shares (in aggregate) of each class held by:-	31.03.2015	31.03.2014
Unitech Limited	80,000	80,000

Detail of the shareholder holding more than 5%	31.03.2015		31.03.2014	
	Number	% held	Number	% held
Unitech Limited	80,000	100%	80,000	100%
Total	80,000		80,000	

	31.03.2015	31.03.2014
3 Reserve and surplus		
General reserve	₹	₹
As per last financial statement	1,800,541	1,800,541
Surplus in the statement of profit and loss		
As per last financial statement	13,717,976	3,669,770
Add: Profit / (loss) for the year	(734,243)	10,048,206
Total	14,784,274	15,518,517

	31.03.2015	31.03.2014
4 Other current liabilities	₹	₹
Expenses payable	796,064	56,180
Total	796,064	56,180

[Handwritten signature]

[Handwritten signature]



New India Construction Company Ltd

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

	31.03.2015	31.03.2014
	31.03.2015	31.03.2014
	₹	₹
5 Short-term provision		
Provision for taxation (Net of advance tax)	3,137,938	3,181,941
Total	3,137,938	3,181,941
	31.03.2015	31.03.2014
	₹	₹
6 Others non-current assets		
Long term Loans & advances		
(Unsecured, considered good unless stated otherwise		
Security Deposit	37,647	37,647
Total	37,647	37,647
	31.03.2015	31.03.2014
	₹	₹
7 Cash and Bank balances		
Cash and cash equivalents		
Balances with banks	15,477	27,295
Cash on hand	5,175	11,719
Total	20,652	39,014
	31.03.2015	31.03.2014
	₹	₹
8 Short-term loans and advances		
Loans & advances to related parties		
(Unsecured, considered good unless stated otherwise		
To holding co - Unitech Limited	19,459,977	19,479,977
Total	19,459,977	19,479,977



New India Construction Company Ltd

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

	For the year ended	For the year ended
	31.03.2015	31.03.2014
	₹	₹
9 Revenue from operations		
Interest on Land Compensation	-	14,705,621
Total	-	14,705,621

	For the year ended	For the year ended
	31.03.2015	31.03.2014
	₹	₹
10 Borrowing cost		
Other borrowing cost	723,030	-
Total	723,030	-

	For the year ended	For the year ended
	31.03.2015	31.03.2014
	₹	₹
11 Other Expenses		
Legal & professional charges	25,807	22,400
Auditor remuneration - audit fee	22,472	22,472
Registration & filing fees	6,544	3,600
Bank charges	393	393
Printing & Stationery	-	50
Provision for bad & doubtful debts	-	-
Total	55,216	48,915

	For the year ended	For the year ended
	31.03.2015	31.03.2014
	₹	₹
12 Tax Expenses		
Current Tax	-	4,608,500
Total	-	4,608,500

	For the year ended	For the year ended
	31.03.2015	31.03.2014
	₹	₹
13 Earlier year tax		
Excess provision witten back	(44,003)	-
Total	(44,003)	-



NEW INDIA CONSTRUCTION COMPANY LIMITED

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

14. CONTINGENT LIABILITY

The Company also furnished corporate guarantees outstanding for ₹ 11,064,205,017 (₹ 6,572,805,877) in favor of banks / financial institutions for various loans / credit facilities availed by Unitech Limited and its certain subsidiaries.

15. In pursuance of real estate activities undertaken by the holding company, this company has purchased land for which money have been advanced by the holding company. The land is being developed by said holding company as per memorandum of understanding entered in to by the parties. Further the land rights of such acquired land have been vested with the holding company, which is already seized of beneficial interest in the land though the title of the land stands in the name of the company. The company has mortgaged said land title to secure credit availed by Unitech Limited & its certain subsidiaries.

16. SEGMENT REPORTING

The company is primarily in the business of real estate development related activities including construction, consultancy & rentals etc. Further majority 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."

17. 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) Name & relationship of related parties where transaction exists:-

Holding Company - Unitech Limited

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

(Amount in ₹)

S.No.	Description	Holding Company
1	Advance Paid	107,240 (29,220,000)
2	Advance Received	87,240 (50,000)

- Previous year figures have been given in (parentheses)



NEW INDIA CONSTRUCTION COMPANY LIMITED

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

(C) Balances :-

(Amount in ₹)

S.No.	Name of the Company	Description	Maximum Amount during the year	Outstanding as on 31.03.2015	Dr / Cr
1	Unitech Limited	Loans and Advances	19,479,977 (19,479,977)	19,459,977 (19,479,977)	Dr. (Dr.)

- Previous year figures have been given in (parentheses)

18. There is no item, which is required to be considered for ascertaining the amount of Deferred Tax Assets/Liability, therefore, the same is taken at nil.

19. EARNING PER SHARE

	Basic and diluted earning per share	31.03.2015	31.03.2014
a)	Weighted average number of Equity shares at the beginning and end of the year	80,000	80,000
b)	Net Profit /(Loss) after tax (₹)	(734,243)	10,048,206
c)	Basic Earning per Share (₹)	(9.18)	125.60
d)	Nominal Value of Equity Share	10	10

	Basic and diluted earning per share	31.03.2015	31.03.2014
a)	Weighted average number of Equity shares at the beginning and end of the year	80,000	80,000
b)	Net Profit /(Loss) after tax (₹)	(734,243)	10,048,206
c)	Diluted Earning per Share (₹)	(9.18)	125.60
d)	Nominal Value of Equity Share	10	10

20. As at March 31st, 2015, the company has no outstanding dues to micro enterprises and small enterprises / small-scale industrial undertaking. As at March 31, 2014, the company had no outstanding dues to small-scale industrial undertaking.

21. ADDITIONAL INFORMATION

PARTICULARS	31.03.2015	31.03.2014
a) Value of imports CIF Basis	NIL	NIL
b) Expenditure in foreign currency.	NIL	NIL
c) Consumption of import 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



NEW INDIA CONSTRUCTION COMPANY LIMITED

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

22. 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 and 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.

23. PREVIOUS YEAR FIGURES

Prior year figures have been regrouped, rearranged and reclassified wherever considered necessary.

As per our report of even date

For Goel Garg & Co.
Chartered Accountants
FRN:000397N



For and on behalf of the Board of Directors

A handwritten signature in black ink, appearing to be "Nagaraju Routhu".

Nagaraju Routhu
Director
DIN: 0737862

A handwritten signature in blue ink, appearing to be "Deepak Jain".

Deepak Jain
Director
DIN: 02609411

A handwritten signature in black ink, appearing to be "S. C. Garg", written over a horizontal line.

Partner (S. C. Garg)
Membership No.: 13370
Place: Gurgaon
Dated: 18th May'2015