

## **AUDITOR'S REPORT**

To the Partners of  
Pashupati Cotspin LLP,  
Kadi, Dist Mehsana.

We have audited the accompanying financial statements of Pashupati Cotspin LLP, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and performance of the LLP. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the LLP's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the LLP as at March 31, 2013 and
- b) in the case of the Statement of Incidental Expenditure Account, of the expenditure for the year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

We report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion proper books of account as required by law have been kept by the LLP so far as appears from our examination of those books
- c) the Balance Sheet and Statement of Statement of Incidental Expenditure dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet and Statement of Statement of Incidental Expenditure comply with the Accounting Standards issued by Institute of Chartered Accountants of India;

**PLACE :- AHMEDABAD**  
**DATE :- 01.09.2013**

**FOR, Bagadiya & Jain**  
**Chartered accountants**  
**FRN : 128719W**  
**Sd/-**  
**(ROOPESH JAIN)**  
**PARTNER**  
**M. No. 116732**

<b>PASHUPATI COTSPIN LLP</b>		
<b>BALANCE SHEET AS AT MARCH 31, 2013</b>		
<b>PARTICULARS</b>	<b>SCHEDULE</b>	<b>31-03-2013 AMOUNT RS.</b>
<b><u>SOURCES OF FUNDS</u></b>		
<b><u>Capital Funds</u></b>		
Partner's Fixed Capital (Contribution)	A	5,000,000
Partner's Current Capital	B	122,186
<b><u>Loan Funds</u></b>		
Unsecured Loans	C	75,702,275
<b>TOTAL</b>		<b>80,824,461</b>
<b><u>APPLICATION OF FUNDS</u></b>		
<b>Fixed Assets ( NET)</b>		
(i) Tangible assets	D	19,826,660
(ii) Capital Work in Progress		17,277,369
		37,104,029
<b>Current Assets, Loans &amp; Advances</b>		
Loans Advances & Deposits	E	44,634,329
Cash & Bank Balance	F	417,535
TOTAL		45,051,864
<b>Less : Current Liabilities &amp; Provisions</b>		
<b>Net Current Assets</b>	G	2,960,338
		42,091,526
<b>Miscellaneous Expenditure</b>		
(To the Extent not Written off)	H	1,628,906
<b>TOTAL</b>		<b>80,824,461</b>
<b>Notes on Accounts</b>	I	
<p><b>As per our Report of even date attached</b></p> <p>For, <b>Bagadiya &amp; Jain</b> <span style="float: right;">For Pashupati Cotspin LLP</span> Chartered Accountants FRN : 128719W</p> <p>Sd/- <span style="float: right;">Sd/-</span> <span style="float: right;">Sd/-</span> <b>Roopesh Jain</b> <span style="float: right;"><b>Saurin J. Parikh</b></span> <span style="float: right;"><b>Tushar Trivedi</b></span> <b>Partner</b> <span style="float: right;"><b>Designated Partner</b></span> <span style="float: right;"><b>Designated Partner</b></span> <b>Mem. No. 116732</b> <span style="float: right;"><b>DPIN: 02136530</b></span> <span style="float: right;"><b>DPIN: 06438707</b></span></p> <p><b>Place : Ahmedabad</b> <span style="float: right;"><b>Place : Kadi</b></span> <b>Date : 01/09/2013</b> <span style="float: right;"><b>Date : 01/09/2013</b></span></p>		

<b>PASHUPATI COTSPIN LLP</b>	
<b>SCHEDULE ANNEXED AND FORMING PART OF BALANCE SHEET</b>	
<b>AS AT MARCH 31, 2013</b>	
<b>PARTICULARS</b>	<b>31.03.2013 AMOUNT RS.</b>
<b>SCHEDULE : A</b>	
<b><u>PARTNER'S FIXED CAPITAL (CONTRIBUTION)</u></b>	
Ashishbhai Rameshchandra Trivedi	400,000
Bhaveshkumar Jayantilal Patel	400,000
Daksheshbhai Jayantibhai Patel	250,000
Falguniben Miteshbhai Parikh	800,000
Hariprabhaben Arvindbhai Parikh	800,000
Mukeshbhai Vitthalbhai Patel	400,000
Renuka Jagdishbhai Parikh	800,000
Saurin Jagdishbhai Parikh	850,000
Toralben Urdeephbai Brahmhatt	150,000
Tushar Rameshchandra Trivedi	150,000
<b>TOTAL</b>	<b>5,000,000</b>
<b>SCHEDULE : C</b>	
<b><u>UNSECURED LOANS</u></b>	
From Friends & Relatives	66,195,507
From Others	9,506,768
<b>TOTAL</b>	<b>75,702,275</b>
<b>SCHEDULE : E</b>	
<b><u>LOANS &amp; ADVANCES</u></b>	
(For Value to be Received)	
Loans & Advances	95,000
Advances to Supplier	44,539,329
<b>TOTAL</b>	<b>44,634,329</b>
<b>SCHEDULE : F</b>	
<b><u>CASH &amp; BANK BALANCES</u></b>	
Cash on Hand	132,624
Balance with schedule bank - In Current account	284,911
<b>TOTAL</b>	<b>417,535</b>
<b>SCHEDULE : G</b>	
<b><u>CURRENT LIABELITIES &amp; PROVISIONS</u></b>	
Creditors For Expenses	2,743,339
Duties & Taxes	216,999
<b>TOTAL</b>	<b>2,960,338</b>
<b>SCHEDULE : H</b>	
<b><u>MISCELLANEOUS EXPENDITURE</u></b>	
<b>Pre-operative Expense not written off</b>	
Opening Balance	-
Add: Incurred during the year	1,628,906
	1,628,906
Less: Written off during the year	-
<b>TOTAL</b>	<b>1,628,906</b>

**PASHUPATI COTSPIN LLP**  
**SCHEDULE ANNEXED AND FORMING PART OF BALANCE SHEET**  
**AS AT MARCH 31, 2013**

**SCHEDULE : B**  
**PARTNER'S CURRENT CAPITAL**

Sr No.	Particulars	Share of Profit & Loss	Opening Balance as on 01/04/2012	Additions During the Year				Total	Withdrawal	Closing Balance as on 01/04/2012
				Addition	Salary	Interest	Profit			
1	Ashishbhai Rameshchandra Trivedi	8%	-	-	-	9863	-	9863	-	9863
2	Bhaveshkumar Jayantilal Patel	8%	-	-	-	8942	-	8942	-	8942
3	Daksheshbhai Jayantibhai Patel	5%	-	-	-	6164	-	6164	-	6164
4	Falguniben Miteshbhai Parikh	16%	-	-	-	19726	-	19726	-	19726
5	Hariprabhaben Arvindbhai Parikh	16%	-	-	-	19726	-	19726	-	19726
6	Mukeshbhai Vitthalbhai Patel	8%	-	-	-	9731	-	9731	-	9731
7	Renuka Jagdishbhai Parikh	16%	-	-	-	19726	-	19726	-	19726
8	Saurin Jagdishbhai Parikh	17%	-	-	-	20958	-	20958	-	20958
9	Toralben Urdeepbhai Brahmhatt	3%	-	-	-	3701	-	3701	-	3701
10	Tushar Rameshchandra Trivedi	3%	-	-	-	3649	-	3649	-	3649
					17134947			#####		
	<b>Total</b>	<b>100%</b>	-	-	-	<b>122186</b>	-	<b>122186</b>	-	<b>122186</b>

**PASHUPATI COTSPIN LLP**  
**SCHEDULE ANNEXED AND FORMING PART OF BALANCE SHEET**  
**AS AT MARCH 31, 2013**

**SCHEDULE : D**  
**FIXED ASSETS**

Sr.	ASSETS	Depre- ation Rate	Opening Written Down Value WDV	Addition		Sold During the Year	Total Value	Depreciation Total	Closing Written Down Value WDV
				< 180 Days	> 180 Days				
	<b><u>A. Tangible Assets</u></b>								
1	Land (40880 sq mtr)	-	-	-	8211090	-	8211090	-	8211090
2	Land (52500 sq mtr)	-	-	-	10542150	-	10542150	-	10542150
3	Tubewell Capital	-	-	-	630670	-	630670	-	630670
4	Weightbridge Capital	-	-	-	442750	-	442750	-	442750
	<b>Sub Total - A</b>	-	-	-	19826660	-	19826660	-	19826660
	<b><u>B. Capital Work in Progress</u></b>	-	-		17277369		17277369		17277369
	<b>Total (A+B)</b>		-	-	<b>37104029</b>	-	<b>37104029</b>	-	<b>37104029</b>

<b>PASHUPATI COTSPIN LLP</b>	
<b>SCHEDULE ANNEXED AND FORMING PART OF PROFIT &amp; LOSS A/C</b>	
<b>FOR THE YEAR ENDED MARCH 31, 2013</b>	
<b>PARTICULARS</b>	<b>31.3.13 AMOUNT RS.</b>
<b>SCHEDULE : I</b>	
<b><u>SELLING ADMINISTRATIVE &amp; GENERAL EXPENSES</u></b>	
Electricity Expenses	42,315
Future & Options Loss	78,203
Legal & Professional Exps.	37,794
Land Development Expenses	42,688
Misc Expenses	5,080
Salary	163,500
Stationary Expenses	8,338
Travelling	27,940
<b>TOTAL</b>	<b>405,858</b>
<b>SCHEDULE : II</b>	
<b><u>FINANCIAL EXPENSES</u></b>	
Bank Charges	10,457
Other Interest	1,090,405
Interest on Partner's Current Capital	122,186
<b>TOTAL</b>	<b>1,223,048</b>

**PASHUPATI COTSPIN LLP**  
**SCHEDULE ANNEXED AND FORMING PART OF BALANCE SHEET**  
**AS AT MARCH 31, 2013**

**SCHEDULE I**  
**Notes to Accounts**

**1. Significant Accounting Policies**

**a. Accounting Convention**

The accounts are prepared by mercantile method of accounting, on the basis of historical cost convention and going concern accounting concept.

**b. Revenue Recognition**

Sales of goods are recognised at the point of dispatch of goods to customers.

**c. Fixed Assets**

Fixed Assets are valued at cost less depreciation.

**d. Depreciation**

Depreciation has been provided by W.D.V. method.

**e. Valuation of Inventories**

The stock is valued at cost or market value whichever is lower.

**f. Investments**

Investments are stated at cost.

**g. Borrowing Cost**

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

**h. Provisions and Contingent Liabilities**

(i) Provisions in respect of present obligation arising out of past events are made in the accounts when reliable estimates can be made about the amount of obligation.

(ii) Contingent liabilities are disclosed by way of note to financial statement, after careful evaluation by the management of the facts and legal aspects of the matter involved

**i. Miscellaneous Expenditure**

Since the commercial activity is not started, incidental expenditure is transferred to Pre-operative Expenditure A/c.



**PASHUPATI COTSPIN LLP**  
**SCHEDULE ANNEXED AND FORMING PART OF BALANCE SHEET**  
**AS AT MARCH 31, 2013**

2. Balances of Debtors, Creditors, Loans & Advances are subject to confirmation and hence subject to adjustment if any, arising out of reconciliation.
3. Paisa is rounded off to the nearest rupee.
4. Where external evidence in the form of cash memos/bill, stamped receipts etc. were not available the internal vouchers have been prepared by the concern and authorised by the authorised signatory.
5. Closing Stock has been taken valued and certified by the Partner
6. Since, this is the First year of operation, previous year comparative figures are not provided.

**Signatures to schedule A to I & I to II**

For, **Baḡadiya & Jain**  
Chartered Accountants  
FRN : 128719W

For PASHUPATI COTSPIN LLP

Sd/-  
**Roopesh Jain**  
Partner  
Mem. No. 116732

Sd/-  
**Saurin J. Parikh**  
Designated Partner  
DPIN: 02136530

Sd/-  
**Tushar Trivedi**  
Designated Partner  
DPIN: 06438707

Place : Ahmedabad  
Date : 01/09/2013

Place : Kadi  
Date : 01/09/2013

<b>PASHUPATI COTSPIN LLP</b>		
<b>STATEMENT OF INCIDENTAL EXPENDITURE ACCOUNT</b>		
<b>FOR THE PERIOD FROM 07-01-2013 TO 31-03-2013</b>		
<b>PARTICULARS</b>	<b>SCHEDULE</b>	<b>31.3.13 AMOUNT RS.</b>
<b><u>INCOME</u></b>		
<b>TOTAL</b>		-
<b><u>EXPENDITURE</u></b>		
Selling , Administrative & General Expenses	I	405,858
Financial Expenses	II	1,223,048
Depreciation		-
<b>TOTAL</b>		1,628,906
Amount Transferred to Pre-Operative Expense A/c		(1,628,906)
Profit Before Tax		-
Provision For Income Tax		-
<b>Profit After Tax</b>		-
<b>Notes on Accounts</b>	<b>I</b>	
<p>As per our Report of even date attached  For, <b>Baqadiya &amp; Jain</b>  Chartered Accountants  FRN : 128719W</p> <p style="text-align: center;">For Pashupati Cotspin LLP</p> <p>Sd/-  <b>Roopesh Jain</b>  Partner  Mem. No. 116732</p> <p>Sd/-  <b>Saurin J. Parikh</b>  Designated Partner  DPIN: 02136530</p> <p>Sd/-  <b>Tushar Trivedi</b>  Designated Partner  DPIN: 06438707</p> <p>Place : Ahmedabad  Date : 01/09/2013</p> <p>Place : Kadi  Date : 01/09/2013</p>		

<b>PASHUPATI COTSPIN LLP</b>	
<b>SCHEDULE ANNEXED AND FORMING PART OF PROFIT &amp; LOSS A/C</b>	
<b>FOR THE YEAR ENDED MARCH 31, 2013</b>	
<b>PARTICULARS</b>	<b>31.3.13 AMOUNT RS.</b>
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