

### AUDITOR'S REPORT

Dear Members of *Designplus Associates Services Pvt. Ltd.*,

1. We have audited the attached Balance sheet of *Designplus Associates Services Pvt. Ltd.*, as at 31<sup>st</sup> March 2015 and also the Profit and loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms is sub-section (11) of section 143 of the Companies Act, 2013, we enclosed in the Annexure a statement on the matters specified in the said Order.
4. The following points are for the information of the members:
  - a) Revenue was being recognized on the acceptance/ payment of the stage wise /running Bills by the Clients. The consultancy charges due to consultants of such projects, was also recognized only after the acceptance/ payment of the stage wise /running Bills by the Clients.

Directors of the company had by a Resolution passed by circulation (purportedly in June 2012), Resolved to change the Method of Accounting for the financial years beginning from 1<sup>st</sup> April 2012, by substituting one of the accepted/ recognized method by another accepted/ recognized method by the same Accounting Standard AS 7

Accordingly from the financial years beginning after 1<sup>st</sup> April 2012, the company has started recognizing Revenue at the time of raising of the stage wise /running Bills to the clients, itself.

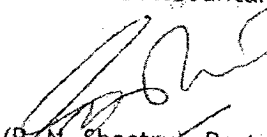
Consequent to the above change, the company on the basis of 'Matching principle' is now simultaneously has recognized and provided the Consultancy charges (payable) due to Consultants of such projects, at the time of Recognizing the Revenue itself - which was earlier being recognized along with the acceptance/ payment of the stage wise /running Bills by the Clients.

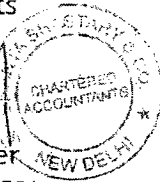
The above changes in accounting policy from the preceding year have no impact on the results of current year.

- b) Advances recoverable of Rs 40,48,291 which are outstanding for more than three years as well as unconfirmed are not provided as doubtful of recovery.
- c) Trade receivables of Rs 2,49,99,593 which are outstanding for considerable time as well as unconfirmed are not provided as doubtful of recovery.
- 5 Further to our comments in the Annexure referred to above, we report that:
- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books (and proper returns adequate for the purposes of our audit have been received from the branches not visited by us. The Branch Auditor's Report(s), if any have been forwarded to us and have been appropriately dealt with):
- (iii) The balance sheet, profit and loss account dealt with by this report are in agreement with the books of account (and with the audited returns from the branches);
- (iv) In our opinion, the balance sheet and profit and loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2015 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2015 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, 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 company as at 31<sup>st</sup> March 2015; and
- (b) in the case of the profit and loss account, of the profit/loss for the year ended on that date.

For Shanta Shastry & Co.,  
Chartered Accountants

  
(P. N. Shastry) - Partner



F. No. 020553N /M. No. 17522

Dated: 14<sup>th</sup> May 2015, New Delhi

Annexure referred to in paragraph 1 of the report  
of even date of the Auditors to the Members of  
*Designplus Associates Services Pvt. Ltd.*,  
on the Accounts for the year ended on 31<sup>st</sup> March 2015.

1. The company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.  
The management has stated that it has during the year physically verified all material fixed assets and no serious discrepancies have been noticed on such verification.
2. The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act 2013, except to its subsidiary.  
The loan granted to the subsidiary is in the form of a running current account and interest is being charged on monthly opening balances and the dues for services rendered to it are included if not paid within three months. In our opinion the rate of interest charged and the terms and conditions on which they are granted are not prejudicial to the interests of the Company.  
There is no overdue loan, of loans, granted to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act 2013.
3. According to the information and explanations given to us, in our opinion the company's has adequate internal control procedures commensurate with the size and nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major failure or weakness in internal controls.
4. The Company, as far as it appears from the examination of records, has not accepted any deposit from the public in terms of Section 73 to 76 of the Companies Act 2013.
5. The Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Companies Act 2013.
6. According to the records of the company, Employees Provident Fund and Employees State Insurance are being deposited regularly by the company and they are generally deposited with the authorities within due dates.  
According to the records of the company as well as information and explanations given to us, Sales Tax, Wealth tax, Service tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other Statutory

DESIGNPLUS ASSOCIATES SERVICES PVT LTD  
[FORMALLY KNOWN AS DESIGNPLUS ARCHITECTURE PVT LTD]

BALANCE SHEET AS ON 31st March 2015

EQUITY & LIABILITIES	Note Ref	As on 31st March 2015 Rs		As on 31st March 2014 Rs
Share Capital	3	2,942,000	2,942,000	
Reserves and Surplus	4	<u>171,339,112</u>	<u>161,287,999</u>	
Shareholder's Fund				164,229,999
<b>Non Current Liabilities</b>				
<i>Long Term Borrowings</i>	5	686,004	1,762,318	
Longterm Provisions	6	7,363,804	5,819,638	
Deferred Tax Liability (Net)	7	<u>-</u>	<u>8,049,808</u>	7,581,956
<i>Current Liabilities</i>				
Short-term Borrowings	8	-	-	
Other Current Liabilities	9A	27,736,654	17,952,125	
Trade Payables	9B	13,533,951	20,090,026	
Short-term Provisions	9C	<u>(29,716,260)</u>	<u>11,554,345</u>	<u>(3,320,038)</u>
			<u>(41,362,189)</u>	<u>168,491,917</u>
			<u>193,885,265</u>	
<b>NON CURRENT ASSETS</b>				
<b>Fixed Assets:</b>				
Tangible Assets	10.1	4,419,076	6,577,097	
Intangible Assets	10.2	3,445,545	712,110	
Capital Work in Progress	10.1	-	-	
Intangible Assets-under Development	10.2	<u>-</u>	<u>7,864,621</u>	7,289,207
Investments-Non Current	11		100,000	100,000
Deferred Tax Assets (Net)	7	5,184,288	4,308,309	
Long-term Loans & Advances	12	4,136,810	4,136,810	
Other Non-Current Assets	13	<u>0</u>	<u>9,321,098</u>	8,710,627
<b>CURRENT ASSETS:</b>				
Trade Receivables	13	138,604,950	110,577,436	
Cash & Bank Balances	14	9,440,709	13,474,265	
Short-term Loans & Advances	12	28,288,381	28,074,872	
Other Current Assets	13	<u>265,506</u>	<u>176,599,546</u>	<u>152,392,083</u>
			<u>265,510</u>	<u>168,491,917</u>
			<u>193,885,265</u>	

Note to the Accounts 1-2

In terms of our report of even date

For Shanta Shastri & Co

Chartered Accountants

P.N. Shastri Partner Membership No 17522

Firm No: 020553N

New Delhi Dated: 14th May 2015

for on & behalf of Board of Directors of  
Designplus Associates Services Pvt. Ltd

Surojit Basak

Director

DIN: 00017825

Ranjit Chopra

Director

DIN: 00031500

Sohrab Shahpur Dalal

Mg. Director

DIN: 01102219

DESIGNPLUS ASSOCIATES SERVICES PVT LTD  
[FORMALLY KNOWN AS DESIGNPLUS ARCHITECTURE PVT LTD]

PROFIT & LOSS ACCOUNT FOR THE  
FOR THE YEAR ENDED ON 31st MARCH 2015

EARNINGS	Note Ref	Year ended on 31.03.2015 Rs		Year ended on 31.03.2014 Rs
Professional fees	15	227,601,825	227,191,241	
Other Receipts	16	<u>2,970,503</u>	<u>230,572,328</u>	75,209
<b>EXPENDITURE</b>				
Operational Expenses	17	58,652,289	63,699,082	
Personnel Expenses	18	118,122,020	125,135,422	
Administrative Expenses	19	<u>33,869,876</u>	<u>210,644,185</u>	<u>32,213,727</u>
Earnings before Interest & Depreciation			19,928,143	6,218,219
Financial Expenses	20	1,254,575	744,431	
Depreciation & Amortization	21	<u>3,540,944</u>	<u>4,795,519</u>	<u>2,908,450</u>
Profit/(Loss) before tax for the period			15,132,624	2,565,338
Provision for Tax		5,300,000	1,000,000	
Tax Prov/(W/back) for earlier Years				
Deferred Tax Adjustment		<u>(875,979)</u>	<u>4,424,021</u>	<u>(1,077,840)</u>
Transferred to Reserves			<u>10,708,603</u>	<u>2,643,178</u>
Earnings per Equity Share of Rs 10	22	Basic	36.40	8.98
		Diluted	36.40	8.98
Note to the Accounts	1-2			

In terms of our report of even date  
For Shanta Shastri & Co.  
Chartered Accountants

P.N. Shastri - Partner Membership No: 17522  
Firm No: 020553  
New Delhi  
New Delhi Dated: 14th May 2015

for on & behalf of Board of Directors of  
Designplus Associates Services Pvt. Ltd

Surojit Basak      Ranjit Chopra      Sohrab Shahpur Datar  
Director              Director              Mg. Director  
DIN: 00017826      DIN: 00031500      DIN: 01102219