

# Manubhai & Shah LLP

Chartered Accountants

## Independent Auditor's Report

To,  
The Members of  
**Scabious Enterprise LLP**

### Report on the Financial Statements

We have audited the accompanying financial statements of **Scabious Enterprise LLP ('the LLP')** which comprise the Statement of Assets & Liabilities as at March 31, 2018 and the Statement of Income & Expenditure 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 financial performance of the LLP in accordance with the Accounting Standards generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the LLP 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 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 thereunder

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.



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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 Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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 LLP Act 2008 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 LLP as at March 31, 2018, and its profit for the year ended on that date.

### Reports on Other Legal & Regulatory Requirements

#### Further we report that:

1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
2. 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;
3. The Statement of Assets & Liabilities and the Statement of Income & Expenditure dealt with by this Report are in agreement with the books of account;
4. In our opinion, the Statement of Assets & Liabilities and the Statement of Income & Expenditure comply with the Accounting Standards generally accepted in India.

Place: Ahmedabad  
Date: July 06, 2018



For Manubhai & Shah LLP  
Chartered Accountants  
ICAI Firm Registration No. 106041W/W100136

*K. B. Solanki*

K. B. Solanki  
Partner  
Membership No. 110299

**Scabious Enterprise LLP**  
**Statement of Assets & Liabilities as at March 31, 2018**

(Amount in Rs.)

	Particulars:	Note	As at March 31, 2018	As at March 31, 2017
I	<b>CONTRIBUTION AND LIABILITIES:</b>			
1	<b>Partners' Funds:</b>			
	(A) Partners' Capital Contribution	1	11 328	1 13 720
	(B) Reserve & Surplus:			
	<b>Partners' Profit Contribution</b>			
	Current Capital Contribution	2	97 11 788	7 25 94 227
			<b>97 23 116</b>	<b>7 27 07 947</b>
2	<b>Liabilities</b>			
	(A) Short Term Borrowings	3	50 00 000	-
	(B) Other Liabilities	4	36 706	36 331
	(C) Provision for Taxation	5	2 422	-
			<b>50 39 128</b>	<b>36 331</b>
	<b>Total</b>		<b>1 47 62 244</b>	<b>7 27 44 278</b>
II	<b>ASSETS:</b>			
	(A) Fixed Assets	6	21 914	25 455
	(B) Investments	7	1 43 70 171	7 04 13 332
	(C) Cash & cash equivalents	8	56 547	38 505
	(D) Loans and Advances	9	19 073	21 61 322
	(E) Other Assets	10	2 94 539	1 05 664
	<b>Total</b>		<b>1 47 62 244</b>	<b>7 27 44 278</b>
	<b>Significant Accounting Policies and Notes to Accounts.</b>	13		

The accompanying notes are an integral part of these Financial Statements

As per our report of even date attached

**For Manubhai & Shah LLP**  
**Chartered Accountants**  
ICAI Firm Registration No. 106041W/W100136

  
**K. B. Solanki**  
Partner  
Membership No. 110299



**For, Scabious Enterprise LLP**

  
**Falgunbhai C. Patel**  
Designated Partner

  
**Parthiv F. Patel**  
Designated Partner

Place: Ahmedabad  
Date : July 06, 2018

Place: Ahmedabad  
Date : July 06, 2018

**Scabious Enterprise LLP**  
Statement of Income & Expenditure for the year ended March 31, 2018

(Amount in Rs.)

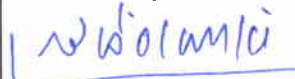
Particulars	Note	For the year	
		March 31, 2018	March 31, 2017
<b>Other Income:</b>			
Share of Profit from LLPs	11	-	1 99 25 339
Profit on Sale of Investments		3 06 404	1 07 32 986
Dividend Income		21 07 215	21 05 940
Interest Income		2 18 925	1 45 571
Rent Income		3 15 741	3 00 711
Excess Provision of municipal/gram panchayat tax written back		-	12 156
Share of LLP on distribution of reserve		-	1 43 56 652
<b>Total Income (A)</b>		<b>29 48 285</b>	<b>4 75 79 355</b>
<b>Expenses:</b>			
Administrative Expenses	12	22 308	1 68 804
Depreciation		3 541	4 113
Finance Cost		294	94 199
<b>Total Expenses (B)</b>		<b>26 143</b>	<b>2 67 116</b>
<b>Profit Before Tax (A-B)</b>		<b>29 22 142</b>	<b>4 73 12 238</b>
Current Tax		3 40 000	2 20 000
Adjustment of earlier year for Income Tax		28 672	1 07 733
<b>Profit After Tax</b>		<b>25 53 470</b>	<b>4 69 84 505</b>

Name of the Partner	Profit sharing ratio	Current Year	Previous year
Shri Falgunbhai C Patel (P.Y. 5.23%)	50.00%	12 76 735	24 57 290
Shri Parthivbhai F Patel (P.Y. 4.73%)	50.00%	12 76 735	22 22 367
Satyesh Prochem LLP (P.Y. 49.15%)	0.00%	-	2 30 92 884
Saintfoin Enterprise LLP (P.Y. 40.89%)	0.00%	-	1 92 11 964
<b>Total</b>		<b>25 53 470</b>	<b>4 69 84 505</b>
<b>Significant Accounting Policies and Notes to Accounts.</b>	13		

The accompanying notes are an integral part of these Financial Statements

As per our report of even date attached

**For Manubhai & Shah LLP**  
Chartered Accountants  
ICAI Firm Registration No. 106041W/W100136

  
K. B. Solanki  
Partner  
Membership No. 110299



**For, Scabious Enterprise LLP**

  
Falgunbhai C. Patel  
Designated Partner

  
Parthiv E. Patel  
Designated Partner

Place: Ahmedabad  
Date : July 06, 2018

Place : Ahmedabad  
Date : July 06, 2018

**Scabious Enterprise LLP**  
**Notes Forming Part of Accounts for the year ended on March 31, 2018**

Particulars	(Amount in Rs.)	
	As at March 31, 2018	As at March 31, 2017
<b>Note- 1</b>		
<b>Partners' Fund:</b>		
Partners' Capital Contribution (As per LLP Agreement)	11 328	1 13 720
<b>Total</b>	<b>11 328</b>	<b>1 13 720</b>
<b>Note- 2</b>		
<b>Reserve &amp; Surplus:</b>		
<b>Partners' Profit Contribution:</b>		
Current Capital contribution	97 11 788	7 25 94 227
<b>Total</b>	<b>97 11 788</b>	<b>7 25 94 227</b>
<b>Note- 3</b>		
<b>Unsecured Short Term Borrowings</b>		
Shri Falgunbhai C.Patel HUF	50 00 000	-
<b>Total</b>	<b>50 00 000</b>	<b>-</b>
<b>Note- 4</b>		
<b>Other Liabilities</b>		
Unpaid Audit Fees	36 706	36 331
<b>Total</b>	<b>36 706</b>	<b>36 331</b>
<b>Note- 5</b>		
<b>Provision for Taxation</b>		
Provision for Tax (Net of Advance Tax )	2 422	-
<b>Total</b>	<b>2 422</b>	<b>-</b>
<b>Note- 7</b>		
<b>Investments</b>		
<b>Long Term Investment</b>		
<b>In Immovable Property</b>	12 91 542	12 91 542
<b>In Securities</b>		
Quoted Equity shares	63 18 074	63 18 073
Unquoted Equity shares	36 700	36 800
National Highways Authority of India- 54EC Bond	41 70 000	41 70 000
<b>In Limited Liability Partnerships</b>	-	5 26 06 480
<b>Current Investment</b>		
Mutual Fund- Unquoted	25 53 855	59 90 437
<b>Total</b>	<b>1 43 70 171</b>	<b>7 04 13 332</b>



## SCABIOUS ENTERPRISE LLP

Notes Forming Part of Accounts for the year ended on March 31, 2018

Note 6 - FIXED ASSETS

(Amount in Rs.)

Sr. No.	Particulars	Rate of Depreciation (%)	GROSS BLOCK ( AT COST )				DEPRECIATION				NET BLOCK		
			As At April 01, 2017	Additions	Deduction	As At March 31, 2018	As At April 1, 2017	Provided	Deduction	As At 31, 2018	March 31, 2018	As at March 31, 2017	
1	Air Conditioner	13.91	56 500	-	-	56 500	31 045	3 541	-	34 586	21 914	25 455	
2	Furniture	13.91	65 000	-	-	65 000	65 000	-	-	65 000	-	-	
<b>Total</b>			<b>1 21 500</b>	<b>-</b>	<b>-</b>	<b>1 21 500</b>	<b>96 045</b>	<b>3 541</b>	<b>-</b>	<b>99 586</b>	<b>21 914</b>	<b>25 455</b>	
Previous Year			1 21 500	-	-	1 21 500	91 932	4 113	-	96 045	25 455	-	



**Scabious Enterprise LLP**  
**Notes Forming Part of Accounts for the year ended on March 31, 2018**

Particulars	(Amount In Rs.)	
	As at March 31, 2018	As at March 31, 2017
<b>Note - 8</b>		
<b>Cash and Cash Equivalents</b>		
Cash on hand	3 973	4 573
Balance with banks in current account	52 574	21 56 749
<b>Total</b>	<b>56 547</b>	<b>21 61 322</b>
<b>Note -9</b>		
<b>Loans &amp; Advances</b>		
Balance with tax authorities	19 073	38 046
Prepaid Expenses	-	459
<b>Total</b>	<b>19 073</b>	<b>38 505</b>
<b>Note - 10</b>		
<b>Other Assets:</b>		
Interest Accrued But Not Due on U/s 54EC Bond	2 18 925	32 388
Rent receivable	49 114	46 776
Deposits	26 500	26 500
<b>Total</b>	<b>2 94 539</b>	<b>1 05 664</b>



**Scablous Enterprise LLP**  
**Notes Forming Part of Accounts for the year ended on March 31,2018**

(Amount in Rs.)

Particulars	For the year	
	March 31, 2018	March 31, 2017
<b>Note - 11</b>		
<b>Share of profit from LLPs</b>		
Saintfoin Enterprise LLP	-	1 99 25 339
<b>Total</b>	<b>-</b>	<b>1 99 25 339</b>
<b>Note - 12</b>		
<b>Administrative expenses</b>		
Rates & Taxes	2 000	2 000
Miscellaneous Expenses	5 558	1 52 429
Audit Fees	14 750	14 375
<b>Total</b>	<b>22 308</b>	<b>1 68 804</b>





**Note: 13 Significant Accounting Policies**

**1 Method of Accounting**

The financial statements are prepared in accordance with the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the LLP Act, 2008.

**2 Use of Accounting Estimates**

The preparation of the financial statements in conformity with Generally Accepted Accounting principles requires the LLP to make estimates and assumption that affect the balance of assets and liabilities as at the reporting date of the financial statement and amount of income and expenses during the period of account. Any revision to accounting estimates is recognized in accordance with the requirement of the respective accounting standard in the period in which the results are known/not available.

**3 Investments**

Investments that are readily realizable and intended to be held for not more than a year are considered as current investments. All other investments are considered as long-term investment.

Long term investments are stated at cost. Provision is made for diminution in value, other than of temporary nature, of such investment.

Current investments are stated at lower of cost and fair value determined on an individual investment basis.

**4 Revenue Recognition**

- a Dividend Income is recognized when the right to receive dividend is established.
- b All other income are recognized and accounted for on accrual basis.

**5 Fixed Assets and Depreciation**

All fixed assets are stated at cost of acquisition including any attributed cost for bringing the assets to its working condition less accumulated depreciation.

Depreciation is provided on diminishing balance method.

**6 Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the Provisions of the Income tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.

**7 Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**8 Borrowing**

Borrowing costs attributable to the acquisition and construction of assets are capitalized as part of the cost of such assets up to the date when such asset is ready for its intended use. Other borrowing costs are treated as revenue expenditure.



**9 General**

Accounting policy not specifically referred to are consistent with generally accepted Accounting Practices.

**10 Other Notes**

- a Provision of Micro, Small & Medium Enterprise Development Act, 2006 are not applicable during the year.
- b Contingent liabilities –NIL
- c Previous year figures have been re grouped / re classified / re arranged to make them comparable with those of current year's classification

**As per our Report of even date attached**

**For Manubhai & Shah LLP**

**Chartered Accountants**

**ICAI Firm Registration No. 106041W/W100136**

*K. B. Solanki*

**K. B. Solanki**

**Partner**

**Membership No. 110299**

**Place: Ahmedabad**

**Date : July 06, 2018**



**For, Scabious Enterprise LLP**

*F*

**Falgunbhai C. Patel  
Designated Partner**

*P* *Parthiv F. Patel*

**Parthiv F. Patel  
Designated Partner**