

**INDEPENDENT AUDIT REPORT**

**To The Members of Sammys Dreamland Co., Private Limited  
Report on the Financial Statements**

I have audited the accompanying financial statements of **SAMMYS DREAMLAND CO., PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, 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, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. 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**

My responsibility is to express an opinion on these financial statements based on our audit. I conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that I 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 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 Company'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.

I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**Opinion**

In my 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 Company as at 31st March, 2016; and
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, I give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, I report that:
  - a. I 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 my 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;
  - c. the Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
  - d. in my opinion, the Balance Sheet and Statement of Profit and Loss, comply with the Accounting Standards referred to in subsection (3C) of the Act read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
  - e. On the basis of written representations received from the directors as on 31st March, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Act.

*S.R.Srinaga* -

**(S.R.SRINAGA)**  
**Chartered Accountant.**  
**Membership No.022767**

**Date -**  
**Place - Bangalore**



**ANNEXURE - 1**  
**REFERRED TO IN PARAGRAPH 1 OF MY REPORT OF EVEN DATE OF**  
**M/s.SAMMY'S DEREAMLAND CO., PRIVATE LIMITED BANGALORE.**

1.
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. All the assets have been physically verified by the management during the year, but there is a regular programme of verification, which, in our opinion, is reasonable having regards to the size of the company and the nature of its assets. No material discrepancies were noticed.
2.
  - a. In my opinion, and on verification of the records, the company has conducted physical verification of Work in Progress and the Building materials and other materials in the WIP at reasonable intervals.
  - b. In my opinion, the method of physical verification and the procedures adopted are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c. In my opinion, and on our verification, the company has maintained proper records for work -in progress and the related inventory; there were no major discrepancies, noticed on verification of the same with the physical records.
3.
  - a. The Company has granted advances to companies, firms /persons covered in the register maintained under Section 301 of the Companies Act 1956. In our opinion, the terms under which these amounts have been advanced are not pre-judicial to the interests of the company.
  - b. The Company has received deposits from Companies/ persons covered in the register maintained under Section 301 of the Companies Act 1956. In our opinion, the terms under which these have been received and the rates of interest are not pre-judicial to the interests of the company.
4. In my opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business
5.
  - a. In my opinion and explanations given to me, and on verification of the records maintained in pursuance of Section 301 of the Companies Act, there appears no transaction entered into by the company which are prejudicial to its interest.



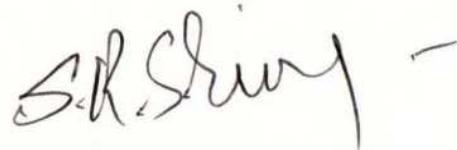
6. In my opinion and according to the information and explanations furnished to me, the company has not taken any deposits falling in the provisions of Section 58A and 58AA of the Companies Act 1956, and the Companies (Acceptance and Deposits) Rules 1975.
7. In my opinion and according to the information and explanations furnished to me, the company has not taken any deposits falling in the provisions of Section 58A and 58AA of the Companies Act 1956, and the Companies (Acceptance and Deposits) Rules 1975.
8. In my opinion the Company has an adequate internal audit system commensurate to the size of the Company & the nature of its business.
9. In my opinion, there is no applicability of maintenance of Cost records under section 209(1) (d) of the Companies Act 1956.
10.
  - a. In my opinion, the company is regular in depositing with the appropriate authorities undisputed dues income-tax, sales tax, cess, service tax etc. and other material statutory dues applicable to it. There was no applicability of Provident Fund for the year 31.3.2016, was not registered.
  - b. According to the information and explanations given to me, no undisputed amounts payable in respect of income-tax, wealth tax, sales tax, customs duty, excise duty, and cess were in arrears, as at 31.03.2016 for a period of more than 6 months from the date they became payable.
  - c. According to information and explanation given to me, there are no dues for sales tax, income tax, wealth tax, excise duty, and cess, which have not been deposited on account of dispute.
11. The company has been registered for a period of more than 5 years, the company does not have accumulated losses. There were no cash losses incurred during the year in our opinion.
12. In my opinion and according to information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
13. In my opinion, the company has not granted any loans to any body corporate or person, staff and they are not against any pledge of securities or shares or debentures.
14. In my opinion, the company is not a chit fund or a mutual benefit fund/ society. Therefore the provisions of clause 4(xiii) of the Companies (Auditors Report) 2003 are not applicable to the Company.
15. In my opinion, the company is not dealing in or trading in shares, securities, debentures or other investments. Accordingly the provisions of clause 4(xiv) of the Companies (Auditors Report) 2003 are not applicable to the Company.



**S. R. Srinaga, B.Com., FCA.**

CHARTERED ACCOUNTANT

16. In my opinion, the company has not given any guarantee for loans taken by others from banks or financial institutions.
17. In my opinion, and as per information and explanations produced to me, the company has not taken long term loan obtained during the year and was utilized for the purpose for which it was obtained.
18. According to the information and explanation given to me and an overall examination of the Balance sheet of the company. short- term loans were obtained; the long-term funds were utilized for the purposes obtained.
19. According to information and explanations given to me, the company has not made preferential allotments to parties and companies covered in the register maintained under Section 301 of the Companies Act 1956.
20. In my opinion, during the year under audit, the company has not issued any debentures. Therefore the provisions of clause 4(xix) of the Companies (Auditors Report) 2003 are not applicable to the Company.
21. In my opinion, the company has not raised any money from the public issue and therefore the provisions of clause 4(xx) of the Companies (Auditors Report) 2003 are not applicable to the Company.
22. According to the information and explanations given to me, no fraud on or by the company has been noticed or reported during the course of audit.



**(S.R.SRINAGA)**

**Chartered Accountant.**

**Membership No.022767**

**Date -**

**Place - Bangalore**

