

**Auditors Report
To
The Shareholders of
M/s AC Shelter Private Limited**

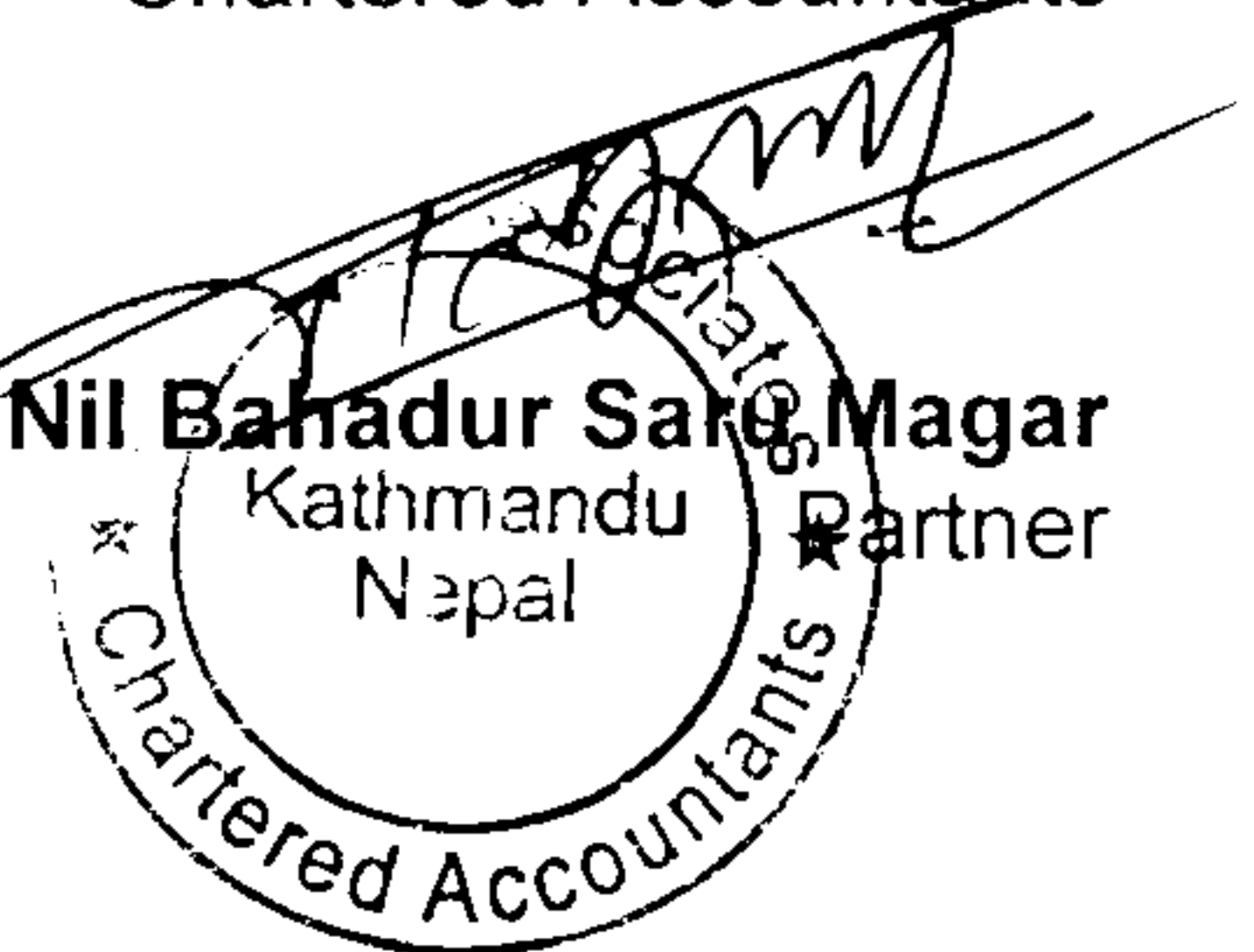
We have audited the attached Balance Sheet of **M/s AC Shelter Private Limited, Kathmandu, Nepal** as on March 31, 2010 together with Profit and Loss Account and Cash Flow Statement for the year ending on that date. The financial statements are the responsibility of the management of the organization. Our responsibility is to express an opinion on these financial statements based on our audit

We conducted our audit in accordance with Generally Accepted Auditing Standards in Nepal. Those standards require that we plan and perform audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on the 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. Further we report that:

1. We have obtained all 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 organization in so far as it appear from our examination of those books of account.
3. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account of the organization.
4. In our opinion and to the best of our information and according to the explanations given to us, the said Statement of Accounts read with the notes thereon, give true and fair view:
 - a) In the case of the Balance Sheet, of the state of affair of the Company as at March 31, 2010.
 - b) In the case of Profit and Loss Account, of the net loss for the year ended on that date and
 - c) In the case of Cash Flow Statement, the inflows and outflows of cash for the year ended on that date. "
5. In our opinion and to the best of our information and according to the explanations given to us and from our examination of the books of account of the organization, we have not come across the cases where the board of directors or any member thereof or any employees of the organization has acted in contravention of the existing laws, neither have they misappropriated fund nor caused any loss to the organization so far as it appears from our audit.
6. This report is issued by us, pursuance to specific request made by the Company, in regard to consolidation of the financial statements with the Parent Company.

For NBSM & Associates
Chartered Accountants

CA. Nil Bahadur Sarin, Magar
Kathmandu Partner
Nepal



Kathmandu

Date : 3rd August 2010

AC Shelter Private Limited
Balance Sheet
As at March 31, 2010

Particulars	Schedules	Current year	Previous year
Capital & Liabilities:			
Capital & Reserve Fund			
Share Capital	1	50,000.00	50,000.00
Reserve & Surplus		257,496.94	262,951.94
		307,496.94	312,951.94
Assets:			
Current Assets, Loans & Advances:			
Advance & Deposits	2	397,720.42	397,742.92
Cash & Bank Balances	3	12,478.00	12,478.00
		410,198.42	410,220.92
Less: Current Liabilities:			
Other Payables	4	102,701.48	97,268.98
		102,701.48	97,268.98
Net Current Assets		307,496.94	312,951.94
		307,496.94	312,951.94

Significant Accounting Policies
& Notes on Accounts

6

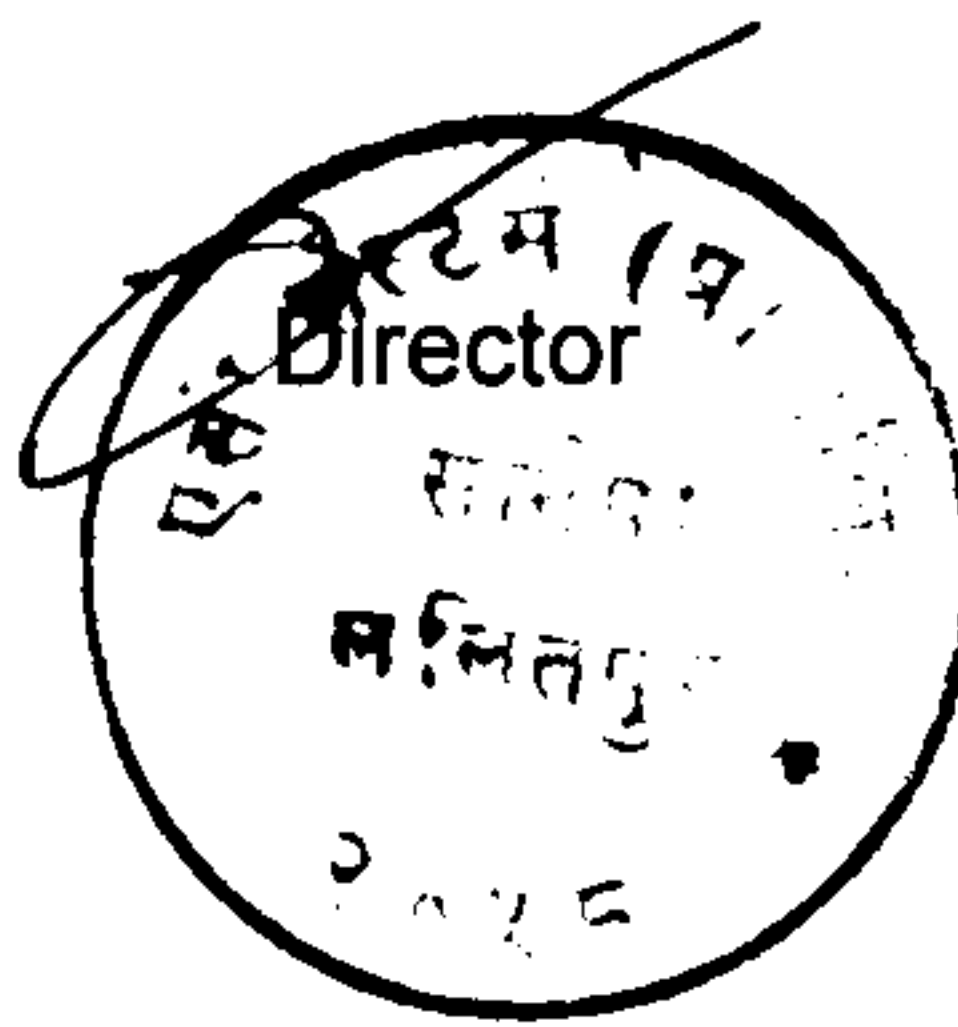
As per our attached report of even date

Kathmandu

Date: 03-08-2010

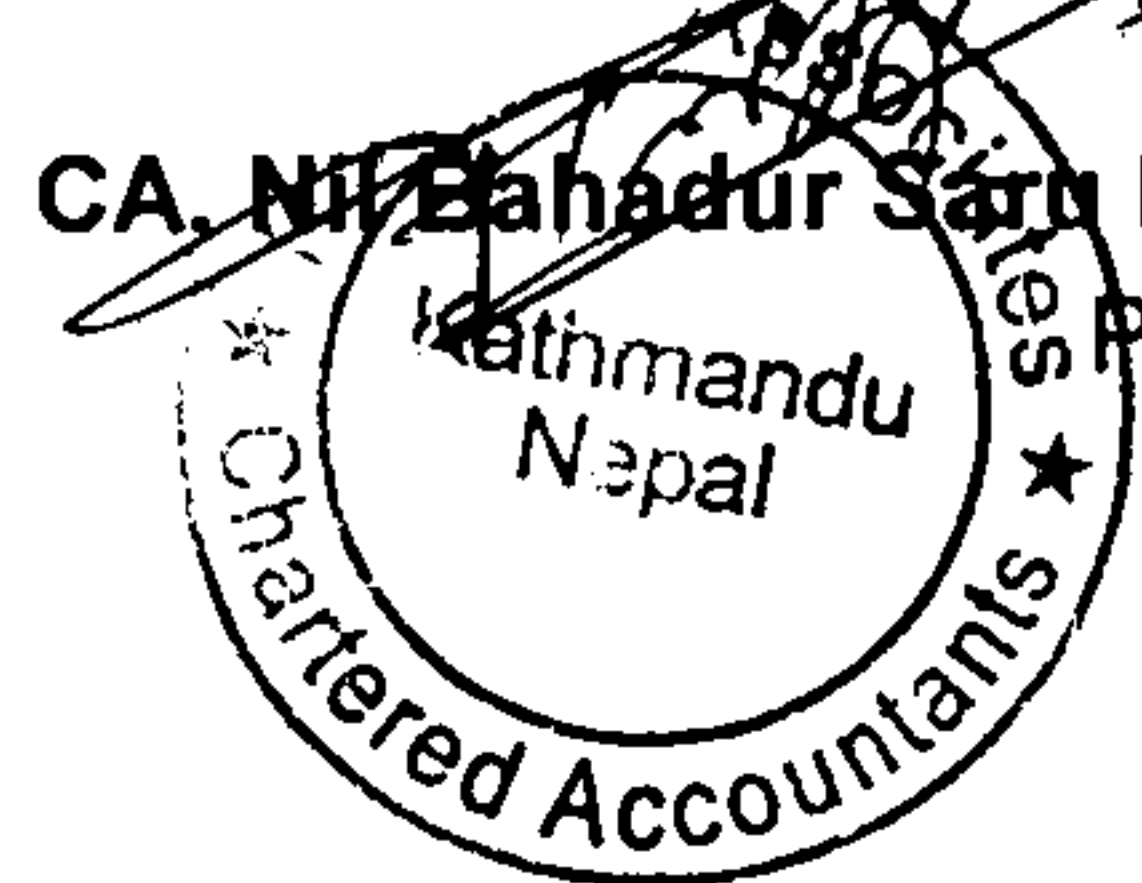

F & A Manager

For & On Behalf of the Board



For NBSM and Associates
Chartered Accountants

CA. Nil Bahadur Sam Nagari
Kathmandu
Nepal Partner



AC Shelter Private Limited
Profit & Loss Account
For the year ended March 31, 2010

Particulars	Schedules	Current Year	Previous Year
Income		-	-
Less: Direct Expenses		-	-
Gross Profit		-	-
Less:			
Administrative & General Expenses	5	5,455.00	1,500.00
Net Profit/(Loss) for the Year		(5,455.00)	(1,500.00)
Profit up to Last Year		262,951.94	264,451.94
Transferred to Balance Sheet		257,496.94	262,951.94

Significant Accounting Policies & Notes
on Accounts

6

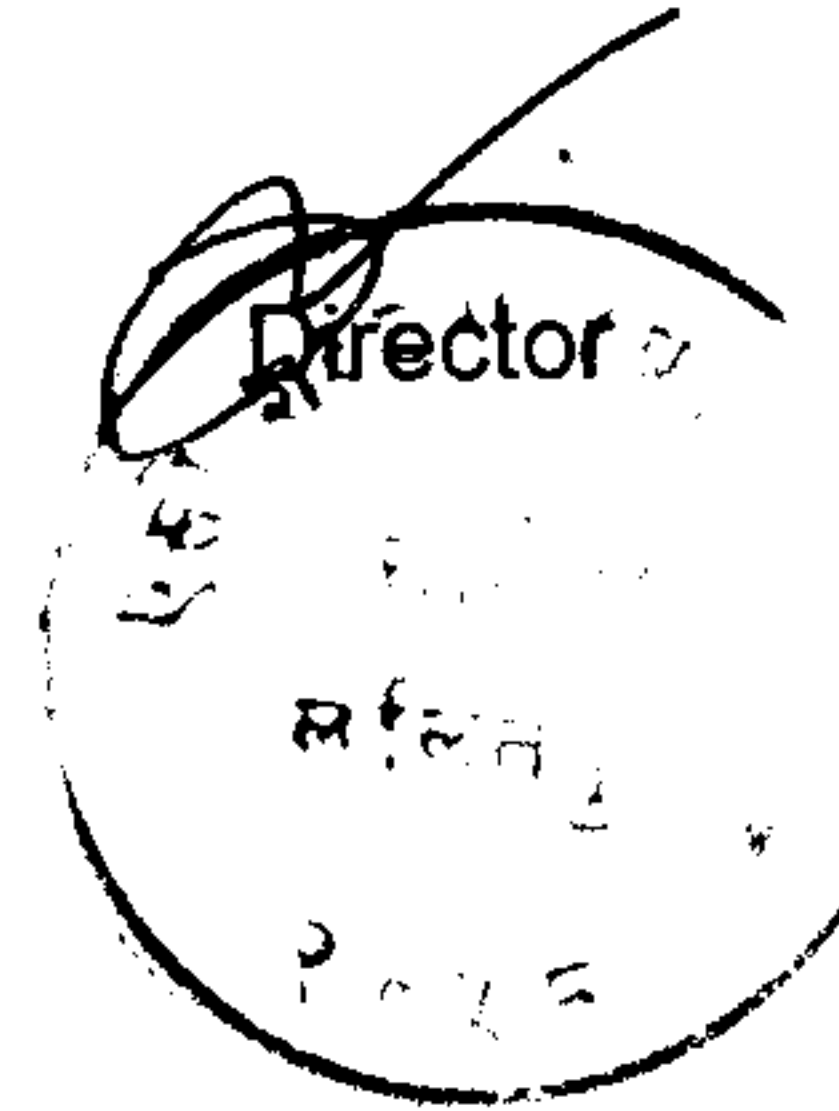
As per our attached report of even date

Kathmandu

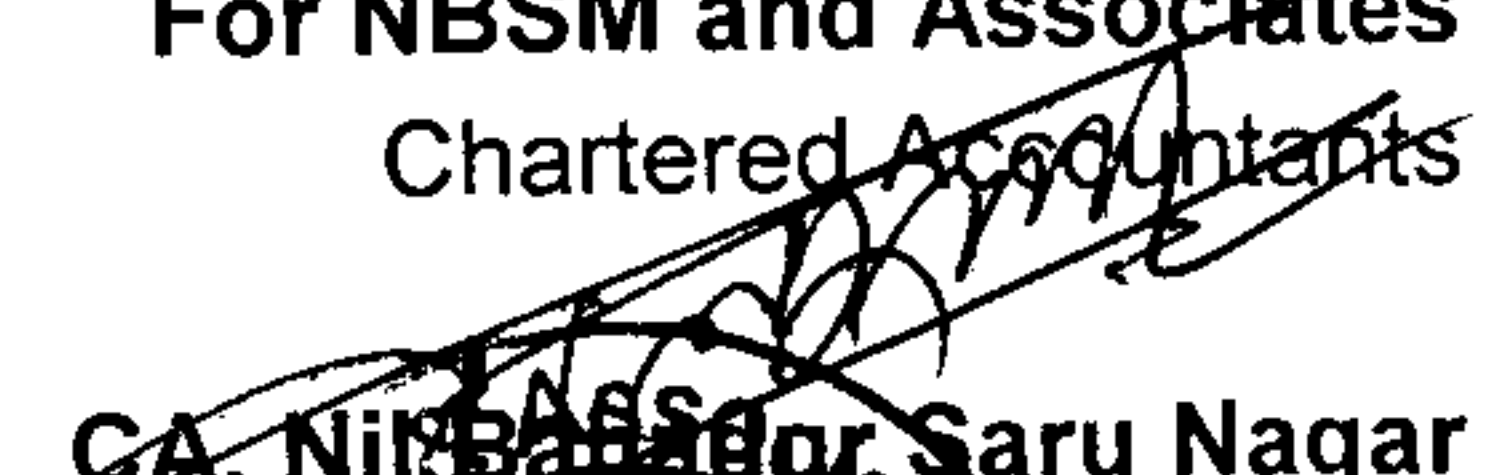
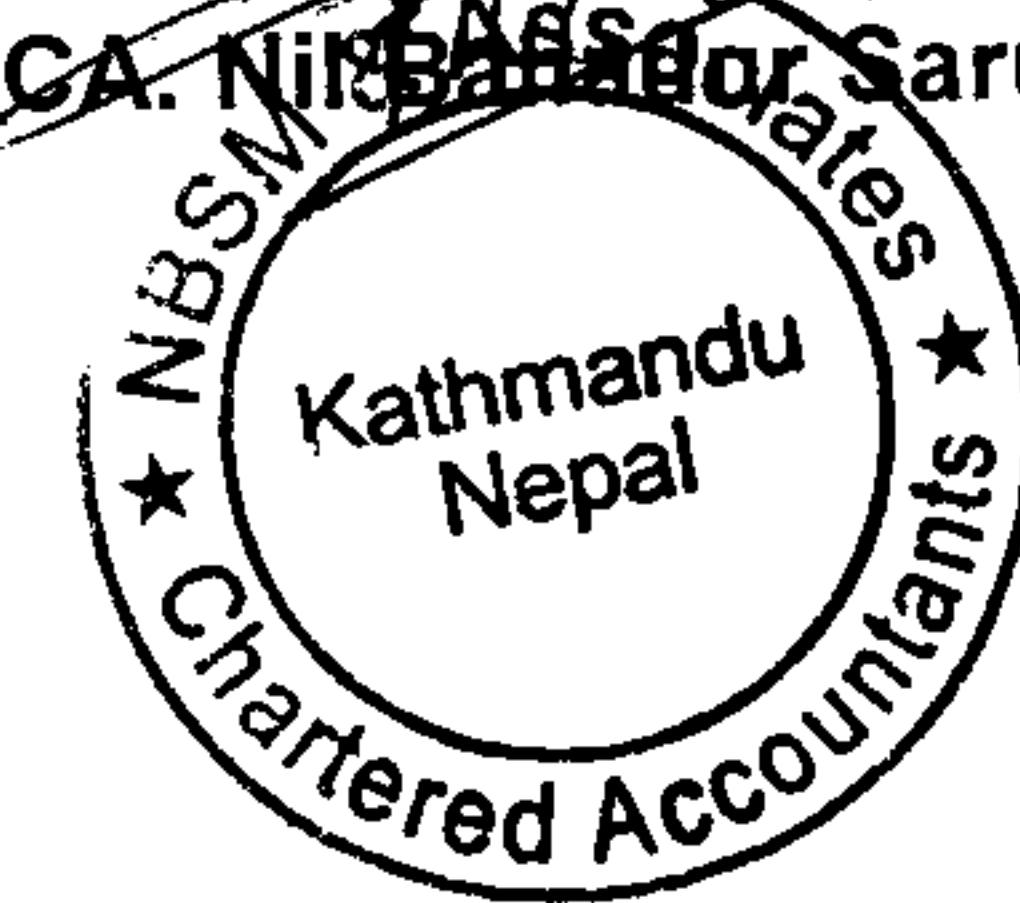
Date: 03-08-2010


F & A Manager

For & On Behalf of the Board


Director

For NBSM and Associates
Chartered Accountants


CA. Nil Bahadur Saru
Partner


AC Shelter Private Limited
Cash Flow Statement
For the year ended March 31, 2010

Particulars	Current year	Previous year
Cash Flow From Operating Activities:		
Net Profit as per Profit & Loss A/c	(5,455.00)	(1,500.00)
Operating Profit before changes in Working capital	(5,455.00)	(1,500.00)
Chages in Working Capital		
(Increase)/Decrease in Current Assets	22.50	2,997.50
Increase/(Decrease) in current Liabilites	5,432.50	(1,497.50)
Cash Flow from Operating Activities	-	-
Cash flow from Investing Activities		
Preliminary Expenses	-	-
Net Cash Flow From Investing Activities	-	-
Cash Flow from Financing Activities		
Increase in Share Capital	-	-
Net Cash Flow From Financing Activities	-	-
Total Cash Flow From All Activities	-	-
Opening Cash & Bank Balances	12,478.00	12,478.00
Closing Cash & Bank Balances	12,478.00	12,478.00

Significant accounting policies &
Notes to the Accounts

6

As per our attached report of even

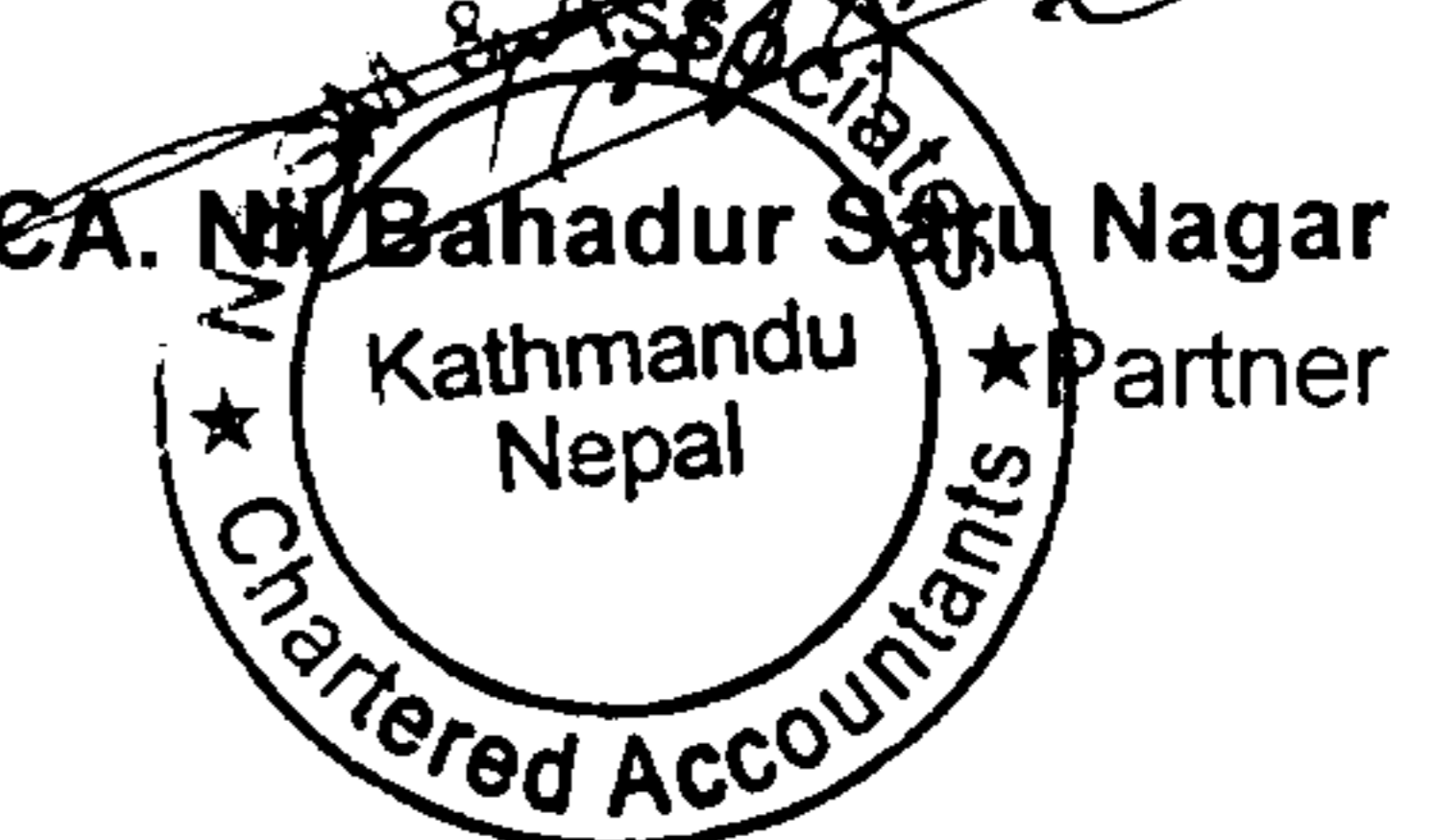
Kathmandu

Date: 03-08-2010

For & On Behalf of the Board

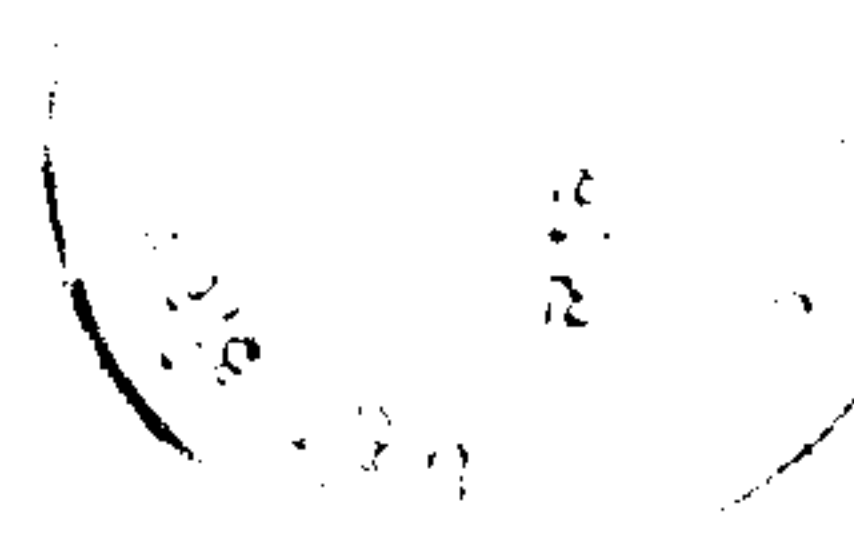
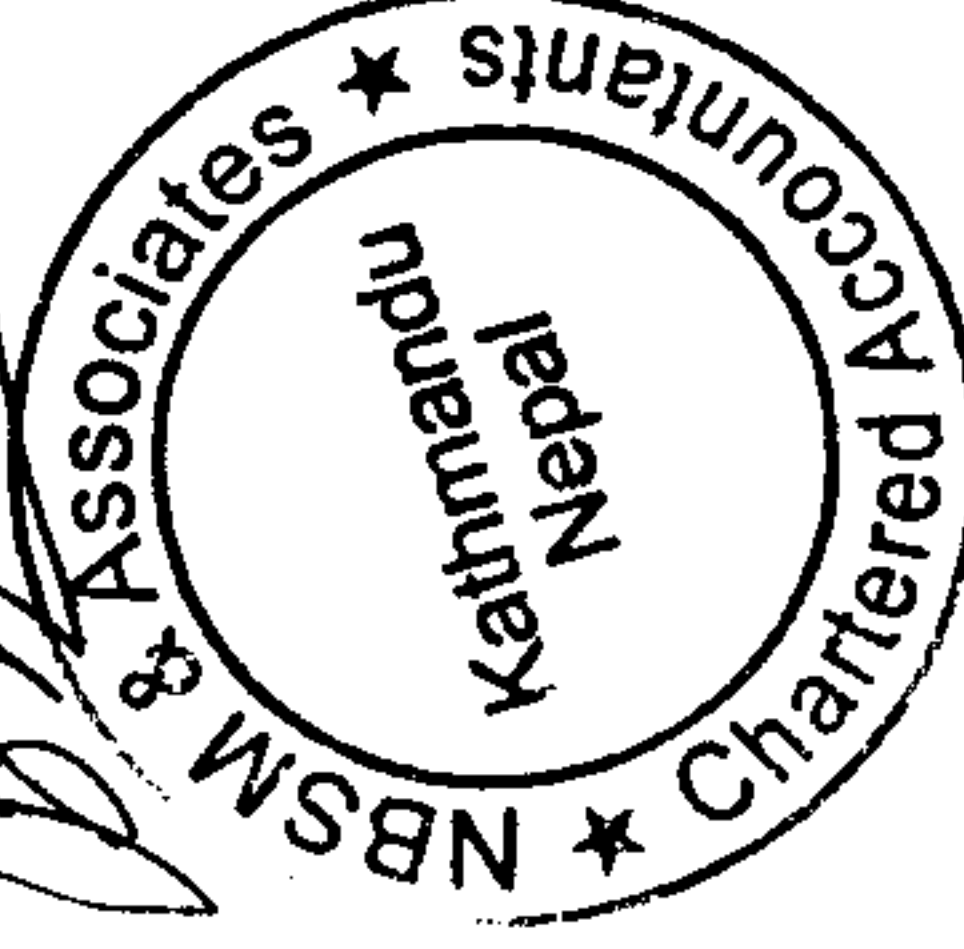

F & A Manager


Director

For NBSM and Associates
Chartered Accountants
CA. N. Bahadur Sahu Nagar
Kathmandu
Nepal
Partner


AC Shelter Private Limited
Statement of Changes in Equity
For the year ended March 31, 2010

Particulars	Share Capital	Share Premium	Revaluation Reserves	Retained Earnings	Other Reserves	Total
Opening Balance	50,000.00	-	-	262,951.94	-	312,951.94
Changes in Accounting Policy	-	-	-	-	-	-
Restated Balance	50,000.00	-	-	262,951.94	-	312,951.94
Profit for the Year	-	-	-	(5,455.00)	-	(5,455.00)
Transferred to General Reserves	-	-	-	-	-	-
Dividend to shareholders	-	-	-	-	-	-
Shares Issued	-	-	-	-	-	-
Closing Balance	50,000.00	-	-	257,496.94	-	307,496.94



AC Shelter Private Limited
Schedules forming part of the Accounts for the year ended March 31, 2010

Schedule -1

Share Capital

Particulars	Current year	Previous year
<u>Authorised:</u> 5000 Equity Shares of Rs. 100/- each	500,000.00	500,000.00
<u>Issued:</u> 1000 Equity Shares of Rs. 100/- each	100,000.00	100,000.00
<u>Subscribed & Paid Up:</u> 500 Equity Shares of Rs. 100/- each	50,000.00	50,000.00
	50,000.00	50,000.00

Schedule -2

Advances & Deposits

Particulars	Current year	Previous year
Advance Income Tax	95,791.48	95,791.48
Ansal Chaudhary Developers Pvt.Ltd.	301,928.94	301,951.44
	397,720.42	397,742.92

Schedule -3

Cash & Bank Balances

Particulars	Current year	Previous year
Balances at Everest Bank 00494 a/c	12,478.00	12,478.00
	12,478.00	12,478.00

Schedule -4

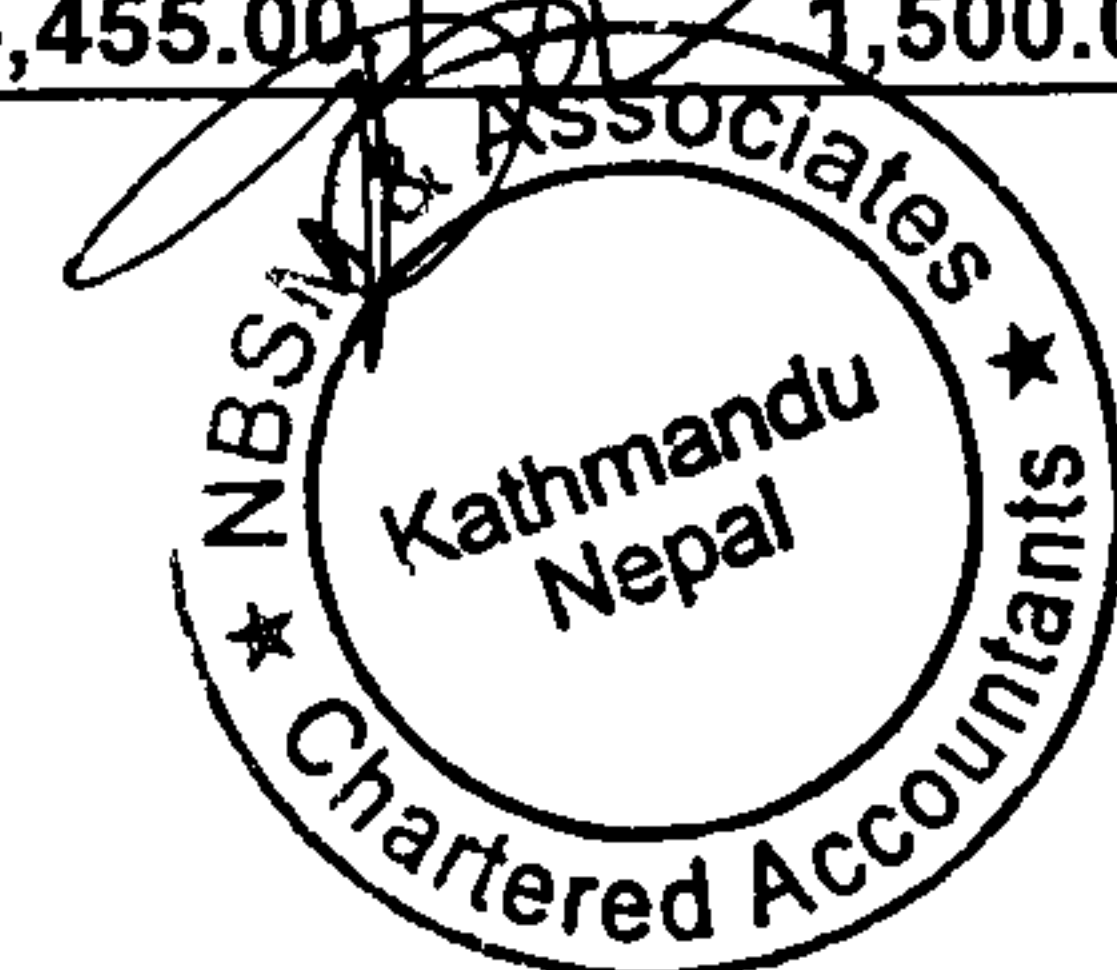
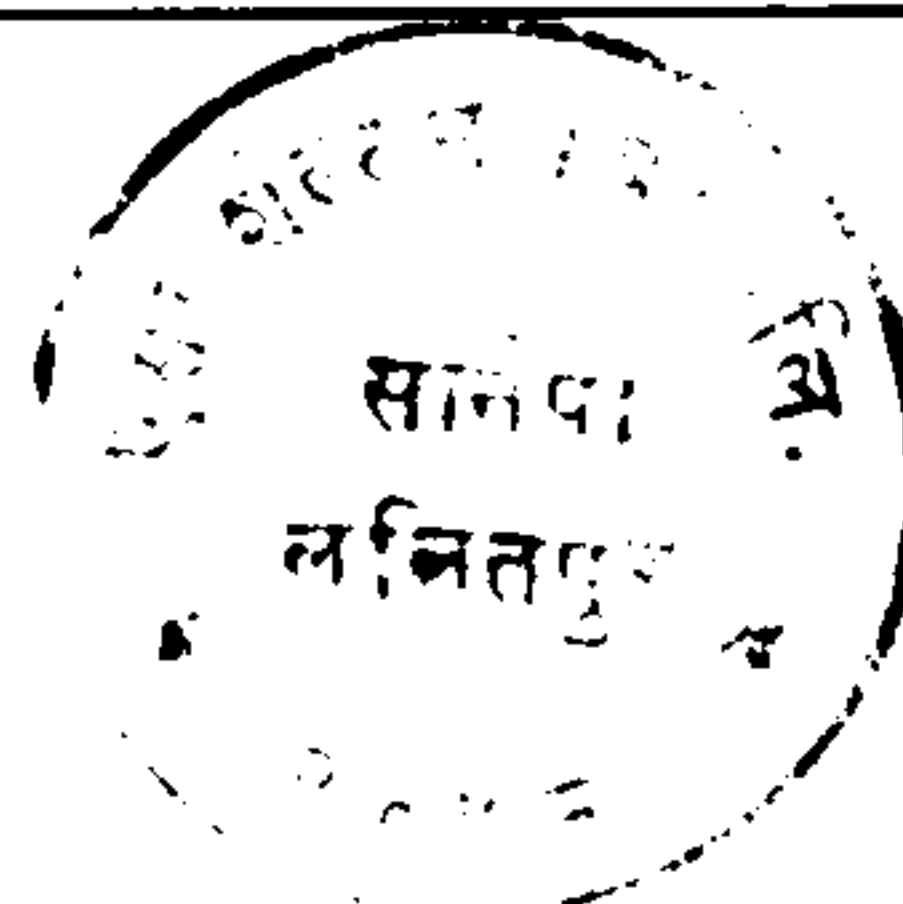
Other Payables

Particulars	Current year	Previous year
T.D.S. Payable	52.50	-
Audit Fee Payable	6,857.50	1,477.50
Provision for Income Tax	95,791.48	95,791.48
	102,701.48	97,268.98

Schedule -5

Administrative Expenses

Particulars	Current year	Previous year
Audit Fee	5,455.00	1,500.00
	5,455.00	1,500.00



AC Shelter Private Limited

Schedules forming part of the Accounts for the year ended March 31, 2010

Schedule - 6

Significant Accounting Policies & Notes to the Accounts

A. Significant Accounting Policies:

1. Accounting Conventions:

The financial statements are prepared under the historical cost conventions on an accrual concept and are in accordance with Nepal Accounting Standards and others as applicable laws prevalent in Nepal.

B. Notes to the Accounts :

1. The company's accounts closes on 15th July every year as per Prevalent Laws of Nepal, however, since these accounts are prepared for consolidation with the holding company, whose accounts closes on 31st March, these accounts are prepared for the period from 1st April, 2009 to 31st March, 2010.
2. Previous year's figures have been regrouped/rearranged whenever necessary.
3. Schedules 1 to 6 forms the integral part of Balance Sheet and Profit & Loss Account.

As per our attached report of even date

Kathmandu

Date: 03-08-2010

For & On Behalf of the Board


F & A Manager



For NBSM and Associates

Chartered Accountants

