

**INDEPENDENT AUDITORS' REPORT**

To,  
The Partners of PrimarcRiya Projects LLP

**Report on the Financial Statements**

We have audited the accompanying financial statement of M/s Primarc Riya Projects LLP of 6A, Elgin Road, Kolkata-700020, which comprises the Statement of Assets & Liabilities as at March 31<sup>st</sup>, 2017 and the Statement of Profit & loss for the year ended on the date annexed thereto 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 in accordance with the Accounting Standard issued by the Institute of Chartered Accountants of India (ICAI) and the Limited Liability Partnership Act, 2008. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that 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 procedure to obtain audit evidence about the amount and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, 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 to the financial statements in order to design audit procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LLP'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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion to the best of our information and according to the explanations given to us, the financial statements of M/s Primarc Riya Projects LLP for the year ended 31<sup>st</sup> March, 2017 are prepared, in all material aspects, in accordance with accounting principles generally accepted in India.

- (a) in the case of the Balance Sheet, of the state of affairs of the LLP as at 31st March, 2017; and
- (b) in the case of Statement of Profit and Loss, of the loss for the year ended on that date

Place: Kolkata  
Date: 4<sup>th</sup> September, 2017



**For R. NIWAS & CO.**  
Chartered Accountants  
FRN: 324588E

*R. N. Gupta*


(R.N.Gupta)  
M.No.: 052458  
Partner

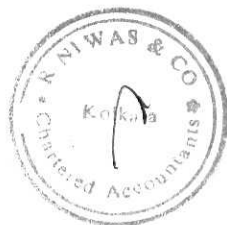
**PRIMARC - RIYA PROJECTS LLP**  
**Balance Sheet as at 31st March, 2017**

<u>Particulars</u>	<u>Notes</u>	<u>As at 31st March,</u> <u>2017</u>	<u>As at 31st March, 2016</u>
		<u>Amount (₹)</u>	<u>Amount (₹)</u>
<b>I. CONTRIBUTION &amp; LIABILITIES</b>			
<b>Partner's Funds</b>			
a) Capital	2	77,154,341	45,165,205
b) Reserves & Surplus	3	-	-
<b>Non Current Liabilities</b>			
a) Secured Loans	4	75,776,337	37,686,902
b) Unsecured Loans	5	60,377,193	28,567,442
<b>Current Liabilities</b>			
a) Trade Payables	6	20,436,108	68,386,291
b) Loans & Advances	7	98,483,373	31,240,490
c) Other Current Liabilities	8	3,754,008	1,420,167
<b>TOTAL</b>		<b>335,981,360</b>	<b>212,466,497</b>
<b>II. ASSETS</b>			
<b>Non Current Assets</b>			
a) Fixed Assets	9	2,051,780	2,697,121
<b>Current Assets</b>			
a) Inventories	10	308,879,872	200,283,661
b) Cash & Cash Equivalents	11	584,566	801,411
c) Other Current Assets	12	24,465,141	8,684,304
<b>TOTAL</b>		<b>335,981,360</b>	<b>212,466,497</b>
Significant Accounting Policies and other Notes On Accounts	1 to 20		

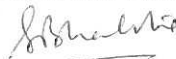
The Notes referred above form an integral part of the accounts.  
In terms of our report of even date attached herewith.

**For R. Niwas & Co.**  
Chartered Accountants  
FRN: 324588E

  
**(R. N Gupta)**  
Partner  
Membership No.: 052458



**PRIMARC-RIYA PROJECTS LLP**



**DESIGNATED PARTNER**

**PRIMARC-RIYA PROJECTS LLP**



**DESIGNATED PARTNER**

Place: Kolkata  
Date: 4th September, 2017

**PRIMARC - RIYA PROJECTS LLP**

**Statement of Profit & Loss for the year ended 31st March, 2017**

<u>Particulars</u>	<u>Notes</u>	<u>For the year ended</u>	<u>For the year ended</u>
		<u>31st March, 2017</u>	<u>31st March, 2016</u>
		<u>Amount (₹)</u>	<u>Amount (₹)</u>
<b><u>INCOME</u></b>			
Other Income	13	59,007	106,378
Increase/(Decrease) in Inventories	14	108,596,211	159,595,504
<b>TOTAL</b>		<b>108,655,218</b>	<b>159,701,882</b>
<b><u>EXPENSES</u></b>			
Construction Expenses	15	78,924,388	130,846,032
Marketing Expenses	16	5,179,810	8,830,246
Administrative Expenses	17	6,166,114	10,292,115
Finance Cost	18	17,836,844	9,076,080
Depreciation	9	489,055	551,031
Office Administration Expenses	19	80,726	107,590
<b>TOTAL</b>		<b>108,676,937</b>	<b>159,703,094</b>
Profit/(Loss) Before Taxes		(21,719)	(1,212)
Provision for Taxes		-	-
Profit/(Loss) After Taxes		(21,719)	(1,212)
Profit Transferred to Partner's Current Account		(21,719)	(1,212)
Significant Accounting Policies and other Notes On Accounts	1 to 20		

The Notes referred above form an integral part of the accounts.

In terms of our report of even date attached herewith.

For R. Niwas & Co.  
Chartered Accountants  
FRN: 324588E

*R. N. Gupta*

**(R. N Gupta)**  
Partner  
Membership No.: 052458



PRIMARC-RIYA PROJECTS LLP

*[Signature]*

DESIGNATED PARTNER

PRIMARC-RIYA PROJECTS LLP

*[Signature]*

DESIGNATED PARTNER

Place: Kolkata  
Date: 4th September, 2017

**PRIMARC - RIYA PROJECTS LLP**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENT**

**NOTE 1: ACCOUNTING POLICIES**

**a) LLP Overview**

Primarc-Riya Projets LLP was incorporated on July 24 ,2013. The LLP is a real estate developer engaged primarily in the business of real estate construction , development and other related activities.

**b) Basis Of Preparation**

The financial statements of the LLP have been prepared on accrual basis under the historical cost convention and on going concern basis in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued by The Institute Of Chartered Accountants Of India and the provisions of the Limited Liability Partnership Act,

**c) Fixed Assets and Depreciation**

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes all incidental expenses related to acquisition and installation, other preoperation expenses and interest in case of construction.

Depreciation on Fixed Assets has been provided in the manner and at the rates specified in Income Tax Act,1961. It has been transferred to Construction Work in Progress, as a part of the cost of the projects.

**d) Inventories**

Inventories are valued as under:

- a) Construction Work-in-Progress - At Cost

Construction Work in Progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the LLP.

**e) Revenue Recognition**

The LLP is presently following the "Percentage of Completion Method" of accounting for revenue recognition Interest income is accounted on accrual basis at contracted rates.

**f) Borrowing Cost**

Interest and finance charges incurred in connection with borrowing of funds, which are incurred for the development of long term projects, are transferred to Construction Work in Progress, as a part of the cost of the projects at weighted average of the borrowing cost/rates as per Agreements respectively.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

**g) Investments**

Long term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually at lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

**h) Provisions and Contingent Liabilities**

Provisions are recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Contingent liabilities are disclosed in respect of possible obligations that arise from the past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the LLP.



PRIMARC-RIYA PROJECTS LLP

*[Signature]*  
DESIGNATED PARTNER

PRIMARC-RIYA PROJECTS LLP

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**PRIMARC - RIYA PROJECTS LLP**  
Notes Forming part of the Financial Statement

As at 31st March, 2017 As at 31st March, 2016  
₹ ₹

**NOTE 2 : PARTNERS' CONTRIBUTION**

**a) Partners' Capital Account**

a) Mahesh Pansari	250,000	250,000
b) Siddhartha Bhalotia	250,000	250,000
c) Primarc Projects Pvt. Ltd.	1,750,000	1,750,000
d) Riya Projects Pvt. Ltd.	2,250,000	2,250,000
e) Star Projects & Infrastructure Pvt. Ltd.	250,000	250,000
f) Alope Kumar Singhania	250,000	250,000
<b>Total (a)</b>	<b>5,000,000</b>	<b>5,000,000</b>

**b) Partners' Current Account**

a) Alope Kumar Singhania	67,850	34,764
b) Mahesh Pansari	97,891	61,587
c) Siddhartha Bhalotia	97,891	61,587
d) Primarc Projects Pvt. Ltd.	58,000,863	27,863,781
e) Star Projects & Infrastructure Pvt. Ltd.	1,976,779	1,739,165
f) Riya Projects Pvt. Ltd.	11,913,068	10,404,323
<b>Total (b)</b>	<b>72,154,341</b>	<b>40,165,205</b>
<b>Total (a+b)</b>	<b>77,154,341</b>	<b>45,165,205</b>

**NOTE 3 : RESERVES & SURPLUS**

**Profit & Loss Account**

Opening balance

Add: Profit/(Loss) for the year

Less: Transferred to Partners Current Account

-	-
(21,719)	(1,212)
(21,719)	(1,212)
(21,719)	(1,212)
-	-

**NOTE 4 : SECURED LOANS**

Term Loan from Axis Bank

Bank Overdraft

(Secured by charge on entire current assets and equitable Mortgage of Project land and building.

40,000,000	20,000,000
35,776,337	17,686,902
<b>75,776,337</b>	<b>37,686,902</b>

**NOTE 5 : UNSECURED LOANS**

a) Aishwarya Fashion Private Limited	1,282,104	-
b) Anupama Chandgothia	754,882	-
c) Carnex Vanijya Pvt Ltd	615,042	555,092
d) Ecstasy Merchants Private Limited	2,608,740	-
e) Interactive Sales Pvt Ltd	4,321,240	3,900,036
f) Lexicon Vincom Pvt Ltd	7,507,102	-
g) Keshardeo Ashok Kumar HUF	5,676,613	5,123,297
h) Anusuya Devi Singhania	3,708,612	-
i) Banwarilal Goel And Sons	3,654,573	-
j) Mamta Shroff	583,916	527,000
k) Mangalrashi Enclave Pvt Ltd	1,342,452	1,211,599
l) Mastermind Sales Pvt Ltd	395,443	356,898
m) Micro Roadlines Pvt. Ltd.	2,233,655	2,015,934
n) Mousebirds Dealers Llp	3,512,323	3,169,967
o) Pearltree Properties Pvt Ltd	96,123	86,754
p) P O Cunsuntancy Services Pvt Ltd	1,230,086	1,110,186
q) Rangan Wholsaler Llp	4,666,097	4,211,279
r) Santosh Kumar Kejriwal (HUF)	2,584,329	-



PRIMARC-RIYA PROJECTS LLP

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Notes Forming part of the Financial Statement

s)	Sargam Commecrial Pvt Ltd	4,137,232	3,733,964
t)	Seabird Tradelink Pvt Ltd	4,015,386	-
u)	Shivalik Consultancy Services Pvt Ltd	1,845,128	1,665,278
v)	Span Commercial Pvt Ltd	413,459	373,158
w)	Suman Poddar	583,916	527,000
x)	Symphony Distributors Private Limited	2,608,740	-
		<b>60,377,193</b>	<b>28,567,442</b>

As at 31st March, 2017	As at 31st March, 2016
₹	₹

**NOTE 6 : TRADE PAYABLES**

Creditors for Materials & Services	6,427,724	1,719,411
Creditors for Expenses	378,282	445,666
Creditors for Others	13,630,102	66,221,214
	<b>20,436,108</b>	<b>68,386,291</b>

**NOTE 7 : LOANS AND ADVANCES**

<b>Advance Against Flats</b>	95,483,373	28,240,490
<b>Advance Against Land</b>		
a) Piyush Agarwal	500,000	500,000
b) Samir Bubna	1,500,000	1,500,000
c) Shree Kant Agarwal	1,000,000	1,000,000
	<b>98,483,373</b>	<b>31,240,490</b>


**NOTE 8 : OTHER CURRENT LIABILITIES**

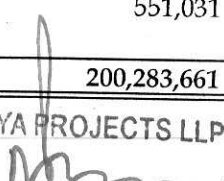
Retention Money from Suppliers & Contractors	2,745,019	882,770
ESI (Employer's Contribution)	4,097	1,360
ESI (Employee's Contribution)	1,506	501
Professional Tax Payable (Employees)	1,260	930
Providend Fund (Employer's Contribution)	15,466	7,625
Providend Fund (Employee's Contribution)	14,965	6,646
STDS	332,435	130,625
Service tax /Service tax (RCM)	(46)	6,090
Swachh Bharat Cess	2,472	477
TDS Payable	551,753	306,862
Audit Fees Payable	-	25,000
Liabilities for expenses	85,081	51,281
	<b>3,754,008</b>	<b>1,420,167</b>

**NOTE 10 : INVENTORIES**

<b>Construction Work-in-Progress</b>		
Opening balance	200,283,661	40,688,157
<b>Addition during the period:</b>		
Construction Expenses	78,924,388	130,846,032
Marketing Expenses	5,179,810	8,830,246
Administrative Expenses	6,166,114	10,292,115
Finance Cost	17,836,844	9,076,080
Depreciation	489,055	551,031
	<b>308,879,872</b>	<b>200,283,661</b>



PRIMARC-RIYA PROJECTS LLP  
  
DESIGNATED PARTNER

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DESIGNATED PARTNER

**PRIMARC - RIYA PROJECTS LLP**

Note 9: Statement of Fixed Assets for the year ended 31st March, 2017

(in ₹)

PARTICULARS	WDV As on 1st April, 2016	ADDITION		DEDUCTION	TOTAL	DEPRECIATION		WDV As on 31st March, 2017
		ON OR BEFORE 30.09.16	AFTER 30.09.16			RATE (%)	Amount	
<b>BLOCK-1</b>								
Computer Set	66,394	136,875		-	203,269	60%	121,961	81,307
Computer Software	-		73,238	-	73,238	60%	21,971	51,267
Printer	21,170			-	21,170	60%	12,702	8,468
Projector	12,455	-		-	12,455	60%	7,473	4,982
	<b>100,019</b>	<b>136,875</b>	<b>73,238</b>	<b>-</b>	<b>310,132</b>		<b>164,108</b>	<b>146,024</b>
<b>BLOCK-2</b>								
Trademark	5,906	-	-	-	5,906	25%	1,477	4,430
<b>BLOCK-2</b>								
Air Conditioner	364,550		-	-	364,550	15%	54,683	309,868
Analogue Compression Testing Machine - 1000kn	-	-	136,650	-	136,650	15%	10,249	126,401
Digital Electronic Balance	10,385	-	-	-	10,385	15%	1,558	8,827
EPABX Machine	9,393	-	-	-	9,393	15%	1,409	7,984
Generator	-	-	-	-	-	15%	-	-
Generator (82.5 KVA)	610,500	-	-	-	610,500	15%	91,575	518,925
Generator (40 KVA)	277,011	-	-	-	277,011	15%	41,552	235,459
Porta Cabin	503,048	-	-	503,048	-	15%	-	-
Refrigerator	17,298	-	-	-	17,298	15%	2,595	14,703
Grass Cutter	21,899	-	-	-	21,899	15%	3,285	18,614
Weigh Bridge	777,113	-	-	-	777,113	15%	116,567	660,546
	<b>2,591,196</b>	<b>-</b>	<b>136,650</b>	<b>503,048</b>	<b>2,224,797</b>		<b>323,471</b>	<b>1,901,327</b>
<b>TOTAL</b>	<b>2,697,121</b>	<b>136,875</b>	<b>209,888</b>	<b>503,048</b>	<b>2,540,836</b>		<b>489,055</b>	<b>2,051,780</b>
Figures for Previous Year	1,347,312	1,360,108	660,000	119,268	3,248,152		551,031	2,697,121



PRIMARC-RIYA PROJECTS LLP

*S. S. Halder*  
DESIGNATED PARTNER

PRIMARC-RIYA PROJECTS LLP

*[Signature]*  
DESIGNATED PARTNER

**PRIMARC - RIYA PROJECTS LLP**  
Notes Forming part of the Financial Statement

**NOTE 11 : CASH AND BANK BALANCES**

**Cash and Cash Equivalent**

Cash at Bank  
Cash in Hand

As at 31st March, 2017	As at 31st March, 2016
₹	₹
446,500	783,191
138,066	18,220
<b>584,566</b>	<b>801,411</b>

**NOTE 12 : OTHER CURRENT ASSETS**

Fixed Deposit with Axis Bank  
Insurance Policy Recoverable  
Labour Cess  
Misc Advances  
Prepaid Expenses  
Receivables against Flats  
Security Deposits with W.B.S.E.D.C.L  
Service Tax Credit  
Tax Deducted at Source (Receivable)

26,000	-
(105,825)	153,455
698,608	1,164,682
(1,595)	132
50,018	69,529
17,320,080	2,409,069
138,696	138,696
6,322,280	4,728,489
16,879	20,251
<b>24,465,141</b>	<b>8,684,304</b>

For the year ended 31st March, 2017	For the year ended 31st March, 2016
₹	₹

**NOTE 13 : OTHER INCOME**

Booking Cancellation Charges  
Interest income  
Misc. Income

40,000	40,000
1,282	64,146
17,725	2,232
<b>59,007</b>	<b>106,378</b>

**NOTE 14 : INCREASE IN INVENTORIES**

Closing Work-in-Progress  
Less: Opening Work-in-Progress

308,879,872	200,283,662
(200,283,661)	(40,688,157)
<b>108,596,211</b>	<b>159,595,504</b>

**NOTE 15 : CONSTRUCTION EXPENSES**

Construction Materials Purchased  
Conversion & Mutation Expenses  
Civil and Structural Work  
Initial & Infrastructural works  
Interior Work  
Land Cost  
M & E Service  
Model Flat & Marketing Office  
Temporary Road Work  
Plan Sanction Fees  
Site Expenses  
Site Office  
Submersible Pump  
Borewell  
External Storm Waterline

586,148	1,107,185
-	-
71,892,674	31,255,493
403,612	2,750
879,566	-
-	96,668,890
3,704,670	688,562
38,680	277,101
-	-
14,300	-
1,251,614	-
101,397	846,051
12,556	-
50,780	-
(11,608)	-
<b>78,924,388</b>	<b>130,846,032</b>



PRIMARC-RIYA PROJECTS LLP

DESIGNATED PARTNER

PRIMARC-RIYA PROJECTS LLP

DESIGNATED PARTNER



**PRIMARC - RIYA PROJECTS LLP**  
Notes Forming part of the Financial Statement

	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
<b>NOTE 16 : MARKETING EXPENSES</b>		
Advertisement Expenses	721,801	3,527,203
Architectural Model	-	255,500
Brochure	-	397,621
Brokerage on Collection	240,851	443,601
Business Promotion	130,742	438,626
Hoarding Expenses	2,988,728	2,387,936
Internet Campaign	-	212,000
Marketing Communication Work - Consultancy Fees	600,000	500,000
On Site Branding	-	-
Website & Internet Related Expense	65,033	178,244
Other Marketing Expenses	432,655	489,515
	<b>5,179,810</b>	<b>8,830,246</b>

**NOTE 17 : ADMINISTRATIVE EXPENSES**

AMC Charges	37,948	-
Car hire charges	2,460	-
Cash & Fidelity Insurance	1,941	2,295
Computer Maintenance	7,848	16,426
Consultancy and Professional fees	776,546	6,328,593
Electricity Expenses	731,510	359,486
General Expenses	1,500	43,172
House Keeping Expenses	263,046	232,332
Interest other	50,763	-
Loss on sale of fixed assets	37,728	-
Printing & Stationery	21,737	124,270
Rates & Taxes	153,899	66,652
Repair & Maintenance	8,500	16,682
Employees Benefit Expenses	2,839,807	2,074,486
Security Guards Charge	687,125	523,605
Staff Welfare	71,769	56,438
Stipend	96,000	96,000
Subscription & Donation	103,200	105,500
Swachh Bharat Cess	172,313	39,334
Telephone Expenses	38,459	54,568
Transportation Charges	-	11,500
Travelling & Conyevance Expenses	62,015	140,777
	<b>6,166,114</b>	<b>10,292,115</b>

**NOTE 18 : FINANCE COST**

Interest on Loan from Banks	6,998,487	1,782,840
Interest on Loan from others	4,177,502	2,460,603
Interest on Partners' Capital	6,660,855	4,832,637
	<b>17,836,844</b>	<b>9,076,080</b>



PRIMARC-RIYA PROJECTS LLP

DESIGNATED PARTNER

PRIMARC-RIYA PROJECTS LLP

DESIGNATED PARTNER

**PRIMARC - RIYA PROJECTS LLP**  
Notes Forming part of the Financial Statement

	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
<b>NOTE 19 : OFFICE ADMINISTRATION EXPENSES</b>		
Audit Fees	15,000	25,000
Bank Charges	22,928	9,744
Filing Fees	780	15,268
Misc. Expenses	3,534	-
Misc. Interest paid	1,403	734
Postage & Courier	4,246	1,194
Professional Tax	2,500	2,500
Rates & Taxes	9,342	7,950
Telephone & Internet expenses	20,993	45,200
	<b>80,726</b>	<b>107,590</b>

NOTE 20: Figures for preceding financial year has been regrouped and rearranged wherever it was necessary to make them comparable

Signatures to Note 1 to 20 annexed to and forming part of the Balance Sheet as at 31st March, 2017 and the Statement of Profit and Loss for the year ended on that date.

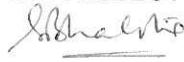
For R. Niwas & Co.  
Chartered Accountants  
FRN: 324588E



(R. N Gupta)  
Partner  
Membership No.: 052458



PRIMARC-RIYA PROJECTS LLP

  
DESIGNATED PARTNER

PRIMARC-RIYA PROJECTS LLP

  
DESIGNATED PARTNER

Place: Kolkata  
Date: 4th September, 2017