**INDEPENDENT AUDITORS' REPORT****TO THE PARTNER'S OF  
HBR PROJECTS LLP****Report on the Financial Statements:**

We have audited the accompanying financial statements of **HBR PROJECTS LLP** ('the LLP'), which comprise of the Statement of Assets & Liabilities as at 31st March, 2017 and the statement of Income & Expenditure for the period then ended, and a summary of the 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. This responsibility includes design, implementation and maintenance of adequate internal controls 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.

**Auditors' responsibility:**

Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with the generally prevailing standards. 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 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 preparation and presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. 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.

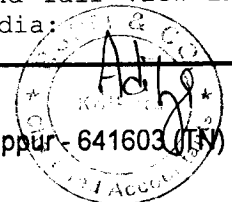
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

**Branch at :**

- 1) 7, Bluestone Apartment, Ground Floor, Gandhinagar, Mariamman Kovil, 3rd Street, Tiruppur - 641603 (TN)
- 2) R. K. Avenue (Extension) Dinkar Chowk, Patna - 800004



**R S P M & CO.**

CHARTERED ACCOUNTANTS

F. R. No. : 315091E



9, Lalbazar Street, Block A  
1st Floor, Mercantile Building,  
Kolkata 700 001

☎ : 40733557 / 64524552

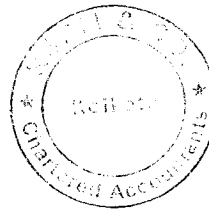
E-Mail : pktodi@gmail.com

1. In case of the Statement of Assets & Liabilities, of the state of affairs of the LLP as at March 31, 2017.
2. In case of the Statement of Income & Expenditure, of the ~~Profit/Loss~~ for the period ended on that date.

Date: 28.06.2017

Place: Kolkata

For R S P M & Co.  
CHARTERED ACCOUNTANTS



*Aditya Kejriwal*  
(ADITYA BIKRAM KEJRIWAL)  
Partner

Membership No.: 064352  
FRN. 315091E

Branch at :

- 1) 7, Bluestone Apartment, Ground Floor, Gandhinagar, Mariamman Kovil, 3rd Street, Tiruppur - 641603 (TN)
- 2) R. K. Avenue (Extension) Dinkar Chowk, Patna - 800004

**HBR PROJECTS LLP**  
**207, A J C BOSE ROAD**  
**KOLKATA - 700017**  
**WEST BENGAL**

**Statement of Assets & Liabilities as at 31st March 2017**

|            | Particulars                           | NOTES | As At 31 March<br>2017 (Rs.) | As At 31 March<br>2016 (Rs.) |
|------------|---------------------------------------|-------|------------------------------|------------------------------|
| <b>I.</b>  | <b>CONTRIBUTION &amp; LIABILITIES</b> |       |                              |                              |
| <b>(A)</b> | <b>Partner's Funds</b>                |       |                              |                              |
|            | (a) Partners Capital Account          | 1     | 10,00,000.00                 | 10,00,000.00                 |
|            | (b) Partners Current Account          | 2     | (7,21,89,968.00)             | (7,32,85,968.00)             |
|            | (c) Reserve & Surplus                 |       | 22,370.00                    | -                            |
| <b>(B)</b> | <b>Liabilities</b>                    |       |                              |                              |
|            | (a) Short Term Borrowings             | 3     | 20,82,74,134.00              | 18,96,82,732.00              |
|            | (b) Other Liabilities                 | 4     | 16,42,33,479.11              | 14,95,16,450.87              |
|            | <b>TOTAL</b>                          |       | <b>30,13,40,015.11</b>       | <b>26,69,13,214.87</b>       |
| <b>II.</b> | <b>ASSETS</b>                         |       |                              |                              |
|            | (a) Fixed Assets                      | 5     | 4,76,509.00                  | 6,47,687.00                  |
|            | (b) Inventories (WIP)                 | 6     | 11,12,33,760.54              | 7,92,59,099.45               |
|            | (c) Cash & Cash Equivalents           | 7     | 20,33,495.67                 | 43,42,304.52                 |
|            | (d) Other Current assets              | 8     | 18,75,96,249.90              | 18,26,64,123.90              |
|            | <b>TOTAL</b>                          |       | <b>30,13,40,015.11</b>       | <b>26,69,13,214.87</b>       |
|            |                                       |       |                              |                              |

Significant Accounting Policies 12

The accompanying notes including other explanatory information form an integral part of the financial statements. 1-12

As per our Report on even date

**For R S P M & Co**  
**Firm Registration No. - 315091E**  
**Chartered Accountants**

*Aditya Kejriwal*  
**(Aditya Bikram Kejriwal)**  
**Partner**

**Membership No. - 064352**  
**Kolkata**  
**Date: 28/06/2017**

**For HBR Projects LLP**

**HBR PROJECTS LLP**

*L. N. Saha*  
**Designated Partner/Authorised Signatory**

**Designated Partner**

**HBR PROJECTS LLP**

*RPA R.P. Aggarwal*  
**Designated Partner/Authorised Signatory**

**Designated Partner**


**HBR PROJECTS LLP**  
**207, A J C BOSE ROAD**  
**KOLKATA - 700017**  
**WEST BENGAL**

**Statement of Income & Expenditure for the year ended 31st March 2017**

| Particulars   | NOTES | As at 31/03/2017<br>(Rs.) | As at 31/03/2016<br>(Rs.) |
|---|-------|---------------------------|---------------------------|
| <b>INCOME</b>   |       |                           |                           |
| Other Income  | 9     | 32,375.00                 | 1,284.00                  |
| Increase/(Decrease) in Inventory                              | 10    | 3,19,74,120.89            | 5,01,23,768.00            |
|   |       | <b>3,20,06,495.89</b>     | <b>5,01,25,052.00</b>     |
| <b>EXPENSES</b>   |       |                           |                           |
| Construction, Development & Incidental Charges                | 11    | 3,19,74,120.89            | 5,01,25,052.00            |
|   |       | 3,19,74,120.89            | 5,01,25,052.00            |
| <b>Profit/ (Loss) Before Taxes</b>                            |       | 32,375.00                 | -                         |
| Provision for Tax   |       | 10,005.00                 | -                         |
| <b>Profit/ (Loss) After Taxes</b>                             |       | 22,370.00                 | -                         |
| <b>Profit/(Loss) Transferred to Partner's Current Account</b> |       | -                         | -                         |
|   |       | -                         | -                         |
| <b>Profit Transferred to Reserves &amp; Surplus</b>           |       | 22,370.00                 | -                         |

Significant Accounting Policies 12  
The accompanying notes including other explanatory information form an integral part of the financial statements. 1-12

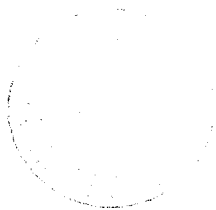
As per our Report on even date

For R S P M & Co  
Firm Registration No. - 315091E  
Chartered Accountants  
  
**(Aditya Bikram Kejriwal)**  
Partner  
Membership No. - 064352

**HBR PROJECTS LLP**  
  
Designated Partner/Authorised Signatory

For HBR Projects LLP  
**HBR PROJECTS LLP**  
  
Designated Partner/Authorised Signatory  
**Designated Partner**      **Designated Partner**

Kolkata  
Date: 28/06/2017



**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 2017****NOTE 1**

| PARTNERS CAPITAL ACCOUNT           | As At 31 March | As At 31 March 2016 |
|------------------------------------|----------------|---------------------|
|                                    | Amount (Rs.)   | Amount (Rs.)        |
| (i) BRAHMANAND AGARWAL             | 2,50,000.00    | 2,50,000.00         |
| (ii) REGENT HIRISE PRIVATE LIMITED | 4,00,000.00    | 4,00,000.00         |
| (iii) RAJENDRA PRASAD AGARWAL      | 2,50,000.00    | 2,50,000.00         |
| (iv) Unimark Realty Pvt. Ltd.      | 1,00,000.00    | 1,00,000.00         |
| Total                              | 10,00,000.00   | 10,00,000.00        |

**NOTE 2**

| PARTNERS CURRENT ACCOUNT                     | As At 31 March   | As At 31 March 2016 |
|--|------------------|---------------------|
|  | Amount (Rs.)     | Amount (Rs.)        |
| (i) BRAHMANAND AGARWAL                       |                  |                     |
| Opening Balance                              | (1,50,67,754.00) | (1,29,50,000.00)    |
| Add : Addition/(Deduction) during the Period | 4,20,000.00      | (21,17,754.00)      |
| Add: Profit/(Loss) during the Period         | -                | -                   |
|  | (1,46,47,754.00) | (1,50,67,754.00)    |
| (ii) REGENT HIRISE PRIVATE LIMITED           |                  |                     |
| Opening Balance                              | (5,64,75,460.00) | (11,03,25,460.00)   |
| Add : Addition/(Deduction) during the Period | 3,77,81,000.00   | 5,38,50,000.00      |
| Add: Profit/(Loss) during the Period         | -                | -                   |
|  | (1,86,94,460.00) | (5,64,75,460.00)    |
| (iii) RAJENDRA PRASAD AGARWAL                |                  |                     |
| Opening Balance                              | (1,50,67,754.00) | (1,29,50,000.00)    |
| Add : Addition/(Deduction) during the Period | -                | (21,17,754.00)      |
| Add: Profit/(Loss) during the Period         | -                | -                   |
|  | (1,50,67,754.00) | (1,50,67,754.00)    |
| (iv) Unimark Realty Pvt. Ltd.                |                  |                     |
| Opening Balance                              | 1,33,25,000.00   | 2,99,00,000.00      |
| Add : Addition/(Deduction) during the Period | 3,71,05,000.00   | (1,65,75,000.00)    |
| Add: Profit/(Loss) during the Period         | -                | -                   |
|  | (2,37,80,000.00) | 1,33,25,000.00      |
| Total (i+ii+iii)                             | (7,21,89,968.00) | (7,32,85,968.00)    |

**NOTE 3**

| SHORT TERM BORROWINGS | As At 31 March  | As At 31 March 2016 |
|-----------------------|-----------------|---------------------|
|                       | Amount (Rs.)    | Amount (Rs.)        |
| (i) Unsecured Loan    | 4,76,77,310.00  | 4,77,00,333.00      |
| (ii) Advance Received | 16,05,96,824.00 | 14,19,82,399.00     |
| Total                 | 20,82,74,134.00 | 18,96,82,732.00     |

**HBR PROJECTS LLP***L. Karan*

Designated Partner/Authorised Signatory

**HBR PROJECTS LLP***R.P. Agarwal*

Designated Partner/Authorised Signatory

**NOTE 4**

| OTHER LIABILITIES                | As At 31 March         | As At 31 March 2016    |
|----------------------------------|------------------------|------------------------|
|                                  | Amount (Rs.)           | Amount (Rs.)           |
| (i) Sundry Creditors             | 60,30,920.11           | 34,21,949.87           |
| (ii) Advances from Customers     | 15,51,50,773.05        | 14,41,16,940.05        |
| (iii) Swachh Bharat Cess Payable | 12,180.00              | 4,806.00               |
| (iv) STDS Payable                | 6,376.55               | 8,163.55               |
| (v) TDS Payable                  | 6,87,064.00            | 4,15,442.00            |
| (vi) Retention Money             | 20,95,962.40           | 13,15,944.40           |
| (vii) Audit Fees Payable         | 17,250.00              | 17,175.00              |
| (viii) Professional Tax Payable  | 740.00                 | 810.00                 |
| (ix) Salary Payable              | 2,08,941.00            | 2,11,825.00            |
| (x) Conveyance Payable           | 220.00                 | -                      |
| (xi) Krishi Kalyan Cess Payable  | 9,652.00               | -                      |
| (x) Provision for tax            | 10,005.00              | -                      |
| (xi) Provident Fund Payable      | 3,395.00               | 3,395.00               |
| <b>Total</b>                     | <b>16,42,33,479.11</b> | <b>14,95,16,450.87</b> |

**NOTE 5**

| FIXED ASSETS         | As At 31 March     | As At 31 March 2016 |
|----------------------|--------------------|---------------------|
|                      | Amount (Rs.)       | Amount (Rs.)        |
| (i) Fixed Assets     | 6,47,687.00        | 9,80,321.00         |
| Add:-Purchases       | 40,219.00          | -                   |
|                      | 6,87,906.00        | 9,80,321.00         |
| Less :- Depreciation | (2,11,397.00)      | (3,32,634.00)       |
|                      | <b>4,76,509.00</b> | <b>6,47,687.00</b>  |

**NOTE 6**

| INVENTORIES           | As At 31 March         | As At 31 March 2016   |
|-----------------------|------------------------|-----------------------|
|                       | Amount (Rs.)           | Amount (Rs.)          |
| (i) Raw Material      | 540.20                 | -                     |
| (ii) Work In Progress | 11,12,33,220.34        | 7,92,59,099.45        |
| <b>Total</b>          | <b>11,12,33,760.54</b> | <b>7,92,59,099.45</b> |

**NOTE 7**

| CASH & CASH EQUIVALENTS | As At 31 March      | As At 31 March 2016 |
|-------------------------|---------------------|---------------------|
|                         | Amount (Rs.)        | Amount (Rs.)        |
| (i) Balance with Banks  |                     |                     |
| - ICICI Bnak            | 3,20,900.78         | 41,661.54           |
| - Indian Bank           | 14,67,859.89        | 6,20,284.98         |
| (ii) Cash in Hand       | 2,44,735.00         | 36,80,358.00        |
| <b>Total</b>            | <b>20,33,495.67</b> | <b>43,42,304.52</b> |

**HBR PROJECTS LLP***L. Ravindra*

Designated Partner/Authorised Signatory

**HBR PROJECTS LLP***R.P. Aggarwal*

Designated Partner/Authorised Signatory



**NOTE 8**

| OTHER CURRENT ASSETS                | As At 31 March         | As At 31 March 2016    |
|-------------------------------------|------------------------|------------------------|
|                                     | Amount (Rs.)           | Amount (Rs.)           |
| (i) Property Advances               | 11,02,22,210.00        | 11,02,22,210.00        |
| (ii) Security Deposits              | 6,49,58,605.00         | 5,90,57,730.00         |
| (iii) Mobilisation Advances         | 1,88,000.00            | -                      |
| (iv) Advance to Parties             | 1,01,24,204.90         | 1,04,94,697.50         |
| (v) TDS Receivable                  | 61,030.00              | -                      |
| (vi) Service Tax Receivable         | 20,12,227.00           | 15,77,375.40           |
| (vii) Krishi Kalyan Cess Receivable | 22,818.00              | -                      |
| (vii) Prepaid Expenses              | -                      | 25,815.00              |
| (viii) Sundry Debtors               | 7,155.00               | 12,86,296.00           |
| <b>Total</b>                        | <b>18,75,96,249.90</b> | <b>18,26,64,123.90</b> |

**NOTE 9**

| INCREASE (DECREASE) IN INVENTORY         | As At 31 March        | As At 31 March 2016   |
|--|-----------------------|-----------------------|
|  | Amount (Rs.)          | Amount (Rs.)          |
| Opening Stock of Work in Progress        | 7,92,59,099.45        | 2,91,35,331.45        |
| Closing Stock of Work in Progress        | 11,12,33,220.34       | 7,92,59,099.45        |
| Add: Addition/ Deduction during the year | <b>3,19,74,120.89</b> | <b>5,01,23,768.00</b> |

**NOTE 10**

| OTHER INCOME          | As At 31 March   | As At 31 March 2016 |
|-----------------------|------------------|---------------------|
|                       | Amount (Rs.)     | Amount (Rs.)        |
| Interest on IT Refund | -                | 1,284.00            |
| Documentation Charges | 32,375.00        | -                   |
| <b>Total</b>          | <b>32,375.00</b> | <b>1,284.00</b>     |

**NOTE 11**

| CONSTRUCTION, DEVELOPMENT & INCIDENTAL CHARGES | As At 31 March | As At 31 March 2016 |
|--|----------------|---------------------|
|  | Amount (Rs.)   | Amount (Rs.)        |
| Advertisement & Publicity Expenses             | 20,30,023.00   | 22,78,018.56        |
| Architect Fees                                 | -              | 10,51,412.00        |
| Audit Fees                                     | 8,625.00       | 8,625.00            |
| Bank Charges                                   | 12,414.76      | 24,638.02           |
| Book & Periodical                              | 1,205.00       | 136.00              |
| Car Hire Charges                               | 1,00,008.00    | 1,911.00            |
| Carpentary Works                               | -              | 6,647.00            |
| Civil Construction Work                        | 18,49,581.00   | 53,19,033.00        |
| Civil Materials                                | 82,88,160.00   | 53,82,738.00        |
| Computer Expenses                              | -              | 8,654.00            |
| Consultancy Fees                               | 1,67,025.00    | 2,82,550.00         |
| Conveyance                                     | 1,58,814.00    | 2,24,372.00         |
| Depreciation                                   | 2,11,397.00    | 3,32,634.00         |
| Donation                                       | 51,300.00      | 1,66,000.00         |
| Earth Filling                                  | -              | 6,49,560.00         |

**HBR PROJECTS LLP**

*L. S. Chauhan*  
Designated Partner/Authorised Signatory

**HBR PROJECTS LLP**

*R. P. Agnihotri*  
Designated Partner/Authorised Signatory

| CONSTRUCTION, DEVELOPMENT & INCIDENTAL CHARGES | As At 31 March        | As At 31 March 2016   |
|--|-----------------------|-----------------------|
|  | Amount (Rs.)          | Amount (Rs.)          |
| Employers Contribution to P.F.                 | 18,735.00             | 42,815.00             |
| Electric Works                                 | 31,819.00             | 20,047.00             |
| Electricity Charges                            | 5,09,574.10           | 3,87,136.86           |
| Facility Charges                               | 1,89,000.00           | -                     |
| Filling Fees                                   | 288.00                | 8,838.00              |
| General Expenses                               | 31,933.00             | 1,98,172.00           |
| Hire charges                                   | 61,643.00             | 23,67,057.00          |
| Interest on Statutory Dues                     | 4,257.00              | 12,522.00             |
| Interest on Loan                               | 45,39,883.00          | 54,09,230.00          |
| Interest Paid                                  | 9,96,680.00           | -                     |
| Material Consumed                              | 57,48,289.80          | 97,22,631.27          |
| Marketing Office Expenses                      | 5,800.00              | -                     |
| Misc. Exp.                                     | 59,214.00             | 3,48,177.00           |
| Misc. Purchase                                 | 79,694.00             | 3,11,620.00           |
| Model Flat Expenses                            | 1,58,842.00           | -                     |
| Painting job Charges                           | 1,22,472.00           | 4,400.00              |
| Penalty on Service Tax                         | -                     | 1,000.00              |
| Pest Control                                   | 26,188.00             | 9,600.00              |
| Pile Job Charges                               | -                     | 19,85,519.00          |
| Plumbing & Sanitary                            | -                     | 3,000.00              |
| Postage & Stamp                                | -                     | 355.00                |
| Printing & Stationery                          | 1,52,489.00           | 3,13,437.00           |
| Professional Charges                           | 41,850.00             | 2,50,000.00           |
| Professional Tax                               | 300.00                | -                     |
| Rates & Taxes                                  | 2,52,199.00           | 33,904.00             |
| Rate Different a/c for P.Bill                  | 1,859.00              | 3,178.00              |
| Rent Charges                                   | 11,45,700.00          | 11,42,375.00          |
| Repair & Maintainence                          | 1,52,842.00           | 2,38,980.00           |
| Salary   | 28,94,824.00          | 26,42,232.00          |
| Sales & Business Promotion                     | 1,15,523.85           | 7,95,295.60           |
| Sanction Fees                                  | -                     | 65,45,154.00          |
| Security Services Charges                      | 3,86,567.00           | 3,18,638.00           |
| Service Charges                                | 7,23,600.00           | 7,21,500.00           |
| Staff Welfare                                  | 45,800.00             | 26,225.00             |
| Stamp Duty Charges                             | 34,425.00             | -                     |
| SUNDRY EXPENSES WRITTEN OFF                    | 1,945.40              | 171.28                |
| Survey Charges                                 | 11,055.00             | 30,000.00             |
| Tea & Tiffin                                   | 1,06,417.00           | 2,05,644.00           |
| Telephone Expenses                             | 1,01,590.98           | 1,02,183.29           |
| Testing Charges                                | 10,320.00             | -                     |
| Trade Licence                                  | 1,900.00              | 1,900.00              |
| Travelling Expenses                            | 3,670.00              | 1,09,123.12           |
| Xerox Charges                                  | 3,26,379.00           | 76,063.00             |
| <b>Total</b>                                   | <b>3,19,74,120.89</b> | <b>5,01,25,052.00</b> |

HBR PROJECTS LLP

*L. S. S. S.*

Designated Partner/Authorised Signatory

HBR PROJECTS LLP

*R. P. Agarkar*

Designated Partner/Authorised Signatory

*Aditya*



**HBR PROJECTS LLP**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**  
**AS AT 31<sup>ST</sup> MARCH, 2017**

**Note 12: Significant Accounting Policies**

**1.1 Basis of Accounting**

The financial statements have been prepared on an accrual basis and under historical cost convention and in compliance, in all material aspects, with the applicable accounting principles in India.

**1.2 Recognition of Revenue/Income and Expenditure**

- a) Company follows the completed contract/project method of accounting for revenues and costs for multistoried buildings under construction.
- b) Revenue on Sales is recognised at the point of issue of notice of possession or handing over the possession of the apartments/space, whichever is earlier.
- c) The Company provides for all expenses on accrual basis.

**1.3 Investments**

Long term Investments are stated at cost. Provision for diminutions in the value of long term investment is made only if such a decline is other than temporary.

**1.4 Inventories**

Inventory consists of Construction Work-in-Progress and Stock of Materials purchased for construction. Inventories have been valued at lower of cost or Net Realizable value. Cost includes cost of purchases, cost of services, cost of conversion and other cost incurred in bringing the inventories to their present condition and location.

**1.5 Accounting Policies in respect of Work-in-Progress**

The limited liability partnership is engaged in the business of Real Estate Development. All Expenses incurred in connection with the real estate business has been transferred to construction WIP.

**1.6 Cash and Cash equivalents**

Cash and Cash equivalents comprise of cash at bank and cash in hand.

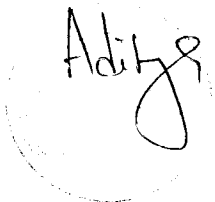
**1.7 Provisions, Contingent Liabilities and Contingent Assets**

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 have not been provided for the year.

**1.8**

**Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/16 to 30/12/16**

| Particulars                           | SBNs         | Other Denomination Notes | Total        |
|---------------------------------------|--------------|--------------------------|--------------|
| Closing cash in hand as on 8-11-2016  | 1,250,000.00 | 47,571.00                | 1,297,571.00 |
| (+) Permitted receipts                | -            | 60,000.00                | 60,000.00    |
| (-) Permitted payments                | -            | 22,940.00                | 22,940.00    |
| (-) Amount deposited in Banks         | 1,250,000.00 | -                        | 1,250,000.00 |
| Closing cash in hand as on 30-12-2016 | -            | 84,631.00                | 84,631.00    |



**HBR PROJECTS LLP**

*L. Rawar*  
Designated Partner/Authorised Signatory

**HBR PROJECTS LLP**

*R. P. Aggarwal*  
Designated Partner/Authorised Signatory