



## **INDEPENDENT AUDITOR'S REPORT**

To the Partners of BADU ROAD DEVELOPERS LLP

### **Report on the Financial Statements**

We have audited the accompanying financial statements of BADU ROAD DEVELOPERS LLP ("the LLP"), which comprise the Statement of Assets and Liabilities as at March 31, 2017, 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 and financial performance of the LLP in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the Institute of Chartered Accountants of 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 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 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 financial control relevant to the LLP's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the LLP has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the 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 Limited Liability Partnership Act, 2008 and Limited Liability Partnership Rules, 2009 (as amended) in the manner so require and present a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) in the case of the Statement of Assets and Liabilities, of the state of affairs of the LLP as March 31, 2017; and
- (b) in the case of the Statement of Profit and Loss Account of the Profit of the LLP for the period ended 31<sup>st</sup> March, 2017.

## Report on Other Legal and Regulatory Requirements

We further report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) 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;
- c) The Statement of Assets and Liabilities and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India.

Place: Howrah

Dated: The 28<sup>th</sup> July, 2017



**For Goel Sandeep & Co.**

Chartered Accountants

FRN: 326829E

Sandeep Goel

Partner

Membership No. : 060104

**BADU ROAD DEVELOPERS LLP**  
**1, LU SHUN SARANI, KOLKATA - 700 073**

**STATEMENT OF ASSETS AND LIABILITIES AS ON 31st March, 2017**

<u>SCHEDULE</u>	<u>Current Year</u> <u>31.03.2017</u>	<u>Previous Year</u> <u>31.03.2016</u>
	₹	₹
<b><u>CONTRIBUTION &amp; LIABILITIES</u></b>		
<b>Partner's Fund</b>		
Partner's Capital Contribution	1,000,000	1,000,000
<b>Liabilities</b>		
Partner's Running Account	174,613,314	127,662,826
Trade Payables	17,946,936	7,438,124
Other Liabilities	192,790,501	79,209,658
	<b>386,350,751</b>	<b>215,310,608</b>
<b><u>ASSETS</u></b>		
Fixed Assets	1,929,296	2,331,105
Loans & Advances	57,793,877	66,204,546
Inventories (At cost)	324,160,595	146,066,774
Cash & Cash Equivalents	2,466,983	704,227
Other Current Assets	-	3,956
	<b>386,350,751</b>	<b>215,310,608</b>
<b>Accounting Policies &amp; Notes to Accounts</b>	13	

The Schedules referred to above form an integral part of the accounts.

In terms of our report of even date annexed hereto.

For **Goel Sandeep & Co.**  
Chartered Accountants  
Firm's Registration No. : 326829E

For **BADU ROAD DEVELOPERS LLP**



**Sandeep Goel**  
Partner  
Membership No: 060104

RT *Mim*  
Designated Partner

CT *Unkari*  
Designated Partner

Place: Howrah  
Dated: 28th July, 2017

**BADU ROAD DEVELOPERS LLP**  
**1, LU SHUN SARANI, KOLKATA - 700 073**

**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH,2017**

<u>SCHEDULE</u>	Current Year 31.03.2017	Previous Year 31.03.2016
<b><u>INCOME</u></b>		
Other Income 9	₹ 796,454	₹ 356,829
	<u>796,454</u>	<u>356,829</u>
<b><u>EXPENDITURE</u></b>		
Costruction, Development & Incidental Expenses 10	178,093,821	83,819,193
Increase (Decrease) in inventory 11	(178,093,821)	(83,819,193)
Administrative & Operating Expenses 12	657,154	348,448
	<u>657,154</u>	<u>348,448</u>
<b>Profit /(Loss) Before Tax</b>	139,300	8,381
Provision for Tax	43,044	2,590
<b>Profit /(Loss) After Tax</b>	<u>96,256</u>	<u>5,791</u>
<b>Profit Transferred to Partner's Running Account:</b>		
Dream Properties Pvt. Ltd.	12,032	724
NPR Developers Pvt. Ltd.	12,032	724
P.S. Group Realty Ltd.	26,470	1,593
Srijan Realty Ltd.	26,470	1,593
P. S. Inns Pvt. Ltd.	7,220	434
Lansdown Medicals Pvt. Ltd.	7,220	434
Reproscan Techpark LLP	4,812	289
<b>Balance Transferred to Reserve &amp; Surplus</b>	<u>-</u>	<u>-</u>
<b>Accounting Policies &amp; Notes to Accounts</b> 13		

The Schedules referred to above form an integral part of the accounts.

In terms of our report of even date annexed hereto.

**For Goel Sandeep & Co.**

Chartered Accountants'

Firm's Registration No. : 326829E

For **BADU ROAD DEVELOPERS LLP**

**Sandeep Goel**

Partner

Membership No: 060104



*RT Minu*  
Designated Partner

*CT Ketanod*  
Designated Partner

Place: Howrah

Dated: 28th July, 2017

**BADU ROAD DEVELOPERS LLP**  
**1, LU SHUN SARANI, KOLKATA - 700 073**

**Schedule forming part of Financial Statements for the year Ending on 31st March, 2017**

	₹	Current Year 31.03.2017 ₹	Previous Year 31.03.2016 ₹
<b><u>SCHEDULE 1:</u></b>			
<b><u>PARTNER'S CAPITAL CONTRIBUTION</u></b>			
Dream Properties Pvt. Ltd.			
Opening Balance	125,000		125,000
Add : Addition during the Year	-		-
Closing Balance		125,000	125,000
NPR Developers Pvt. Ltd.			
Opening Balance	125,000		125,000
Add : Addition during the Year	-		-
Closing Balance		125,000	125,000
P.S. Group Realty Ltd.			
Opening Balance	275,000		275,000
Add : Addition during the Year	-		-
	275,000		275,000
Less Paid during the year	-		-
Closing Balance		275,000	275,000
Srijan Realty Ltd.			
Opening Balance	275,000		275,000
Add : Addition during the Year	-		-
	275,000		275,000
Less Paid during the year	-		-
Closing Balance		275,000	275,000
P. S. Inns Pvt. Ltd.			
Opening Balance	75,000		75,000
Add : Addition during the Year	-		-
Closing Balance		75,000	75,000
Lansdown Medicals Pvt. Ltd.			
Opening Balance	75,000		75,000
Add : Addition during the Year	-		-
Closing Balance		75,000	75,000
Reproscan Techpark LLP			
Opening Balance	50,000		-
Add : Addition during the Year	-		50,000
Closing Balance		50,000	50,000
		<b>1,000,000</b>	<b>1,000,000</b>
<b><u>SCHEDULE 2 :</u></b>			
<b><u>PARTNER'S RUNNING ACCOUNT</u></b>			
Dream Properties Pvt. Ltd.		9,166,160	9,154,128
NPR Developers Pvt. Ltd.		19,680,321	8,443,289
P.S. Group Realty Ltd.		11,761,149	4,734,679
Srijan Realty Ltd.		22,906,021	5,250,320
P. S. Inns Pvt. Ltd.		11,084,696	77,476
Lansdown Medicals Pvt. Ltd.		9,696	2,475
Reproscan Techpark LLP		100,005,271	100,000,459
		<b>174,613,314</b>	<b>127,662,826</b>

**BADU ROAD DEVELOPERS LLP**  
1, LU SHUN SARANI, KOLKATA - 700 073

**Schedule forming part of Financial Statements for the year Ending on 31st March, 2017**

	<u>Current Year</u> <u>31.03.2017</u> ₹	<u>Previous Year</u> <u>31.03.2016</u> ₹
<b><u>SCHEDULE 3 :</u></b>		
<b><u>OTHER LIABILITIES AND PROVISIONS</u></b>		
Other Loans & Advances	18,687,747	21,267,331
Advances Received from Customers	172,625,163	56,111,120
<b><u>Duties &amp; Taxes Payable</u></b>		
Professional Tax Payable	2,158	1,858
TDS Payable	216,748	344,008
Provident Fund & ESI Payable	45,842	37,959
Service Tax payable	-	-
	264,748	383,825
<b><u>Outstanding Liabilities for Expenses</u></b>		
Audit Fees Payable	18,000	10,350
Others	1,137,030	1,087,251
Salary Payable	-	-
	1,155,030	335,012
<b><u>Provisions</u></b>		
For Taxation	57,813	14,769
	<b>192,790,501</b>	<b>79,209,658</b>
<b><u>SCHEDULE 5 : LOANS &amp; ADVANCES</u></b>		
Service Tax Credit Available	2,990,486	3,250,279
Deposit against Joint Development with Land Owners	50,236,322	60,232,762
Advance tax Paid	14,982	12,343
Security Deposits	559,503	559,503
Advance to Parties	3,992,584	2,149,659
	<b>57,793,877</b>	<b>66,204,546</b>
<b><u>SCHEDULE 6 :Inventories</u></b>		
(As per inventories taken, valued and Certified by the management)		
i) Stock-in-trade		
Work-in-progress	324,160,595	146,066,774
	<b>324,160,595</b>	<b>146,066,774</b>
<b><u>SCHEDULE 7:</u></b>		
<b><u>CASH &amp; CASH EQUIVALENTS</u></b>		
Cash in Hand	44,716	109,754
Balance with Bank - In Current Account	2,422,267	594,473
	<b>2,466,983</b>	<b>704,227</b>
<b><u>SCHEDULE 8:</u></b>		
<b><u>OTHER CURRENT ASSETS</u></b>		
Preliminary Expenses (To the extent written off)	-	3,956
	-	<b>3,956</b>
<b><u>SCHEDULE 9 :</u></b>		
<b><u>OTHER INCOME</u></b>		
Profit on Sale of Mutual Fund	14,300	354,429
Sale of Brochure	-	2,400
Cancellation Charges	749,654	-
Miscellaneous receipts	32,500	-
	<b>796,454</b>	<b>356,829</b>

**BADU ROAD DEVELOPERS LLP**  
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**SCHEDULE 4:**  
**FIXED ASSETS**

ITEMS	Opening Balance as on 01.04.2016	Addition during the Year		Total	Rate (in %)	Opening Depreciation	Depreciation for the year	Cumulative Depreciation	Net Block	
		more than six months	Less than six months						as on 31.03.2017	as on 31.03.2016
Office Equipments	₹ 1,055,026	-	₹ 4,351	₹ 1,059,377	15	₹ 168,337	₹ 133,330	₹ 301,667	₹ 757,710	₹ 886,689
Construction Equipments	720,831	-	-	720,831	15	103,685	92,572	196,257	524,574	617,146
Vehicles	427,009	-	-	427,009	15	64,051	54,444	118,495	308,514	362,958
Furniture & Fitting	71,016	-	-	71,016	10	4,829	6,619	11,448	59,568	66,187
Computer & software	1,115,562	115,080	105,210	1,335,852	60	717,437	339,486	1,056,923	278,929	398,125
<b>Total</b>	<b>3,389,444</b>	<b>115,080</b>	<b>109,561</b>	<b>3,614,085</b>		<b>1,058,339</b>	<b>626,451</b>	<b>1,684,789</b>	<b>1,929,296</b>	<b>2,331,105</b>

**BADU ROAD DEVELOPERS LLP**  
**1, LU SHUN SARANI, KOLKATA - 700 073**

**Schedule forming part of Financial Statements for the year Ending on 31st March, 2017**

	Current Year 31.03.2017	Previous Year 31.03.2016
	₹	₹
<b><u>SCHEDULE 10 :</u></b>		
<b><u>CONSTRUCTION, DEVELOPMENT &amp; INCIDENTAL EXPENSES</u></b>		
Construction & Development Expenses	156,162,262	53,795,874
Marketing & Advertisement	7,788,804	10,482,780
Sanction & Other Fees	362,370	1,477,938
Brokerage & Commission	-	1,045,570
Canteen Expenses	250,451	139,758
Conveyance Expenses	1,436,736	136,706
Depreciation	626,451	799,340
General Expenses	337,432	285,600
Printing & Stationery	18,429	-
Architech & Professional Fees	1,679,544	8,104,978
Salary & Incentives	6,730,597	5,645,583
Security Expenses	-	151,820
Repair & maintenance	315,471	741,211
Finance Cost	2,385,274	852,590
Telephone Expenses	-	159,445
	<b>178,093,821</b>	<b>83,819,193</b>

**SCHEDULE 11 :**  
**INCREASE (DECREASE) IN INVENTORY**

Opening Stock of Work in Progress	146,066,774	62,247,581
Closing Stock of Work in Progress	324,160,595	146,066,774
	<b>(178,093,821)</b>	<b>(83,819,193)</b>

**SCHEDULE 12 :**  
**ADMINISTRATIVE & OPERATING EXPENSES**

Printing & Stationery	54,258	163,644
Filing Fees	303,955	150
Rates & Taxes	2,200	4,400
Postage & Telegram	20,142	37,277
Preliminary Expenses W/o	3,956	7,914
Travelling Expenses	-	86,441
Telephone Expenses	192,567	-
Legal Expenses	-	4,175
Miscellaneous Expenses	56,195	28,155
Professional Fees	1,145	1,000
Books & Periodicals	4,736	4,942
Audit Fees	18,000	10,350
	<b>657,154</b>	<b>348,448</b>

**SCHEDULE 13 :**  
**NOTES TO ACCOUNTS**

**LLP OVERVIEW :**

In order to jointly carry out construction of building(s) for sale of flats, "BADU ROAD DEVELOPERS LLP" - a Limited Liability Partnership has been formed and registered under the Limited Liability Partnership Act, 2008, for construction of the building(s) at premises co-owned by the partners.



**BADU ROAD DEVELOPERS LLP**  
**1, LU SHUN SARANI, KOLKATA - 700 073**

**Schedule forming part of Financial Statements for the year Ending on 31st March, 2017**

**DESIGNATED PARTNERS & THEIR PROFIT SHARING RATIO:**

<b>Name of the Patners</b>	<b>Share in Profit or Loss of the LLP</b>
Dream Properties Private Limited	12.50%
NPR Developers Private Limited	12.50%
P.S. Group Realty Limited	27.50%
Srijan Realty Limited	27.50%
PS Inn Private Limited	7.50%
Lansdown Medical Private Limited	7.50%
Reproscan Techpark LLP	5.00%

**BASIS OF PREPARATION**

The financial statement of LLP have been prepared on 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, 2008.

**FIXED ASSETS**

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

Carrying amount of cash generating units / assets are reviewed at balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

**DEPRECIATION/ AMORTIZATION**

Depreciation has been provided on written down value basis as per Schedule - II of Companies Act, 2013

**INVENTORIES**

Inventories are valued as under:

- a. Completed Flats -At Lower of cost or Net realisable value
- b. Construction Work-in-p: -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.

**REVENUE RECOGNITION**

The LLP is following the "Percentage of Completion Method" of accounting. As per this method, revenue from sale of properties is recognized in Statement of Profit & Loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the LLP on transfer of significant risk and rewards to the buyer.

**BADU ROAD DEVELOPERS LLP**  
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**Schedule forming part of Financial Statements for the year Ending on 31st March, 2017**

In accordance with the "Guidance Note on Accounting for Real Estate Transactions, construction revenue has been recognized on percentage of completion method provided the following thresholds have been met:

- (a) All critical approvals necessary for the commencement have been obtained;
- (b) The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;
- (c) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and
- (d) At least 10 percent of the agreement value is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognized in the financial statements for the period in which such changes are determined. Revenue from projects is recognized net of revenue attributable to the land owners. Losses, if any, are fully provided for immediately.

Interest income is accounted on an accrual basis at contracted rates.

**OTHER NOTES**

1. The limited liability partnership has commenced development of property, as only part of the job is complete as at the year end, all the expenses have been transferred under the head "Stock of Work-in-Progress."
2. The balance of Sundry Debtors, Advances Recoverable & Sundry Creditors are subject to their confirmation.
3. There is no contingent liability as informed by the management.

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In terms of our report of even date annexed hereto.

**For Goel Sandeep & Co.**

Chartered Accountants

Firm's Registration No. : 326829E



**Sandeep Goel**

Partner

Membership No: 060104



**For BADU ROAD DEVELOPERS LLP**



Designated Partner



Designated Partner

Place: Howrah

Dated: 28th July, 2017