



S. K. AGRAWAL & CO.

Chartered Accountants

Firm Registration No. 306033E

SUITE NOS : 606-608

THE CHAMBERS, OPP. GITANJALI STADIUM

1865, RAJDANGA MAIN ROAD, KASBA

KOLKATA - 700 107

PHONE : 033-4008 9902 / 9903 / 9904

FAX : 033-40089905, Website : www.skagrwal.co.in

INDEPENDENT AUDITOR'S REPORT

TO THE PARTNERS OF SPECTRA REALCON LLP

Report on the Financial Statements

We have audited the accompanying financial statements of **SPECTRA REALCON LLP** ("the LLP"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended on that date annexed thereto and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI and requirements of the LLP Act. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatements 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act. 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 the 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 Company'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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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.





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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 Partnership Rules 2009 as (amended) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit for the year ended on that date.

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 accounts as required by law have been kept by the LLP so far as it appears from our examination of those books.
- c. The Balance Sheet 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 Accounting Standards.
- e. The LLP has provided requisite disclosure in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 08th November, 2016 to 30th December, 2016. Based on audit procedures and on the basis of management representation we report that the disclosures are in accordance with the books of accounts maintained by the firm and as produced to us by the Management (Refer Note No. 2.e to the financial statements).



Place: Kolkata

Dated: 3rd August 2017

For, **S.K.AGRawal & CO.**

Chartered Accountants

Firm's Registration Number-306033E

Vivek Agarwal
Partner

Membership No.: 301571

Spectra Realcon LLP

Balance Sheet as at 31 March 2017

(All amounts in Indian Rupees except otherwise stated)

Particulars	Schedule	As at 31.03.2017	As at 31.03.2016
Sources of Funds			
Partners' Contribution			
Partners' Capital Account	1	100,000	100,000
Partners' Current Account	2	39,426,590	47,559,554
Current Liabilities			
Short-Term Borrowings	3	122,500,000	90,000,000
Trade Payables	4	7,056,016	4,985,817
Other Current Liabilities	5	82,467,389	27,342,495
Provision for taxation (Net of Advance Tax)		54,105	169,614
Total		251,604,100	170,157,480
Application of Funds			
Fixed Assets	6		
Gross Block		240,653	240,653
Less : Accumulated Depreciation		126,915	111,171
Net Block		113,738	129,482
Non-Current Assets			
Security deposits (unsecured)		46,496	22,052
Current Assets			
Current investments	7	-	3,571,847
Inventories	8	212,525,929	160,956,151
Cash & Bank Balances	9	845,448	597,375
Loans & Advances	10	38,072,489	4,880,573
Total		251,604,100	170,157,480
Significant accounting policies & notes on accounts	17		

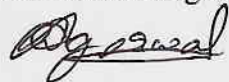
As per our report of even date attached.

For and on behalf of partner

For, S. K. Agrawal & Co.

Chartered Accountants

ICAI Firm Registration No.-306033E



Vivek Agarwal

Partner

Membership No.- 301571

Place: Kolkata


Date: 3rd August, 2017



Spectra Realcon LLP


Designated Partner.

Spectra Realcon LLP


Designated Partner.

Spectra Realcon LLP

Profit & Loss Account for the year ended 31.03.2017

(All amounts in Indian Rupees except otherwise stated)

Particulars	Schedule	For the year ended 31.03.2017	For the year ended 31.03.2016
Income			
Revenue from operations			
Other operating revenue	11	135,385	137,562
Other income	12	1,990,847	471,847
Total		2,126,232	609,409
Expenditure			
Decrease/(Increase) in Work in Progress	13	(51,569,779)	(129,520,349)
Project Development Expenses	14	51,569,779	129,520,349
Finance Costs	15	1,427,049	4,179
Administrative and other Expenses	16	31,869	28,217
Total		1,458,918	32,396
Profit / (Loss) before tax		667,314	577,013
Provision for Tax :			
- Current Tax		186,186	169,614
- Short/(Excess) provision of income tax for earlier years		-	(6,281)
Net Profit / (Loss) transferred to Partners' Capital Account		481,128	413,680
Significant accounting policies & notes on accounts	17		

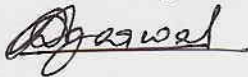
As per our report of even date attached.

For and on behalf of partner

For, S. K. Agrawal & Co.

Chartered Accountants

ICAI Firm Registration No.-306033E



Vivek Agarwal

Partner

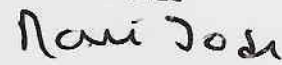
Membership No.- 301571

Place: Kolkata

Date: 3rd August, 2017



Spectra Realcon LLP



Designated Partner.

Spectra Realcon LLP



Designated Partner.

Spectra Realcon LLP

Cash Flow Statement for the year ended 31.03.2017

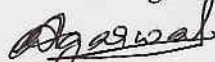
(All amounts in Indian Rupees except otherwise stated)

	For the year ended 31.03.2017	For the year ended 31.03.2016
A Cash flow from operating activities		
Profit before tax	667,314	577,013
Adjustments for:		
Depreciation	15,744	20,037
Interest expenses	17,560,890	9,303,485
Interest income	(1,417,510)	-
Profit on sale of mutual fund	(573,337)	(471,847)
Operating cash flow before working capital changes	16,253,101	9,428,688
Changes in working capital		
Increase / (Decrease) in trade payables	2,070,199	(2,244,462)
Increase / (Decrease) in other current liabilities	50,213,946	11,388,972
(Increase) / Decrease in inventories	(51,569,778)	(129,520,349)
(Increase) / Decrease in short-term loans and advances	(31,774,406)	59,036,222
(Increase) / Decrease in other non-current assets	(24,444)	-
Cash flows generated by / (used in) operations	(14,831,382)	(51,910,929)
Direct taxes paid (net)	(301,695)	-
Net cash generated by / (used in) operating activities (A)	(15,133,077)	(51,910,929)
B Cash flow from investing activities		
Payment for purchase of fixed assets	-	(1,995)
Investments made in mutual funds	(12,700,000)	(27,000,000)
Proceeds from sale of mutual funds	16,845,184	23,900,000
Net cash generated by / (used in) investing activities (B)	4,145,184	(3,101,995)
C Cash flow from financing activities		
Proceeds / (Repayment) of partners' contribution	(8,614,092)	(24,987,375)
Proceeds from short term borrowings	32,500,000	90,000,000
Interest paid	(12,649,942)	(9,756,649)
Net cash generated by / (used in) financing activities (C)	11,235,966	55,255,976
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	248,073	243,052
Cash and cash equivalents at the beginning of year	597,375	354,323
Cash and cash equivalents at the end of year	845,448	597,375
Notes:		
1. Components of cash and cash equivalents		
Cash on hand	10,430	11,324
Balance with banks - on current account	835,018	586,051
	845,448	597,375

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For, S. K. Agrawal & Co.
Chartered Accountants
ICAI Firm Registration No.-306033E


Vivek Agarwal
Partner
Membership No.- 301571


Place: Kolkata
Date: 3rd August, 2017



For and on behalf of partner

Spectra Realcon LLP

Designated Partner.

Spectra Realcon LLP

Designated Partner.

Spectra Realcon LLP

Schedules forming part of the Balance Sheet

(All amounts in Indian Rupees except otherwise stated)

	As at 31.03.2017	As at 31.03.2016
Schedule 1 - Partners' Capital Account		
Shrachi Developers Private Limited	50,000	50,000
Durbhasha Distributors Private Limited	50,000	50,000
	100,000	100,000
Schedule 2 - Partners' Current Account		
Shrachi Developers Private Limited	3,751,461	11,158,713
Add: Profit for the period	240,564	206,840
	3,992,025	11,365,553
Durbhasha Distributors Private Limited	35,194,001	35,987,161
Add: Profit for the period	240,564	206,840
	35,434,565	36,194,001
	39,426,590	47,559,554
Schedule 3 - Short Term Borrowings		
Term loan from United Bank of India (secured)*	122,500,000	90,000,000
* Term loan from United Bank of India was secured by equitable mortgage of the land area admeasuring 2.4 acres along with construction thereon located at Bamunara, Durgapur against hypothecation of Immovable property and Book debts		
	122,500,000	90,000,000
Schedule 4 - Trade Payables		
Trade payables	4,703,390	3,603,920
Retention money payable to contractors	2,352,626	1,381,897
	7,056,016	4,985,817
Schedule 5 - Other Current Liabilities		
Interest accrued and due	4,910,948	-
Advance received from customers	77,090,419	26,947,237
Statutory dues payable		
Tax deducted at source payable	317,829	150,102
Works contract tax payable	73,671	118,240
Service tax payable	14,541	11,051
Labour cess payable	39,481	91,741
Other Payables	20,500	24,124
	82,467,389	27,342,495



Spectra Realcon LLP
Nani Joshi
 Designated Partner.

Spectra Realcon LLP
[Signature]
 Designated Partner.

Spectra Realcon LLP

Schedules forming part of the Balance Sheet

(All amounts in Indian Rupees except otherwise stated)

Schedule 6 - Fixed Assets

Particulars	Gross Block				Depreciation			Net Block	
	As on 31.03.2016	Additions before Sept,2016	Additions after Sept,2016	As on 31.03.2017	As on 31.03.2016	For the year	Up to 31.03.2017	As on 31.03.2017	As on 31.03.2016
Furniture & Fixtures	157,730	-	-	157,730	84,163	7,357	91,520	66,210	73,567
Plant & Machinery	73,823	-	-	73,823	23,989	7,475	31,464	42,359	49,834
Office Equipments	9,100	-	-	9,100	3,019	912	3,931	5,169	6,081
Total	240,653	-	-	240,653	111,171	15,744	126,915	113,738	129,482



Spectra Realcon LLP

Ravi Joda

Designated Partner.

Spectra Realcon LLP

MS

Designated Partner.

Spectra Realcon LLP

Schedules forming part of the Balance Sheet

(All amounts in Indian Rupees except otherwise stated)

	As at 31.03.2017	As at 31.03.2016
Schedule 7 - Current Investment		
In mutual funds (Unquoted) (At lower of cost or fair Value) <u>Fully Paid-up, Non -Trade, Unquoted</u> <u>Investments in Units of Mutual Fund</u> NIL (2,229 units)with face value of Rs1000/- each of Peerlees Liquid Fund-Direct Plan Growth	-	3,571,847
	-	3,571,847
NAV of Unquoted Investments	-	3,710,327
Aggregate amount of Unquoted Investments	-	3,571,847
Schedule 8 - Inventories (At lower of cost and net realisable value) Project work in progress		
Development right	75,300,000	75,300,000
Compensation paid	23,500,000	21,000,000
Construction costs	59,752,454	39,011,454
Registration expenses	4,534,244	2,740,031
Consultancy & professional fees	3,734,549	2,685,803
Project overheads	16,571,028	9,265,538
Interest & financial charges	25,969,083	9,835,243
Project management fees	3,164,571	1,118,082
	212,525,929	160,956,151
Schedule 9 - Cash & Bank Balances		
Balances with Banks	835,018	586,051
Cash on Hand	10,430	11,324
	845,448	597,375
Schedule 10 - Loan & Advnnces		
Loan given to partner Shrachi Developers Private Limited	34,523,797	-
Advances Recoverable in Cash or kind or for value to be received.(Unsecured, Considered good)	1,207,173	3,957,745
Cenvat Credit Receivable	924,009	922,828
Interest accrued and due	1,417,510	-
	38,072,489	4,880,573



Spectra Realcon LLP
Nami Joda
 Designated Partner.

Spectra Realcon LLP
[Signature]
 Designated Partner.

Spectra Realcon LLP

Schedules forming part of Profit and Loss Account

(All amounts in Indian Rupees except otherwise stated)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Schedule 11 - Revenue from operations		
Other operating revenue		
Realisation from cancellation / transfer of flats	135,385	137,562
	135,385	137,562
Schedule 12 - Other Income		
Profit on sale of mutual funds (current investments)	573,337	471,847
Interest received from partner	1,417,510	-
	1,990,847	471,847
Schedule 13 - Increase / (Decrease) in Inventories		
Opening Work In Progress	160,956,151	31,435,802
Add: Project Development Expenses	51,569,779	129,520,349
	212,525,930	160,956,151
Less: Decrease in Work in Progress	-	-
Closing Work In Progress	212,525,930	160,956,151
Net Increase in Work In Progress	51,569,779	129,520,349
Schedule 14 - Project Development Expenses		
Development right	-	75,300,000
Compensation paid	2,500,000	21,000,000
Construction costs	20,741,000	17,940,670
Registration expenses	1,794,213	-
Depreciation	15,744	20,037
Consultancy & professional fees	1,048,746	2,017,623
Brokerage & commission	475,221	-
Advertisement & Publicity	1,116,228	2,592,709
Project overheads	5,698,297	857,000
Project management charges	2,046,489	493,004
Interest & financial charges	16,133,841	9,299,306
	51,569,779	129,520,349
Schedule 15 - Finance Costs		
Interest expenses		
On term loans	12,380,190	5,807,529
Others	5,164,877	3,483,131
Bank charges	15,823	12,825
	17,560,890	9,303,485
Less: Transferred to Project Development Expenses	16,133,841	9,299,306
	1,427,049	4,179
Schedule 16 - Administrative and Other Expenses		
Rate & Taxes	4,400	2,500
Filing Fees	51	317
Legal & Professional Charges	5,525	1,674
Audit Fees	20,000	23,000
Miscellaneous Expenses	1,893	726
	31,869	28,217



Spectra Realcon LLP

Designated Partner.

Ravi Joshi

Spectra Realcon LLP

Designated Partner

Atul

Spectra Realcon LLP

Schedules forming part of the Balance Sheet as at 31.03.2017

Schedule 17: Significant Accounting Policies and Notes to Accounts

1. Overview of the Limited Liability Partnership

Spectra Realcon LLP was incorporated on 21st October, 2013 upon conversion of Spectra Realcon Private Limited into Spectra Realcon LLP. The LLP is engaged in the business of Real Estate development.

2. Statement of significant Accounting Policies

a) Basis of Accounting and preparation of Financial Statements:

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India. The financial statements have been prepared under the historical cost convention on an accrual basis

b) Revenue Recognition:

Revenue from real estate under development / sale of developed property is recognized upon transfer of all significant risks and rewards of ownership of such real estate / property, as per the terms of the contracts entered into with buyers, which generally coincides with the handing over of possession. Profit/Loss arising on disposal of current investments is recognized in the profit & loss statement.

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the right to receive payment is established by the balance sheet date.

c) Current –non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve months after the reporting date; or
- it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in, the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the balance sheet date; or
- the LLP does not have an unconditional right defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.



Spectra Realcon LLP

Nani Jodi

Designated Partner

Spectra Realcon LLP

[Signature]

Designated Partner

Spectra Realcon LLP

Schedules forming part of the Balance Sheet as at 31.03.2017

Schedule 17: Significant Accounting Policies and Notes to Accounts

d) Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the LLP has ascertained its operating cycle as 48 months for the purpose of current – non-current classification of assets and liabilities for current project under development and 12 months for the other assets and liabilities.

e) Fixed Assets:

Fixed assets are stated at cost less depreciation. The cost comprises purchase price inclusive of inward freight, duties & taxes and incidental expenses attributable to bringing the asset to its working condition for its intended use.

f) Depreciation:

Depreciation on fixed assets is provided on written down value method as per rates provided in Income Tax Act, 1961. Assets costing less than Rs 5,000 are written off fully in the year of acquisition.

g) Inventories:

Construction Work in Progress is valued at cost and includes cost of land/development right, construction costs and expenses incidental to the implementation and promotion of the project undertaken by the LLP.

h) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets is included as a part of cost of such asset. Qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Profit & Loss account.

i) Income Taxes:

Income Tax Expenses is accounted for in accordance with Accounting Standard 22 "Accounting for Taxes on Income" which includes current tax and deferred tax. Deferred income tax reflects the impact of current year timing differences between Taxable Income and Accounting Income and reversal of timing differences of earlier years. Deferred tax Assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future Taxable Income will be available against which such deferred tax assets can be realized.

j) Provisions:

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Spectra Realcon LLP

Ravi Joda

Designated Partner.

Spectra Realcon LLP

[Signature]
Designated Partner.



Spectra Realcon LLP

Schedules forming part of the Balance Sheet as at 31.03.2017

Schedule 17: Significant Accounting Policies and Notes to Accounts

k) Investments:

Long term investments are stated at cost. Diminution in value of long term investments other than temporary in nature is provided for in the accounts. Current Investments are stated at cost or net realizable value, whichever is lower.

3. Notes to Accounts:

- There are no contingent liabilities.
- There is no deferred tax asset or liability.
- Related party disclosure:

Names of other related parties with whom transactions have taken place during the year	
Partners	Shrachi Developers Private Limited Durbhasha Distributors Private Limited

d) Related party transaction

Nature of Transactions	2017 (Amount in Rupees)	2016 (Amount in Rupees)
Profit/(loss) distributed :		
Shrachi Developers Private Limited	240,564	206,840
Durbhasha Distributors Private Limited	240,564	206,840
Loan taken:		
Shrachi Developers Private Limited	1,784,079	6,500,000
Durbhasha Distributors Private Limited	-	4,000,000
Loan refund back:		
Shrachi Developers Private Limited	46,201,842	36,000,000
Durbhasha Distributors Private Limited	1,000,000	-
Interest on loan receivable		
Shrachi Developers Private Limited	14,17,510	-
Interest on loan payable		
Durbhasha Distributors Private Limited	4,342,142	-
Shrachi Developers Private Limited	5,68,806	-
Project management fees payable		
Shrachi Developers Private Limited	2,138,123	512,626
Balance outstanding at year end –payable		
Shrachi Developers Private Limited	-	11,365,553
Durbhasha Distributors Private Limited	39,776,707	36,194,001
Balance outstanding at year end –receivable		
Shrachi Developers Private Limited	31,380,476	-

* Figures are inclusive of Service Tax wherever applicable

Spectra Realcon LLP

Designated Partner.

Spectra Realcon LLP

Designated Partner.



Spectra Realcon LLP

Schedules forming part of the Balance Sheet as at 31.03.2017

Schedule 17: Significant Accounting Policies and Notes to Accounts

e) Disclosure on Specified Bank Notes (SBNs)

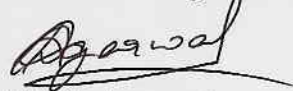
During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs(Rs)	Other denomination notes (Rs)	Total (Rs)
Closing cash in hand as on 8-11-2016	33,500	14,599	48,099
(+) Permitted receipts	-	40,000	40,000
(-) Permitted payments	-	30,257	30,257
(-) Amount deposited in Banks	33,500	-	33,500
Closing cash in hand as on 30-12-2016	-	24,342	24,342

As per our report of even date.

For and on behalf of partner

For, S. K. Agrawal & Co.
Chartered Accountants
ICAI Firm Registration No.-306033E



Vivek Agarwal

Partner

Membership No.- 301571

Place: Kolkata


Date: 3rd August, 2017



Spectra Realcon LLP


Designated Partner.

Spectra Realcon LLP


Designated Partner.