

Walker Chandlok & Co LLP

Date: 29 February 2020

To
The Board of Directors
Naiknavare Constructions Private Limited
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Independent Auditor's Report on the Statement of Accounts under Form 6 on project fund utilisation and withdrawal by Naiknavare Constructions Private Limited for the period from 1 April 2018 to 31 March 2019 with respect to Goa RERA Registration number PRGO05180276

1. This report is issued in accordance with the terms of our engagement letter dated 27 February 2020 with Naiknavare Constructions Private Limited ('the Company').
2. The accompanying Statement of Project, Goa RERA Registration number PRGO05180276, which comprises the details of fund collection, withdrawal and utilisation by the Company for the period from 1 April 2018 to 31 March 2019 ('the Statement') has been prepared by the Company's management in accordance with the third proviso to Section 4 (2) (I) of the Real Estate (Regulation and Development) Act, 2016 ('RERA') read along with the Goa Real Estate (Regulation and Development) (Registration of Real Estate Projects, Registration of Real Estate Agents, Rates of Interest and Disclosure on Website) Rules, 2017 ('Goa RERA Rules') for the purpose of submitting it to Goa Real Estate Regulatory Authority ('Goa RERA'). We have initialled the Statement for identification purpose only.

Management's Responsibility for the Statement

3. The preparation of the Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the Management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management is also responsible for ensuring that the Company complies with the requirements set out in the Goa RERA Rules and provides all relevant information to Goa RERA.

Auditor's Responsibility

5. Pursuant to the requirements of Goa RERA Rules, it is our responsibility to provide a reasonable assurance in the form of an opinion as to whether the Statement of the project giving the details of fund collection, withdrawal and utilisation, has been prepared in accordance with the audited financial statements, underlying books of account, documents and other relevant records maintained by the Company for the financial year ended 31 March 2019, in respect to the following points:
 - a. Percentage of Completion of the project titled 'Esmeralda project' under Goa RERA Registration No PRGO05180276, located at Panjim, North Goa.
 - b. Amount collected during the year for this project and till date in specified/designated bank account.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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Walker Chandlok & Co LLP is registered with limited liability with Identification number AAC-2085 and its registered office at 16th Floor, Tower II, Indiabulls Finance Centre, SB Marg, Elphinstone (W), Mumbai - 400 013.

Naiknavare Constructions Private Limited

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- c. Amount withdrawn during the year for this project and till date in specified/designated bank account.
 - d. Amount has been utilised only for the project and the withdrawal from the designated bank accounts of the said project has been in accordance with the proportion to the percentage of completion of the project.
6. The audited financial statements referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated 30 September 2019. Our audit of these financial statements were conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the "ICAI"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Such audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
7. We conducted our examination on a test check basis, in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by the ICAI.

Basis for Qualified Opinion

9. The Company has maintained single set of books of account, consolidated budgeted cost for the project and consolidated details of cost of construction incurred on the project till 31 March 2019 for two phases, Esmeralda Project – I and Esmeralda Project – II of its ongoing residential project, 'Esmeralda project'. However, the Company has obtained registration for Esmeralda Project – II.

Qualified Opinion

10. Based on our examination as above, evidences obtained, and the information and explanations along with the representations provided by the Management, we are of the opinion that, except for the comments in Paragraph 9 above, the accompanying Statement, which includes the details of fund collection, withdrawal and utilisation, has been prepared in accordance with the audited standalone financial statements, underlying books of account, documents and other relevant records maintained by the Company for the financial year ended 31 March 2019, in respect to the following points:-
- a. As the cost is recorded in the books of account in aggregate, separate budgeted cost and cost of construction for Esmeralda Project - II with Goa RERA Registration number PRGO05180276 is not available for computation of percentage of completion for Esmeralda Project - II and accordingly we are not able to comment on the same.
 - b. Amount collected and deposited in the designated bank account for the project during the period 1 April 2018 to 31 March 2019 is ₹ 80,356,402/-
 - c. Amount withdrawn for the project from the amount collected and deposited in the designated bank account during the period 1 April 2018 to 31 March 2019 is ₹ 80,049,955/-



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Naiknavare Constructions Private Limited

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- d. As the details of percentage of completion for Esmeralda Project – II is not available as mentioned in 'Point a' above, we are not able to comment on whether the utilisation of amounts collected and withdrawn from the designated bank account is in accordance with the proportion to the percentage of completion

Restriction on Distribution or Use

11. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the RERA and Goa RERA Rules. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have had as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.
12. The report is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the requirements of Goa RERA Rules, which inter alia, require it to submit the Statement, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013



Bharat Shetty

Partner

Membership No: 106815

UDIN No:20106815AAAAAQ3031

Place: Mumbai

Date: 29 February 2020



NAIKNAVARE

CONSTRUCTIONS PVT. LTD.

Statement of accounts under Form 6 of project, Goa RERA Registration number PRGO05180276 (the "project"), fund collection, withdrawal and utilisation by Naiknavare Constructions Private Limited, issued in accordance with the third proviso to Section 4 (2) (i) of the Real Estate (Regulation and Development) Act, 2016 (RERA)

1. With respect to the requirements of third proviso to Section 4 (2) (i) of RERA, we hereby confirm that the Company has maintained the prescribed registers, books, documents and the relevant records of the project from 1 April 2018 to 31 March 2019. In pursuance of the same, we hereby certify that:

(i) Particulars and other information provided in accordance with the third proviso to Section 4 (2) (i) of the Real Estate (Regulation and Development) Act, 2016 (RERA).

- The project of the Promoter, M/s. Naiknavare Constructions Private Limited ('the Company'), titled Goa RERA Registration number PRGO05180276 registered on 02 May 2018 w.e.f., 23 February 2018 represents Esmeralda Project - II and is located at Panjim, North Goa ('the project').
- The Company has opened the designated bank account maintained for the project with Andhra Bank having account number 11521110002625 from 13 October 2017.
- The Company's ongoing residential project, Esmeralda has plans to have 2 Phases, Esmeralda Project - I and Esmeralda Project - II and only Esmeralda Project - II is registered under Goa RERA bearing registration no. PRGO05180276 on 02 May 2018 w.e.f., 23 February 2018. The Company has obtained Occupancy certificate for Esmeralda Project - I on 7 May 2016 and hence this was reported as project launched in last 5 years and completed under Goa RERA. The Company has maintained single set of books of account, consolidated budgeted cost for the project and consolidated details of cost of construction incurred on the project till 31 March 2019. As the cost is recorded in the books of account in aggregate, separate budgeted cost and cost of construction for Esmeralda Project - II with Goa RERA Registration number PRGO05180276 is not available for computation of percentage of completion for Esmeralda Project - II.
- Amount collected and deposited in the designated bank account for the project during the period 1 April 2018 to 31 March 2019 is ₹ 80,356,402/-
- Amount withdrawn for the project, from the amount collected from customers and deposited in the designated bank account, during the period 1 April 2018 to 31 March 2019 is ₹ 80,049,955/-

(ii) Particulars and additional information for the understanding of users of this Statement, which is not a subject matter of the Independent Auditor's report

Amount collected from customers for the project during the period 1 April 2018 to 31 March 2019 is ₹ 80,356,402/- and the amount collected from the inception of the project up to 31 March 2019 is ₹ 301,552,356/- This information is collated based on the details of amount received for the project from the customers and not based on the designated bank account for the project under Goa RERA Rules.

- Amount withdrawn for the project from the amount collected from customers during the period 1 April 2018 to 31 March 2019 is ₹ 80,049,955/- and the amount withdrawn from the amount collected from customers till date i.e. from the inception of the project up to 31 March 2019 is ₹ 301,245,909/-. This is based on the information in the books of account and other records and not based on the designated bank account for the project under Goa RERA Rules.



2. We further recognise that, it is the responsibility of the management of the Company for ensuring that the Company complies with the relevant provisions of the Real Estate (Regulation and Development) Act, 2016. This responsibility includes preparation of this Statement, maintaining of separate bank accounts for projects as per the provisions of the Goa RERA Act and Goa RERA Rules, complying with provisions in respect to withdrawal from the said bank account and consequent utilisation thereof. We confirm that we have complied with all these requirements except to the extent stated in the preceding paragraphs.

For and on behalf of the Promoter
Naiknavare Constructions Private Limited
For Naiknavare Constructions Pvt. Ltd.



Authorised Signatory

Ranjit Naiknavare
Director



Place: Pune
Date: 28 February 2020