

**TO WHOM SO EVER IT MAY CONCERN**

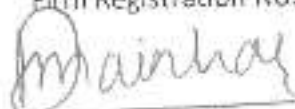
We have examined books of account and relevant records of **Mahindra Bebanco Developers Limited** (hereinafter referred to as 'the Company') having its registered office at 5<sup>th</sup> Floor, Mahindra Towers, Dr. G. M. Bhosale Marg, Worli, Mumbai 400 018 for the purpose of certifying Form No. 3 of Maharashtra Real Estate Regulatory Authority (General) Regulations, 2017 (the Regulations) in respect of its real estate project '**Mahindra Bloomdale Building 6**' situated at MIHAN SEZ, Nagpur.

Based on our examination of books of account and according to information and explanation given to us and representations made to us and read with the notes appended to this certificate in Annexure I, we certify that total cost incurred of the said real estate project as on 31<sup>st</sup> December 2017 is Rs.1458.16 lakhs. Our certificate in prescribed Form No. 3 is attached herewith as Annexure II.

We have conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

This certificate issued at the request of the Company as per the Regulation 3 of the said Regulations.

For A B D AND CO LLP  
Chartered Accountants  
Firm Registration No.: W100145



Devdatta Mainkar  
Partner  
Membership No. 109795  
Mumbai, 30<sup>th</sup> January 2018



Annexure I

**Notes forming an integral part of the Certificate dated 30<sup>th</sup> January 2018 on total cost incurred for Project 'Mahindra Bloomdale Building 6' as on 31<sup>st</sup> December 2017**

1. Details of estimated costs and actual cost, sales consideration & amount realised as given in Form No.3 pertain to real estate project 'Mahindra Bloomdale RH8' consisting of 6 row houses together with amenities being offered to the customers.
2. The Company has implemented Enterprise Resource Package 'SAP' wherein project budgeting, monitoring and actual expenditure is captured with reference to a project under 'profit centre' with work break down structure (WBS) elements for different nature of expenditure.

We have relied upon the correctness and completeness of the working of this system in capturing the aforesaid data.

3. The Company has awarded construction contract for entire project (excluding certain amenities) to joint venture partner M/s B E Billiomoria & Co Ltd. at rate of Rs.1560/- per square feet plus applicable taxes and escalation. It is informed that the revision in rate is under negotiation. Pending finalisation of the rate, the Company has made a provision for construction cost @Rs.1,700/- per square feet for the construction work which was done since April 2015. Actual cost per building / row house / duplex is worked out on the basis of work certified by the project manager or authorised personnel of the Company.
4. It is informed that the project 'Mahindra Bloomdale' is being developed on 25 acres of land parcel owned by the Company. Phase I of the project is already completed. Currently development work is going in phases and further development is proposed on balance land. Therefore, following costs (estimated and actual) are allocated on the basis of saleable area amongst buildings/ row house / duplex, wherever applicable
  - Cost of land, premium for development rights, stamp duty and registration charges
  - Common infrastructure and amenities costs
  - On-site expenditure
  - Project Architect, liasoning and consultants' fees
  - Interest Cost
  - Manpower Cost
5. On-site expenditure includes site establishment costs, architect's fees, liasoning cost, project manpower cost, and eligible CENVAT credit on construction cost and the aforesaid costs.



6. Since the Company is currently developing the aforesaid project only, entire manpower cost is incurred for the project and further allocated between buildings / row houses / duplex on saleable area basis.
7. The Company has estimated that 22% of total borrowing cost is incurred for acquisition of land and is included in land cost under clause (1)(i)(a) of the Form. Balance interest cost for construction and development of the project is included in the interest payable in clause (1)(ii)(c) of the Form.
8. Estimates of on-site expenditure, payment of taxes, cess, fees etc. payable to statutory authority, eligible CENVAT credit on construction & development cost and interest payable on borrowings for construction & land acquisition as certified by the Management are relied upon.
9. We have relied upon saleable area as certified by the Management for the allocation of costs.
10. Further the above relevant information has been generally test checked and reconciled with the books of account.
11. Percentage completion of construction work disclosed in clause 4 of the Form is percentage of actual cost of construction as per books of account to estimated cost of construction certified by the Engineer.



**FORM 3 (See Regulation 3)**  
**Project Name: Mahindra Bloombdale Building 6**

Cost of Real Estate project Maha RERA Registration Number : Being Applied

|        |                                                                                                                                                                                                                                                                                                                                                                                                                        | Amount (Rs.)        |                    |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|
| Sr. No | Particulars                                                                                                                                                                                                                                                                                                                                                                                                            | Estimated           | Incurred           |
| 1.     | <b>I. Land cost</b>                                                                                                                                                                                                                                                                                                                                                                                                    |                     |                    |
| a      | Acquisition cost of land (in development rights, lease premium, lease rent, interest cost incurred or payable on land cost and legal cost)                                                                                                                                                                                                                                                                             | 4,95,77,439         | 4,95,77,439        |
| b      | Amount of premium payable to obtain development rights, FSI, additional FSI, fungible area and any other incentive, under DCR from local authority or state government or any other statutory authority.                                                                                                                                                                                                               | 2,02,90,365         | 2,02,90,365        |
| c      | Acquisition cost of TOR (if any)                                                                                                                                                                                                                                                                                                                                                                                       | -                   | -                  |
| d      | Amounts payable to state government or competent authority or any other authority of the state or central government towards stamp duty, transfer charges, registration fees etc; and                                                                                                                                                                                                                                  | 8,45,857            | 8,45,857           |
| f      | Land premium payable as per annual statement of costs (ASR) for redevelopment of land owned by public authorities.                                                                                                                                                                                                                                                                                                     | -                   | -                  |
| g      | <b>Under Rehabilitation Scheme:</b>                                                                                                                                                                                                                                                                                                                                                                                    |                     |                    |
| (i)    | Estimated construction cost of rehab building including site development and infrastructure for the same as certified by the engineer.                                                                                                                                                                                                                                                                                 | -                   | -                  |
| (ii)   | Actual cost of construction of rehab building incurred as per the books of accounts as verified by the CA.                                                                                                                                                                                                                                                                                                             |                     |                    |
|        | <b>Note: (For total cost of construction incurred, Minimum of (i) or (ii) to be considered)</b>                                                                                                                                                                                                                                                                                                                        |                     |                    |
| (iii)  | Cost towards clearance of land of all or any encroachments including cost of removal of legal/illegal occupants, cost for providing temporary transit accommodation or rent in lieu of transit accommodation, overhead cost.                                                                                                                                                                                           | -                   | -                  |
| (iv)   | Cost of ASR linked premium, fees, charges and security deposit or maintenance deposit, or an amount whatsoever payable to any authorities towards and in project of rehabilitation.                                                                                                                                                                                                                                    | -                   | -                  |
|        | <b>Sub-Total Of Land Cost</b>                                                                                                                                                                                                                                                                                                                                                                                          | <b>7,07,03,661</b>  | <b>7,07,03,661</b> |
| 2.     | <b>II. Development cost/Cost of construction</b>                                                                                                                                                                                                                                                                                                                                                                       |                     |                    |
| a. (i) | Estimated cost of construction as certified by Engineer (Certificate Dated 31.12.2013)                                                                                                                                                                                                                                                                                                                                 | 29,38,77,320        |                    |
| (ii)   | Actual cost of construction incurred as per the books of accounts as verified by the CA                                                                                                                                                                                                                                                                                                                                |                     | 2,40,94,305        |
|        | <b>Note: (for adding to total cost of construction incurred Minimum of (i) or (ii) is to be considered)</b>                                                                                                                                                                                                                                                                                                            |                     |                    |
| (iii)  | On-site expenditure for development of entire project excluding cost of construction as per (i) above, i.e. salaries, consultant fees, site overheads, cost of services (including water, electricity, sewerage), cost of machineries and equipment including its hire and maintenance costs, consumables etc. All costs directly incurred to complete the construction of buildings/wings of the projects registered. | 1,51,09,254         | 1,11,36,395        |
| b      | Payment of Taxes, cess, fees, charges, premiums, interest etc to any statutory authority                                                                                                                                                                                                                                                                                                                               |                     |                    |
| c      | Premium sum and interest payable to financial institutions, scheduled banks, non-banking financial institution (NBFI) or money lenders on construction funding or money lenders on construction funding or money borrowed for construction.                                                                                                                                                                            | 3,93,04,852         | 3,98,82,031        |
|        | <b>Sub-Total Of Development Cost</b>                                                                                                                                                                                                                                                                                                                                                                                   | <b>34,82,91,427</b> | <b>7,51,12,733</b> |



|    |                                                                                                                                        |                                              |                                               |
|----|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-----------------------------------------------|
| 2. | Total estimated cost of the real estate project (1(i)+1(i)) of the Estimated Column                                                    | 41,89,95,088                                 |                                               |
| 3. | Total Cost Incurred of the Real Estate Projects (1(ii) + 1(ii)) of Incurred Column                                                     |                                              | 14,58,16,303                                  |
| 4. | % Completion of Construction Work ( as per Project Architects Certificate)                                                             | (Please refer note no.11 to the certificate) | 8.20%                                         |
| 5. | Proportion of the Cost Incurred on Land cost and construction cost to the total Estimated cost (3/2 %)                                 |                                              | 34.80%                                        |
| 6. | Amount Which Can be withdraw from the Designated Account Total Estimated Cost *proportion of cost incurred (Sr. number 2* Sr number.5) |                                              | Not Applicable as project is being registered |
| 6. | Less.: Amount Withdrawn till date of this certificate as per the books of Accounts and bank statement                                  |                                              |                                               |
| 7. | Net Amount Which Can be withdraw from the Designated bank Account under Certificate                                                    |                                              |                                               |

For A B D AND CO LLP  
Chartered Accountants  
FAN W100145

*Bhairav*  
Devdatta Meinkar  
Partner

M/ No.109795  
Mumbai, 30th January 2018

