

**INDEPENDENT AUDITORS' REPORT**

To,

The Designated Partner

KHAITAN CONSTRUCTION LLP

**Report on the audit of the financial statements Opinion**

We have audited the accompanying financial statements of KHAITAN CONSTRUCTION LLP ("the Firm"), which comprise the balance sheet as at March 31, 2022, and the Statement of Profit and Loss as per the Accounting Standards issued by ICAI) for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 applicable laws and regulations to a Limited Liability Partnership 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 Firm as at March 31, 2022, and its Profit / Loss for the year ended on that date.

**Basis for opinion**

We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Firm in accordance with the code of ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Firm as it is not a listed company.

### **Management's responsibility for the financial statements**

The Firm's partners are responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Firm in accordance with the accounting principles generally accepted in India, including the accounting standards specified by ICAI. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Firm 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management (representing the Firm's partners) is responsible for assessing the Firm's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Firm or to cease operations, or has no realistic alternative but to do so.

The designated partners are also responsible for overseeing the Firm's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Firm's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Firm to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Place: Kolkata  
Dated : 13.02.2023

For Bihani Rashmi & Co.  
Chartered Accountants  
Firms Registration No.: 328058E



(Rashmi Bihani)  
Proprietor  
Membership No. 064298  
UDIN : 23064298BGVYDJ7406

**KHAITAN CONSTRUCTION LLP****AAC-9285****Rawdon Enclave, 1st Floor 10A, Rawdon Street Kolkata Kolkata WB 700017 IN****BALANCE SHEET AS AT 31ST MARCH 2022**

Particulars	Note No.	Amount in Rs.	
		31st March 2022	31st March 2021
<b>CONTRIBUTIONS AND LIABILITIES</b>			
<b>Contributions</b>			
Partner's Capital	2	38,379,259	7,565,933
<b>Non-Current Liabilities</b>			
Loans	3	-	7,333,372
<b>Current Liabilities</b>			
Trade Payables	4	13,862,780	1,140,869
Other Current Liabilities	5	139,021	88,576
		<b>52,381,060</b>	<b>16,128,750</b>
<b>ASSETS</b>			
<b>Fixed Assets</b>			
Tangible Assets	6	7,123	-
<b>Current Assets</b>			
Inventories-WIP	7	37,809,476	12,320,549
Trade Receivable	8	6,076,504	-
Short Term Loans and Advances	9	7,641,384	3,237,282
Cash and Bank Balances	10	846,573	570,919
		<b>52,381,060</b>	<b>16,128,750</b>
Significant Accounting Policies	1		
Notes forming part of the Financial Statements	2 to 17		

In terms of our report of even date annexed

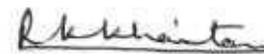
For Bihani Rashmi & Co  
Chartered Accountants  
FRN: 328058E



Rashmi Bihani  
Proprietor  
Membership No. 064298



For and on behalf of Khaitan Construction LLP



Rajkumar Khaitan  
DIN - 00550876

Kolkata  
Dated :



Ravindra Khaitan  
DIN - 01080498

# KHAITAN CONSTRUCTION LLP

AAC-9285

Rawdon Enclave, 1st Floor 10A, Rawdon Street Kolkata Kolkata WB 700017 IN

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

Particulars	Note No.	Amount in Rs.	
		2021-2022	2020-2021
Revenue from Operations		-	-
Other Income	11	7,420	-
<b>Total Revenue</b>		<b>7,420</b>	<b>-</b>
<b>Expenses</b>			
Increase/(Decrease) in Inventory	12	(25,488,927)	(2,247,841)
Development Expenses		25,488,927	2,247,841
Other expenses	13	58,338	26,876
Finance Cost		-	-
<b>Total Expenses</b>		<b>58,338</b>	<b>26,876</b>
<b>Profit Before Tax and Depreciation</b>		<b>(50,918)</b>	<b>(26,876)</b>
Depreciation	5	578	-
<b>Tax Expense :</b>			
Current Tax		-	-
Deferred Tax		-	-
Earlier Years		-	-
<b>Profit for the year</b>		<b>(51,496)</b>	<b>(26,876)</b>
Appropriation of Profit/ (loss)			
Share in loss of Partners [Refer note] 11			
-Rajkumar Khaitan		(15,449)	(8,063)
-Ravindra Khaitan		(25,748)	(13,438)
-Prudent Infrarealty Pvt. Ltd.		(10,299)	(5,375)
<b>Balance Carried forward to Balance Sheet</b>		<b>-</b>	<b>-</b>

Significant Accounting Policies 1  
Notes forming part of the Financial Statements 2 to 17

In terms of our report of even date annexed

For Bihani Rashmi & Co  
Chartered Accountants  
FRN: 328058E



Rashmi Bihani  
Proprietor  
Membership No. 064298

For and on behalf of Khaitan Construction LLP

  
Rajkumar Khaitan  
DIN - 00550876

Kolkata  
Dated :

  
Ravindra Khaitan  
DIN - 01080498

## **KHAITAN CONSTRUCTION LLP**

**AAC-9285**

**Rawdon Enclave, 1st Floor 10A, Rawdon Street Kolkata Kolkata WB 700017 IN**

### **1. SIGNIFICANT ACCOUNTING POLICIES**

#### **A Nature of Operation, Details of Capital and Profit Sharing**

The Limited Liability Partnership is a Limited Liability Partnership domiciled in India and is incorporated under the provisions of the Limited Liability Partnership Act, 2008 applicable in India. The registered office of the Limited Liability Partnership is located at Rawdon Enclave , 1st Floor , 10A Rawdon Street, Kolkata-700017, The Limited Liability Partnership is engaged in the business of Purchase, Development and sale of Land.

The details of the investment in Limited Liability Partnership as at March 31, 2022 are as follows:

Name of the Firm: Khaitan Constructions LLP

Total Capital Rs. 1,00,000/- (20% invested by Prudent Infrarealty Pvt. Ltd, 30% invested by Mr. Rajkumar Khaitan and 50% invested by Mr. Ravindra Khaitan.

#### **Name of the Partners and their shares**

##### **Name of the Partners**

-Prudent Infrarealty Pvt. Ltd.  
-Rajkumar Khaitan  
-Ravindra Khaitan

##### **Share Of Profit/ (Loss)**

20%  
30%  
50%

#### **B Basis of Accounting**

The financial statements have been prepared to comply in all material aspects with Accounting Standards and the relevant provisions of the Limited Liability Partnership Act 2008( as amended). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting Policies applied by the LLP, are consistent with those used in the previous year.

#### **C Use of Estimates**

The preparation of the Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amount of income and expenses during the period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

#### **D Revenue Recognition**

Incomes are recognised and accounted for on accrual basis. Revenue from Operations include sale of goods which is recognised on transfer of significant risks and rewards of ownership to the customer and when no significant uncertainty exists regarding realisation of the consideration and stated at net of GST, returns, trade discounts and rebates.

Interest Income and other income are recognised on time proportion basis.

#### **E Provision for Current and Deferred Tax**

Provision for current income tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

#### **F Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised 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 are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

In terms of our report of even date annexed



**KHAITAN CONSTRUCTION LLP**

AAC-9285

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

		Amount in Rs.	
		31st March 2022	31st March 2021
<b>2</b>	<b>CONTRIBUTIONS AND LIABILITIES</b>		
	Partner's Fund		
	Capital Account		
	-Ravindra Khaitan	50,000	50,000
	-Prudent Infrarealty Pvt. Ltd.	20,000	20,000
	-Rajkumar Khaitan	30,000	30,000
		<u>100,000</u>	<u>100,000</u>
	Current Account		
	-Rajkumar Khaitan	471,153	(13,225)
	-Ravindra Khaitan	(35,062)	(9,025)
	-Prudent Infrarealty Pvt. Ltd.	37,842,591	7,488,183
		<u>38,278,682</u>	<u>7,465,933</u>
	Total Capital	<u>38,378,682</u>	<u>7,565,933</u>
	<u>Transaction During the Year of Partners Current Accounts</u>		
	Sl. No.	Partners Name	
		Opening	
		Addition/ Receipts/ Share of Profit	
		Withdrawal/ Share of loss	
		Closing	
	1	-Rajkumar Khaitan	(13,225)
	2	-Ravindra khaitan	(9,025)
	3	-Prudent Infrarealty Pvt. Ltd.	7,488,183
			500,000
			(15,622)
			(26,037)
			30,364,822
			(10,415)
			471,153
			(35,062)
			37,842,591
			<u>7,465,933</u>
			<u>38,278,682</u>
<b>3</b>	<b>LONG-TERM BORROWINGS</b>		
	Loans- Sumit Fiscal Services Pvt. Ltd.	-	7,333,372
		-	<u>7,333,372</u>
<b>4</b>	<b>TRADE PAYABLES</b>		
	Sundry Creditors	13,862,780	1,140,869
		<u>13,862,780</u>	<u>1,140,869</u>
<b>5</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Statutory dues-TDS	20,931	51,560
	Statutory dues-GST	81,074	-
	Rajendra Khaitan	37,016	37,016
		<u>139,021</u>	<u>88,576</u>
<b>7</b>	<b>INVENTORIES</b>		
	Construction Work in Progress	37,809,476	12,320,549
		<u>37,809,476</u>	<u>12,320,549</u>
<b>8</b>	<b>TRADE RECEIVABLES</b>		
	Sundry Debtors	6,076,504	-
		<u>6,076,504</u>	-
<b>9</b>	<b>SHORT TERM LOANS AND ADVANCES</b>		
	Advance Against Stamp Duty and registration fees	318,746	317,709
	Advance for Purchase Of land	1,799,988	1,799,988
	Land at Dhamaitala (New)	110,937	-
	Stamp Duty & Registration Fee (New Land)	5,951	-
	GST- Receivable	-	653,900
	32 Bytes	73,750	-
	Krishno Enterprises	450,000	450,000
	Prudent Infraproject LLP	8,920	8,920
	Security Deposit	4,872,051	3,430
	SUL Steel Pvt. Ltd.	-	2,294
	TDS-receivable	957	957
	TCS-receivable	84	84
		<u>7,641,384</u>	<u>3,237,282</u>



**KHAITAN CONSTRUCTION LLP**

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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Amount in Rs.

**6 FIXED ASSETS - TANGIBLE**

Particulars	OTG Machine	Total
<b>Gross Block</b>		
As at 1-April 2020	-	-
Additions during the year	-	-
<b>As at 31st-March-2021</b>	-	-
Additions during the year	7,700	7,700
<b>As at 31st-March-2022</b>	7,700	7,700
<b>Depreciation</b>		
As at 1-April-2020	-	-
Charge for the year	-	-
<b>As at 31st-March-2021</b>	-	-
Charge @ 15% for six months	578	578
<b>As at 31st-March-2022</b>	578	578
<b>Net Block</b>		
As at 31st-March-2021	-	-
<b>As at 31st-March-2022</b>	7,123	7,123



**KHAITAN CONSTRUCTION LLP**

AAC-9285

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Amount in Rs.

	31st March 2022	31st March 2021
<b>10 CASH AND BANK BALANCES</b>		
Cash-in-hand	72,689	10,131
Bank Accounts	773,884	560,788
	<b>846,573</b>	<b>570,919</b>
<b>11 OTHER INCOME</b>		
Discount Received	3,413	-
Interest on Fixed Deposit	4,007	-
	<b>7,420</b>	<b>-</b>
<b>12 INCREASE/(DECREASE) IN INVENTORY</b>		
<b>Closing Stock</b>		
-Work-in-progress	37,809,476	12,320,549
	<b>37,809,476</b>	<b>12,320,549</b>
<b>Opening Stock</b>		
-Work-in-progress	12,320,549	10,072,708
	<b>12,320,549</b>	<b>10,072,708</b>
<b>Change in Inventory</b>	<b>(25,488,927)</b>	<b>(2,247,841)</b>
<b>13 OTHER EXPENSES</b>		
Audit Fees	17,200	10,000
Bank Charges	4,405	1,626
Filing Charges	16,500	6,600
General Charges	-	3,870
Internet and Cable Network Charges	3,040	-
Printing & Stationery	2,520	-
GST late fee	120	480
Rates and Taxes	4,300	4,300
Round off	0.21	0.35
Sales Promotion Expense	10,253	-
	<b>58,338</b>	<b>26,876</b>
<b>14 DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT 2006</b>		

- (a) Based on the informations available with the LLP, it has identified Zero (0) vendors as Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. As a result, no interest provisions / payments have been made by the limited partnership to such creditors, if any, and no disclosure thereof is made in this financial statements.



**KHAITAN CONSTRUCTION LLP**

AAC-9285

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Amount in Rs.

**15 RELATED PARTY DISCLOSURES**

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below :

(a) List of Related Parties

(i) Partners

- Rajkumar Khaitan
- Ravindra Khaitan
- Prudent Infrearealty Pvt. Ltd.
- Rajendra Khaitan (Resigned 29.01.2019)

(ii) Relatives of Partners:

- Anita Khaitan
- Ayush Khaitan
- Priti Khaitan
- Radha Khaitan
- Rohit Khaitan
- Anshul Khaitan

(iii) Enterprises on which partner's & his relatives having control/ significant influence:

- Banghabhumi Constructions Private Limited
- Bolero commercials Private Limited
- Compass Tradelink Private Limited
- Greentown Retails Private Limited
- Micrograph Vinimay Private Limited
- Nightangle Traders Private Limited
- Pioneer Niwas Private Limited

(b) Transactions with Related Parties

--- Share of Loss

- Rajkumar Khaitan
- Ravindra Khaitan
- Prudent Infrearealty Pvt. Ltd.

(c) Balance of Capital Account as on year end

- Prudent Infrearealty Pvt. Ltd.
- Rajkumar Khaitan
- Ravindra Khaitan

(d) Balance of Current Account as on year end

- Prudent Infrearealty Pvt. Ltd.
- Rajkumar Khaitan
- Ravindra Khaitan

(e) Name of the Partner

- Prudent Infrearealty Pvt. Ltd.
- Rajkumar Khaitan
- Ravindra Khaitan

	Related Parties	
	2021-22	2020-21
--- Share of Loss		
-Rajkumar Khaitan	(15,622)	(8,063)
-Ravindra Khaitan	(26,037)	(13,438)
-Prudent Infrearealty Pvt. Ltd.	(10,415)	(5,375)
(c) Balance of Capital Account as on year end		
-Prudent Infrearealty Pvt. Ltd.	20,000	20,000
-Rajkumar Khaitan	30,000	30,000
-Ravindra Khaitan	50,000	50,000
(d) Balance of Current Account as on year end		
-Prudent Infrearealty Pvt. Ltd.	37,842,591	7,488,183
-Rajkumar Khaitan	471,153	(13,225)
-Ravindra Khaitan	(35,062)	(9,025)
(e) Name of the Partner	Share of Profit/(Loss)	Share of Profit/(Loss)
-Prudent Infrearealty Pvt. Ltd.	20%	20%
-Rajkumar Khaitan	30%	30%
-Ravindra Khaitan	50%	50%
	(10,415)	(5,375)
	(15,622)	(8,063)
	(26,037)	(13,438)
	<u>(52,073)</u>	<u>(26,876)</u>

**16 PREVIOUS YEAR FIGURES**

The LLP has reclassified the previous year figures in accordance with the requirements applicable in the current year.

**17**

In the financial statements, any discrepancies in any table between the total and sum of the amounts listed are due to rounding off.

**Signature to Notes 1 to 17**

In terms of our report of even date annexed

For Bihani Rashmi & Co  
Chartered Accountants  
FRN: 328058E

For and on behalf of Khaitan Construction LLP



Rashmi Bihani  
Proprietor  
Membership No. 064298





Rajkumar Khaitan  
DIN - 00550876

  
Ravindra Khaitan  
DIN - 01080498

Kolkata  
Dated :