

SHITIJ REAL ESTATES LLP

ANNUAL REPORT

FY 2023 - 24

Auditors

Chartered Accountants

SSKA & Associates

Martin Burn House, R/N 209 (2nd Floor)

1 R N Mukherjee Road

Kolkata – 700 001

E-mail: team@teamsska@gmail.com

PH: 033 4064 5936



Independent Auditors' Report

To The Partners of
Shitij Real Estates LLP
LLPIN: AAI-8275

Report on the Financial Statements

We have audited the accompanying Financial Statements of Shitij Real Estates LLP ("the LLP"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss for the year ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view of the Financial Position of the LLP as at 31st March, 2024 and of its financial performance for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SA's) issued by ICAI. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the LLP in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 are sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with the Indian Generally Accepted Accounting Principles ("the Indian GAAP") and the Limited Liability Partnership Act, 2008. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the LLP'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 entity or to cease operations, or has no realistic alternative but to do so.





Auditors' Responsibility 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 auditors' 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 SA's 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 Statement of Accounts, 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, but not for the purpose of expressing an opinion on the effectiveness of the LLP's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the LLP's Management.
- Conclude on the appropriateness of the LLP's Management 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 LLP'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 Statement of Accounts 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 auditors' report. However, future events or conditions may cause the LLP to cease to continue as a going concern.

We communicate with the LLP's Management 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.

For SSKA & Associates
Chartered Accountants
FRN # 328751E



Jagdish Mohata

Jagdish Mohata, FCA
(Partner)

M. No. # 307910

Kolkata, the 15th day of July, 2024
UDIN: 24307910

SHITIJ REAL ESTATES LLP**LLPIN : AAI-8275****Balance Sheet as at
31st March, 2024**

<u>Particulars</u>	<u>Note</u>	<u>As at</u> <u>31st March, 2024</u> ₹	<u>As at</u> <u>31st March, 2023</u> ₹
<u>CONTRIBUTION AND LIABILITIES</u>			
<u>PARTNERS' FUNDS</u>			
Fixed Capital	3	1,00,00,000	5,00,00,000
Current Account	4	1,75,383	7,88,03,115
Undistributed (Deficit)	5	1,67,889	(2,53,846)
		<u>1,03,43,272</u>	<u>12,85,49,269</u>
<u>NON-CURRENT LIABILITIES</u>			
Long-term Borrowings	6	26,93,02,185	5,93,96,972
		<u>26,93,02,185</u>	<u>5,93,96,972</u>
<u>CURRENT LIABILITIES</u>			
Trade Payables	7	65,84,236	24,39,227
Other Current Liabilities	8	6,09,28,513	4,70,187
		<u>6,75,12,749</u>	<u>29,09,414</u>
Total		<u><u>34,71,58,206</u></u>	<u><u>19,08,55,655</u></u>
<u>ASSETS</u>			
<u>NON-CURRENT ASSETS</u>			
Property, Plant & equipments	9	5,51,173	-
Long-term Loans and Advances	10	1,50,48,945	-
Other Non-current Assets	11	17,01,57,214	12,01,57,214
		<u>18,57,57,332</u>	<u>12,01,57,214</u>
<u>CURRENT ASSETS</u>			
Inventories	12	15,37,67,443	6,79,95,298
Cash and Cash Equivalents	13	45,55,310	25,01,893
Short-term Loans and Advances	14	30,78,121	2,01,250
		<u>16,14,00,874</u>	<u>7,06,98,441</u>
Total		<u><u>34,71,58,206</u></u>	<u><u>19,08,55,655</u></u>
General Information	1		
Significant Accounting Policies	2		
Notes to Financial Statements	3 - 19		
Additional Notes to Financial Statements	20		

For SSKA & Associates
Chartered Accountants
FRN # 328751E

Jagdish Mohata

Jagdish Mohata, FCA
Partner
M. No. # 307910

Place : Kolkata
Date : the 15th day of July, 2023.
UDIN: 24307910 **AKCADS9272**



For and on behalf of the Firm

Vivek Kumar Kajaria
Designated Partner
DPIN: 00025797

Suhel Saraf
Designated Partner
DPIN: 03501630

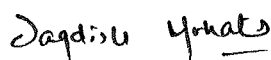
SHITIJ REAL ESTATES LLP**LLPIN : AAI-8275****Statement of Profit and Loss for the year ended****31st March, 2024**

<u>Particulars</u>	<u>Note</u>	<u>Year Ended</u> <u>31st March, 2024</u> ₹	<u>Year Ended</u> <u>31st March, 2023</u> ₹
I INCOME			
Other Income	15	1,72,166	61,520
		<u>1,72,166</u>	<u>61,520</u>
II EXPENSES			
Cost of Construction and Services	16	7,17,37,480	5,09,62,058
Changes in Inventories	17	(8,57,72,145)	(5,72,36,939)
Finance Costs	18	1,40,34,665	62,74,881
Other Expenses	19	74,557	2,29,001
		<u>74,557</u>	<u>2,29,001</u>
III (Loss) for the Year (I-II)		97,610	(1,67,482)
IV Tax Expense			
Current Tax		31,000	-
Interest on Direct Taxes		230	-
V Net (Loss) for the Year (III-IV)		66,380	(1,67,482)
General Information	1		
Significant Accounting Policies	2		
Notes to Financial Statements	3 - 19		
Additional Notes to Financial Statements	20		

For SSKA & Associates

Chartered Accountants

FRN # 328751E



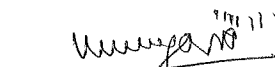
Jagdish Mohata, FCA

Partner

M. No. # 307910



For and on behalf of the Firm


Vivek Kumar Kajaria
Designated Partner
DPIN: 00025797Suhel Saraf
Designated Partner
DPIN: 03501630

Place : Kolkata

Date : the 15th day of July, 2023.

UDIN: 24307910 BKC A DS9272

SHITIJ REAL ESTATES LLP

LLPIN : AAI-8275

Notes to Financial Statements

1 General Information

"SHITIJ REAL ESTATES LLP" (LLPIN AAI-8275) is incorporated on 14th March, 2017 on account of conversion from a private limited company named Shitij Real Estates Private Limited having its registered office at 7B, Pretoria Street., Kolkata- 700 071. The LLP is engaged in Real Estate activities.

The LLP has two project site at following addresses:

Site 1

Municipal Holding No. 2, Street- Old Jessore Road within Ward No 25 under the jurisdiction of Madhyamgram Municipality, Pincode 700132, 24 PGS (N).

Site 2

Premises No. 11/1 Pandit RabiSankar Sarani (formerly 11/1 Burdwan Road) Kolkata - 700 027.

2 Significant Accounting Policies

(i) **Basis of preparation of financial statements**

The accounts of the LLP are prepared under the historical cost convention using the accrual method of accounting in accordance with the generally accepted accounting principles in India.

(ii) **Use of Estimates**

The preparation of financial statements, in conformity with Generally Accepted Accounting Principles, requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities as at the date of financial statement and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(iii) **Revenue Recognition**

The LLP deals with development & construction of residential complex with intent to sell pre-designed sizeable units. In construction phase, the buyer may book his unit by entering into an agreement of sale with the LLP. However, the possession/ legal ownership of the unit will be passed to the buyer on completion, till that, the risk and rewards of the unit are in the hands of LLP.

The transfer of legal title will be made after realisation of consideration value of the unit from the buyer related to the unit. Due to lack of certainty of collection from buyer, the revenue from each real estate development project is recognized on the handover of the flat as all significant risks and rewards of the real estate are passed on to the buyer on transfer of legal title or on handover/possession of the real estate and after certainty of realising the consideration value.

Other incomes, if any are accounted for on accrual basis.

(iv) **Inventories**

Inventories being residential project work-in-progress have been stated at cost plus taxes, duties and other attributable cost incurred in its construction thereof.

The cost of land development and entire expenditure incurred to bring the projects into its intended use (including interest paid during the year on the term loans and unsecured loans taken for projects) has been treated as project expenses and hence transferred to Inventories account as Project Work-in-progress.

(v) **Borrowing Costs**

Interest and other costs in connection with the borrowing of funds to the extent related to the acquisition of qualifying assets are capitalised upto the date when such assets are ready for their intended use.

(vi) **Impairment of Assets**

The carrying amounts of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been charged in the estimate of the recoverable amount.

(vii) **Tax Expense**

Provision for current 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 profits is accounted for using the substantially enacted tax rates and laws that have been enacted as at the Balance Sheet date.

(viii) **Provisions and Contingencies**

The LLP creates provision where there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made where there is possible obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



SHITIJ REAL ESTATES LLP

LLPIN : AAL-8275

Notes to Financial Statements

PARTNERS' ACCOUNT

NOTES - 3

FIXED CAPITAL

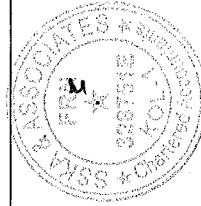
Name of Partners	Profit Sharing Ratio	Opening Balance as at 01.04.2023	Additions during the year	Withdrawal during the year	Closing Balance as at 31.03.2024
Sheo Kumar Kajaria	0%	25,00,000	-	(25,00,000)	-
Vivek Kumar Kajaria	50%	2,00,00,000	-	(1,50,00,000)	50,00,000
Sugath Buildcom Pvt Ltd	0%	25,00,000	-	(25,00,000)	-
Suhel Saraf	50%	-	50,00,000	-	50,00,000
Alexia Dealers Pvt Ltd	0%	50,00,000	-	(50,00,000)	-
Erode Merchants Pvt Ltd	0%	50,00,000	-	(50,00,000)	-
Sugam Griha Nirmaan Ltd.	0%	1,50,00,000	-	(1,50,00,000)	-
TOTAL	100%	5,00,00,000	50,00,000	(4,50,00,000)	1,00,00,000

(Amount in ₹)

NOTES - 4

CURRENT CAPITAL ACCOUNT

Name of Partners	Profit Sharing Ratio	Opening Balance as at 01.04.2023	Additions during the year	Drawings during the year	Interest Paid	Share of Profit / (Loss)	Payable to retiring partners	Closing Balance as at 31.03.2024
Sheo Kumar Kajaria	0%	70,80,849	-	(70,63,689)	4,66,639	(17,160)	4,66,639	-
Vivek Kumar Kajaria	50%	27,22,491	-	(25,79,740)	1,75,383	(1,42,751)	-	1,75,383
Sugath Buildcom Pvt Ltd	0%	-	17,767	-	-	(17,767)	-	-
Suhel Saraf	50%	-	-	-	-	-	-	-
Alexia Dealers Pvt Ltd	0%	62,47,765	3,75,000	(65,87,229)	4,41,066	(35,536)	4,41,066	-
Erode Merchants Pvt Ltd	0%	74,90,465	3,75,000	(78,29,929)	5,24,728	(35,536)	5,24,728	-
Sugam Griha Nirmaan Ltd.	0%	5,52,61,545	37,50,000	(5,89,04,939)	39,34,064	(1,06,606)	39,34,064	-
TOTAL	100%	7,88,03,115	45,17,767	(8,29,65,526)	55,41,880	(3,55,356)	53,66,497	1,75,383



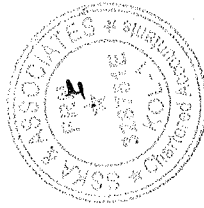
SHRI REAL ESTATES LLP

LLPIN : AAL-8275

Notes to Financial Statements

Note 9 Property, Plant & Equipment

Particulars	Rate	Gross Block			Depreciation			Net Block	
		As at 1 st April, 2023	Addition During the Year Upto 3rd October, 2023	Deletions During the Year	As on 31st March, 2024	As at 1st April, 2023	For the Year During the Year	As on 31 st March, 2024	As on 31st March, 2023
Air conditioner Machine	15%	-	2,05,500	-	2,05,500	-	30,825	1,74,675	-
Furniture & Fixtures	10%	-	1,25,800	-	1,25,800	-	12,580	1,13,220	-
Computer and printers	40%	-	1,96,721	33,925	2,30,646	-	85,473	1,45,173	-
Mobiles	15%	-	43,095	33,046	76,141	-	8,942	67,199	-
Refrigerator	15%	-	14,300	-	14,300	-	2,145	12,155	-
Television	15%	-	-	41,893	41,893	-	3,142	38,751	-
Total		-	5,85,416	1,08,864	6,94,280	-	1,43,107	5,51,173	-

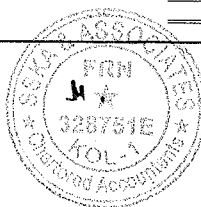


SHITIJ REAL ESTATES LLP

LLPIN : AAI-8275

Notes to Financial Statements

Particulars	As at 31st March, 2024 ₹	As at 31st March, 2023 ₹
5 Undistributed Surplus/(Deficit)		
Opening Balance	(2,53,846)	(86,365)
Add : For the Year	66,380	(1,67,482)
Less: Distributed during the year on retirement of partners	3,55,356	-
	<u>1,67,889</u>	<u>(2,53,846)</u>
6 Long-term Borrowings		
Secured		
Repayable on demand		
Working Capital Facilities from State Bank of India	2,77,73,838	-
Unsecured		
From Bodies Corporate	24,15,28,347	5,93,96,972
	<u>26,93,02,185</u>	<u>5,93,96,972</u>
Sub-notes		
Security		
The Overdraft Facilities from State Bank of India are secured by exclusive first charge on all pieces and parcel of project lands and the developers' cash flow and receivable of the project Navya. Further, the facilities are also secured by personal guarantees of the partners of the LLP.		
Repayment Terms		
The Overdraft Facilities from State Bank of India will be repaid in quarterly installments starting from September, 2025.		
7 Trade Payables		
Payable to Suppliers	65,84,236	24,39,227
	<u>65,84,236</u>	<u>24,39,227</u>
8 Other Current Liabilities		
Advance from customers *	5,78,30,309	-
Less: Trade receivables from customer	(35,10,123)	-
Cancellation Reserve for landowners	2,64,472	-
Liabilities for Expenses	31,800	17,700
Statutory Liabilities	9,45,558	4,52,487
Payable to retiring partners	53,66,497	-
	<u>6,09,28,513</u>	<u>4,70,187</u>
* includes billed and not received.		
10 Long-term Loans and Advances		
Unsecured, Considered Good		
Payment to landowners as per JDA	1,46,24,584	-
Tax Payments *	4,24,361	-
	<u>1,50,48,945</u>	<u>-</u>
* Net of Provisions	31,000	-
11 Other Non-current Assets		
Unsecured, Considered Good		
Security Deposits - Refundable	17,00,00,000	12,00,00,000
Security Deposits - CESC	1,57,214	1,57,214
	<u>17,01,57,214</u>	<u>12,01,57,214</u>
12 Inventories		
(As taken, valued and certified by the Management)		
Valued at lower of cost		
Project work-in-Progress	15,37,67,443	6,79,95,298
	<u>15,37,67,443</u>	<u>6,79,95,298</u>
13 Cash and Cash Equivalents	Units	Units
Balance with Banks on Current Accounts	37,51,779	24,97,372
Cash on hand	3,531	4,521
(As Certified by the Management)		
Investment in liquid fund units	1949.82	8,00,000
	<u>45,55,310</u>	<u>25,01,893</u>
Aggregate cost of liquid fund units based on NAV	8,00,000	-
Aggregate market value of liquid fund units based on NAV	8,12,598	-
14 Short-term Loans and Advances		
Unsecured, Considered Good		
Advance Recoverable in cash or in kind	27,90,771	2,01,250
Prepaid Expenses	2,27,150	-
Advance to staff/(s)	60,000	-
Balance with revenue authorities	200	-
	<u>30,78,121</u>	<u>2,01,250</u>



SHITIJ REAL ESTATES LLP**LLPIN : AAI-8275****Notes to Financial Statements**

<u>Particulars</u>	<u>Year Ended</u> <u>31st March, 2024</u> ₹	<u>Year Ended</u> <u>31st March, 2023</u> ₹
15 Other Income		
Gain on sale of units of Mutual Fund without STT	56,178	61,520
Commission Income	1,06,242	-
Interest on electricity security deposits	9,746	-
	<u>1,72,166</u>	<u>61,520</u>
16 Cost of Construction and Services		
Construction and Development Expenses *	3,60,83,565	51,91,170
Professional & Consultancy Fees	59,56,387	2,23,18,755
Rates & Taxes	8,09,807	2,00,12,457
Brokerage	14,56,586	-
Marketing Expenses	1,70,17,550	2,95,000
Security Charges	13,68,228	11,98,424
Subscriptions	11,85,000	17,27,200
Electricity Charges	2,73,657	1,37,896
Insurance	4,96,167	-
Employees Benefits Expenses	50,11,233	81,156
Depreciation	1,43,107	-
Other Overhead Charges	19,36,193	-
	<u>7,17,37,480</u>	<u>5,09,62,058</u>
* include cost of material and payment to contractors.		
17 Changes in Inventories		
Opening Project Work-in-progress	6,79,95,298	1,07,58,359
(Less: Closing Project Work-in-progress)	(15,37,67,443)	(6,79,95,298)
	<u>(8,57,72,145)</u>	<u>(5,72,36,939)</u>
18 Finance Costs		
On Unsecured Loans	56,70,834	25,25,478
On Partners Capital	55,41,880	37,49,403
On Overdraft Facilities	2,30,948	-
Processing Fees	25,91,003	-
	<u>1,40,34,665</u>	<u>62,74,881</u>
19 Other Expenses		
Audit Fees	35,400	17,700
Filing Fees	3,283	1,205
Rates & Taxes	9,275	4,650
Printing & Stationery	-	39,572
Bank Charges	6,259	1,425
General Charges	10,156	1,62,094
Conveyance Expenses	10,185	2,356
	<u>74,557</u>	<u>2,29,001</u>



SHITI REAL ESTATES LLP**LLPIN : AAI-8275****Notes to Financial Statements****2023-24****2022-23****20 Additional Notes to Financial Statements****A. Related Party Disclosures**

(as identified by the management)

a. Designated PartnersVivek Kumar Kajaria
Suhel Saraf**Interested Concerns**Alexia Dealers Pvt Ltd
Erode Merchants Pvt Ltd
Sugam Griha Nirmaan Ltd.
SGM Builders Pvt Ltd
SNK Businesses Pvt Ltd
Saraf Commerce Pvt Ltd**b. Transactions with related parties during the year****Loans Taken**

Interested Concerns 11,83,22,000 -

Interest Expenses on Loans

Interested Concerns 5,08,213 -

Fees for Construction Services

Interested Concerns 59,00,000 -

Fees for Digital Media Services

Interested Concerns 8,55,500 -

c. Outstanding at year end**Loans Taken**

Interested Concerns 11,87,79,391 -

Fees for Digital Media Services

Interested Concerns 58,500 -

d. Transactions with the Designated Partners are reflected in Note 3 and 4 to Financial Statements.**B. Deferred Tax Assets**

The Company has not recognized deferred tax assets on carried forward business loss as there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred assets can be realised.

C. Joint Development Agreement

(a) The LLP has entered into joint development agreement dated 22nd Nov 2021 (Revenue Sharing Basis) with land owners to construct, develop and sell the proposed Residential Complex at "Municipal Holding No. 2, Street- Old Jessore Road within Ward No 25 under the jurisdiction of Madhyamgram Municipality, Pincode 700132, 24 PGS (N) with right & rewards attached thereto to the extent of their respective share and undertook to incur all expenses for its construction, development, marketing and final sale.

(b) The LLP has entered into joint development agreement dated 24th May 2022 (Revenue Sharing Basis) with land owners to construct, develop and sell the proposed Residential Complex at "Premises No. 11/1 Pandit RabiSankar Sarani (formerly 11/1 Burdwan Road) Kolkata 700027 under the jurisdiction of Kolkata Municipal Corporation with right & rewards attached thereto to the extent of their respective share and undertook to incur all expenses for its construction and development.

D. The LLP has not received any memorandum (as required to be filed by the supplier with the notified authority under the Micro, Small and Medium Enterprise Development Act, 2006) claiming their status as micro, small or medium enterprises. Consequently, the amount paid/payable to these parties during the year is Nil.**E. Previous Year Figures**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For SSKA & Associates
Chartered Accountants
FRN # 328751E

For and on behalf of the Firm

Jagdish Mohata

Jagdish Mohata, FCA
Partner
M. No. # 307910Vivek Kumar Kajaria
Designated Partner
DPIN: 00025797Suhel Saraf
Designated Partner
DPIN: 03501630Place : Kolkata
Date : the 15th day of July, 2023.

UDIN: 24307910 BKCADS 9272