



**RRS & ASSOCIATES**

CHARTERED ACCOUNTANTS

## Independent Auditor's Report

To,  
The Partners,  
KENT RESIDENTIAL AND INDUSTRIAL PARK LLP

### Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **KENT RESIDENTIAL AND INDUSTRIAL PARK LLP** ("the LLP"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, the for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Emphasis of Matter

We draw your attention to Note 16 to the Standalone Financial Statements which explains the management's assessment of the financial impact due to the lock-down and other restrictions and conditions related to the COVID - 19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

### Management's Responsibility for the Standalone Financial Statements

Management is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the LLP 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



**KENT RESIDENTIAL AND INDUSTRIAL PARK LLP**

**F.Y. 2019-20**

#### **AHMEDABAD**

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C.G. Road, Ahmedabad - 380 009.  
Ph. : 079-26561202 / 98245 42607

#### **AHMEDABAD**

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#### **MUMBAI**

106-B, Highway Rose Society,  
Sant Janabai Marg, Vile Parle (East),  
Mumbai - 57. M. : 98241 04415



### **Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by institute of chartered accountant of India. 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 LLP'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, but not for the purpose of expressing an opinion on whether the LLP has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, 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 standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Limited Liability Partnership Act, 2008 and Limited Liability 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 LLP as at 31st March, 2020, and its loss for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

We 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 purpose of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as 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.

**KENT RESIDENTIAL AND INDUSTRIAL PARK LLP**



**F.Y. 2019-20**

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards issued by the institute of Chartered accountant of India.

PLACE: AHMEDABAD.  
DATE: 25/06/2020



FOR, RRS & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN: 118336W

*Purva Shah*

PURVA SHAH

PARTNER

(MEMBERSHIP NO. 142877)

UDIN: 20142877AAAAAC2469.



# KENT RESIDENTIAL AND INDUSTRIAL PARK LLP

Balance Sheet as at 31st March, 2020

(Amount in Rs.)

Particulars	Note	As at 31st March, 2020 Amount (Rs)	As at 31st March, 2019 Amount (Rs)
<b>I. CAPITAL AND LIABILITIES</b>			
<b>(1) Capital Account</b>			
(a) Partners Capital Account	1	4,790,640	13,669,085
<b>(2) Non-current Liabilities</b>			
(a) Long Term Borrowings	2	1,314,819,882	1,013,925,875
<b>(3) Deferred Tax Liability (net)</b>		-	2,684,208
<b>(4) Current Liabilities</b>			
(a) Trade Payable	3	200,240	41,545,002
(b) Other Current Liabilities	4	39,223,775	22,627,285
(c) Provisions		25,000	77,525
<b>Total</b>		<b>1,359,059,537</b>	<b>1,094,528,980</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed Assets	5	378,604,719	223,095,507
(b) Long Term Loans and Advances	6	4,054,983	3,309,004
<b>(2) Deferred Tax Assets (net)</b>		1,477,990	-
<b>(2) Current assets</b>			
(a) Inventories		828,334,176	700,989,670
(b) Cash and Bank Balance	7	177,363	916,929
(c) Trade Receivable		827,087	883,961
(d) Short-term Loans and Advances	8	127,965,348	160,978,838
(e) Other Current Assets	9	17,617,872	4,355,071
<b>Total</b>		<b>1,359,059,537</b>	<b>1,094,528,980</b>
A. Significant Accounting Policies			
B. Notes To Financial Statements			

As per our Report of Even Date

For, RRS & ASSOCIATES  
Chartered Accountants  
FRN No. 118336W

*Purva Shah*  
Purva Shah

Partner

Membership No. 142877

Dated: 25/06/2020

Place: AHMEDABAD

For and on behalf of Board of  
KENT RESIDENTIAL AND INDUSTRIAL PARK LLP

*[Signature]*  
PARTNER

Dated: 25/06/2020

Place: AHMEDABAD

*[Signature]*  
PARTNER

# KENT RESIDENTIAL AND INDUSTRIAL PARK LLP

## Statement of Profit and Loss for the year ended 31st March, 2020

(Amount in Rs.)

	Particulars	Note No	31/03/2020 (Amount in Rs.)	31/03/2019 (Amount in Rs.)
I.	Revenue From Operations	10	41,168,463	9,793,372
II.	Other Income	11	310,701	11,771,797
III.	<b>Total Revenue (I +II)</b>		<b>41,479,164</b>	<b>21,565,169</b>
IV.	<b>Expenses:</b>			
	Project Expenses	12	544,561	741,278
	Finance Cost	13	32,782,251	7,532,838
	Employees Benefit Expense		806,000	-
	Depreciation	5	18,617,439	4,107,299
	Other Expenses	14	2,117,426	523,971
	<b>Total Expenses</b>		<b>54,867,677</b>	<b>12,905,386</b>
V.	<b>Profit/(Loss) Before Tax (III - IV)</b>		<b>(13,388,513)</b>	<b>8,659,783</b>
VI.	<b>Tax Expense:</b>			
	(1) Current Tax		-	-
	(2) Short/ (Excess) Provision Of Earlier Years		2,339	103,285
	(3) Deferred Tax		(4,162,197)	2,684,208
VII	<b>Profit/ (Loss) For The Year (Rs.)</b>		<b>(9,228,655)</b>	<b>5,872,290</b>
	<b>(Profit/ (Loss) Transferred to Partner's capital account)</b>			

As per our Report of Even Date

For, RRS & ASSOCIATES  
Chartered Accountants  
FRN No. 118336W

*Purva Shah*  
Purva Shah  
Partner  
Membership No. 142877

Dated: 25/06/2020  
Place: AHMEDABAD



For and on behalf of Board of  
KENT RESIDENTIAL AND INDUSTRIAL PARK LLP

*[Signature]*

PARTNER

*[Signature]*

PARTNER

Dated: 25/06/2020  
Place: AHMEDABAD



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE A:

#### Accounting policies

##### a) LLP Overview

KENT RESIDENTIAL AND INDUSTRIAL PARK LLP(the LLP) was incorporated on 11<sup>th</sup> Sep, 2015.The LLP is a real estate developer engaged primarily in the business of real estate construction, development and other related activities.

##### b) Basis of preparation

The financial statement of the LLP have been prepared on accrual basis under the historical cost convention and ongoing concern basis in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued by The Institute of Chartered Accounting of India and the provisions of the Limited Liability Partnership Act,2008.

##### c) Inventories

Inventories are valued at lower of lower of cost or net realizable value.

Inventories includes cost of land, premium for development rights, construction cost, allocated interest and expenses incidental to the projects undertaken by the LLP.

##### d) Revenue and Expenditure Recognition:

Income and Expenses are accounted on an accrual basis.

##### e) Borrowing Cost

Interest and finance charges incurred in connection with borrowing of funds, which are incurred for the development of long term projects, are transferred to construction work in progress as a part of the cost of the projects.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

##### f) Current Tax

Current tax liability of the company is estimated considering the provision of the I.T. Act, 1961.



**g) Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

**h) Fixed Assets**

Fixed Assets are stated at actual cost less accumulated depreciation. The actual cost Capitalized includes borrowing cost, material cost, freight and other incidental expenses incurred.

**i) Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant and Equipment other than freehold land and properties under construction were charged based on the rates as per provision of income tax act 1961 at the rate of 10% (WDV method).

The management estimates the useful life of the Dormitory at 60 years. For the class of the assets based on internal assessment and independent technical evaluation carried out by external valuers , the management believes that useful lives as given above best represent the period over which the management expects to use the assets. Accordingly keeping the residual value at the rate of 5%, management has estimated to provide 95% of the value of the Dormitory at its useful life of 60 years.





# KENT RESIDENTIAL AND INDUSTRIAL PARK LLP

## B : NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st March, 2020

(Amount in Rs.)

### Note 1 : PARTNER'S FUND

PARTICULARS	31.03.2020 AMOUNT(RS.)	31.03.2019 AMOUNT(RS.)
<b>Contribution</b>		
<b>(a) Nila Infrastrucure Limited</b>		
Balance B/F	6,834,543	3,480,712
Addition/ (Deletion) during the year	(645,041)	-
Add: Share of profit for the year	(4,614,327)	2,936,146
Add: Interest Payable during the Year	820,145	417,685
<b>(a)</b>	<b>2,395,320</b>	<b>6,834,543</b>
<b>(b) Rohan Kataria</b>		
Balance B/F	1,230,218	626,528
Addition/ (Deletion) during the year	3,939,888	-
Add: Share of profit for the year	(2,949,892)	528,507
Add: Interest Payable during the Year	175,106	75,183
<b>(b)</b>	<b>2,395,320</b>	<b>1,230,218</b>
<b>(c) Nilam Kataria</b>		
Balance B/F	1,230,217	626,527
Addition/ (Deletion) during the year	(90,000)	-
Add: Share of profit for the year	(365,364)	528,507
Add: Interest Payable during the Year	-	75,183
Less: Amount Repaid	(774,853)	-
<b>(c)</b>	<b>0</b>	<b>1,230,217</b>
<b>(d) Amita Kataria</b>		
Balance B/F	4,374,107	2,227,655
Addition/ (Deletion) during the year	(320,000)	-
Add: Share of profit for the year	(1,299,072)	1,879,133
Add: Interest Payable during the Year	-	267,319
Less: Amount Repaid	(2,755,035)	-
<b>(d)</b>	<b>(0)</b>	<b>4,374,107</b>
<b>TOTAL(a+b+c+d)</b>	<b>4,790,640</b>	<b>13,669,085</b>

Two of the partner Mrs. Nilam Kataria and Amita Kataria resign from the firm vide the supplemental LLP agreement dated w.e.f. 09/09/2019. The profit/ (loss) of the firm was distributed proportionately among the partners based on their ratios.





## KENT RESIDENTIAL AND INDUSTRIAL PARK LLP

### B : NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st March, 2020

#### Note 2 : LONG TERM BORROWINGS

PARTICULARS	31.03.2020 AMOUNT(RS.)	31.03.2019 AMOUNT(RS.)
<b>Secured Loan</b>		
<b>Line of Credit - For Infra Project</b>		
Bandhan Bank Limited (Earlier known as Gruh Finance Limited)	622,479,124	598,005,788
<b>Unsecured Loan</b>		
<b>Loan From Inter-Corporate</b>		
Kataria Automobile Private Limited	164,313,928	33,708,414
Nila Infrastructure Private Limited	515,326,830	369,511,673
<b>Loan from Others</b>		
Amrutben Prajapati	2,000,000	2,000,000
Bhikhabhai Prajapati	10,700,000	10,700,000
<b>TOTAL</b>	<b>1,314,819,882</b>	<b>1,013,925,875</b>

#### Note 3 : TRADE PAYABLE

PARTICULARS	31.03.2020 AMOUNT(RS.)	31.03.2019 AMOUNT(RS.)
Creditors for Expenses	200,240	41,545,002
<b>TOTAL</b>	<b>200,240</b>	<b>41,545,002</b>

#### Note 4 : OTHER CURRENT LIABILITIES

PARTICULARS	31.03.2020 AMOUNT(RS.)	31.03.2019 AMOUNT(RS.)
Trade Deposit	40,318	40,318
Advances From Cutomers	6,000,000	6,000,000
Advances From Cutomers - Booking Deposits	20,470,000	-
Retention Money	25,000	10,071,519
Book Overdraft	5,049,555	-
TDS Payable	7,638,902	6,515,448
<b>TOTAL</b>	<b>39,223,775</b>	<b>22,627,285</b>



# KENT RESIDENTIAL AND INDUSTRIAL PARK LLP

Notes to Financial Statements for the year ended 31st March, 2020

## 5. Fixed Asset

(Amount in Rs.)

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01-04-2019	Additions	Sale / Transfer	Total as at 31-03-2020	As at 01-04-2019	For the year	Adjustment/ Deduction	Upto 31-03-2020	As at 31-03-2020	As at 31-03-2019
1	Land - Dormitory 1	1,184,627	-	-	1,184,627	-	-	-	-	1,184,627	1,184,627
2	Land - Dormitory 2	3,805,337	-	-	3,805,337	-	-	-	-	3,805,337	3,805,337
3	Land - Dormitory 3	4,316,191	-	-	4,316,191	-	-	-	-	4,316,191	4,316,191
4	Land - Dormitory 4	-	4,841,426	-	4,841,426	-	-	-	-	4,841,426	-
5	Land - Dormitory 5	-	2,460,636	-	2,460,636	-	-	-	-	2,460,636	-
6	B-39, Ratna Vatika	-	1,060,200	-	1,060,200	-	51,632	-	51,632	1,008,568	-
7	Dormitory-1 - Building	55,081,769	-	-	55,081,769	9,631,767	2,213,415	-	11,845,182	43,236,587	45,450,002
8	Dormitory-2 - Building	90,944,161	1,982,117	-	92,926,278	1,468,237	4,454,007	-	5,922,244	87,004,034	89,475,924
9	Dormitory-3 - Building	77,903,142	6,372,875	-	84,276,017	155,913	4,096,649	-	4,252,562	80,023,455	77,747,229
10	Dormitory-4 - Building	-	78,990,165	-	78,990,165	-	3,846,821	-	3,846,821	75,143,344	-
11	Dormitory-5 - Building	-	78,419,232	-	78,419,232	-	3,819,017	-	3,819,017	74,600,215	-
12	Precast Compound Wall	847,616	-	-	847,616	195,375	65,224	-	260,599	587,017	652,241
13	STP Plant	583,784	-	-	583,784	124,784	68,850	-	193,634	390,150	459,000
14	Laptop	23,200	-	-	23,200	19,302	1,559	-	20,861	2,339	3,898
15	Software	2,150	-	-	2,150	1,092	265	-	1,357	793	1,058
	Total	234,691,977	174,126,651	-	408,818,628	11,596,470	18,617,439	-	30,213,909	378,604,719	223,095,507
	Previous Year	54,154,690	180,537,287	-	234,691,977	7,489,171	4,107,299	-	11,596,470	223,095,507	46,665,519





## KENT RESIDENTIAL AND INDUSTRIAL PARK LLP

### B : NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st March, 2020

#### Note 6 : LONG TERM LOAN AND ADVANCES

PARTICULARS	31.03.2020 AMOUNT(RS.)	31.03.2019 AMOUNT(RS.)
Security Deposit (UGVCL - Electricity)	4,054,983	3,309,004
<b>TOTAL</b>	<b>4,054,983</b>	<b>3,309,004</b>

#### Note 7 : CASH AND BANK BALANCE

PARTICULARS	31.03.2020 AMOUNT(RS.)	31.03.2019 AMOUNT(RS.)
<b>Cash &amp; Cash Equivalent</b>		
Cash Balance	177,363	139,258
Bank Balance	-	777,671
<b>TOTAL</b>	<b>177,363</b>	<b>916,929</b>

#### Note 8: SHORT-TERM LOANS AND ADVANCES

PARTICULARS	31.03.2020 AMOUNT(RS.)	31.03.2019 AMOUNT(RS.)
Advance for Land	127,437,186	160,978,838
Advance to Suppliers	528,162	
<b>TOTAL</b>	<b>127,965,348</b>	<b>160,978,838</b>

#### Note 9 : OTHER CURRENT ASSEETS

PARTICULARS	31.03.2020 AMOUNT(RS.)	31.03.2019 AMOUNT(RS.)
TDS receivable ( Net of Provision)	4,175,279	4,254,442
GST Receivable	13,358,333	95,409
Prepaid Expenses	84,260	5,220
<b>TOTAL</b>	<b>17,617,872</b>	<b>4,355,071</b>

#### Note 10 : REVENUE FROM OPERATION

PARTICULARS	31.03.2020 AMOUNT(RS.)	31.03.2019 AMOUNT(RS.)
Lease Income	41,168,463	9,793,372
<b>TOTAL</b>	<b>41,168,463</b>	<b>9,793,372</b>



## KENT RESIDENTIAL AND INDUSTRIAL PARK LLP

### B : NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st March, 2020

#### Note 11 : OTHER INCOME

PARTICULARS	31.03.2020 AMOUNT(RS.)	31.03.2019 AMOUNT(RS.)
Interest Income	310,701	11,771,797
<b>TOTAL</b>	<b>310,701</b>	<b>11,771,797</b>

#### Note 12 : PROJECT EXPENSES

PARTICULARS	31.03.2020 AMOUNT(RS.)	31.03.2019 AMOUNT(RS.)
Inventories of Project at the beginning of the year	700,989,670	322,032,782
Add: Purchase of Land during the Year	121,332,209	123,002,359
Add: Expenses Incurred during the Year (net)	45,807,843	264,817,335
Less: Transfer to Fixed Assets - Land	(39,250,985)	(8,121,528)
Less: Inventories of Project at the end of the year	(828,334,176)	(700,989,670)
<b>TOTAL</b>	<b>544,561</b>	<b>741,278</b>

#### Note 13 : FINANCIAL CHARGES

PARTICULARS	31.03.2020 AMOUNT(RS.)	31.03.2019 AMOUNT(RS.)
Bank & Processing Charges	18,692	403,743
Interest Expenses	32,763,559	7,129,095
<b>TOTAL</b>	<b>32,782,251</b>	<b>7,532,838</b>

#### Note 14 : OTHER EXPENSES

PARTICULARS	31.03.2020 AMOUNT(RS.)	31.03.2019 AMOUNT(RS.)
Audit Fees	118,000	118,000
Insurance Expenses	5,220	17,983
Office Expenses	7,529	14,326
Printing & Stationery	100,676	-
Repairs & Maintenance	5,900	-
Travelling Expenses	15,590	-
Legal and Professional Fees	1,864,511	373,662
<b>TOTAL</b>	<b>2,117,426</b>	<b>523,971</b>





**NOTE 15:**

**Segment information**

As the LLP has only one business segment, disclosure under accounting standard-17 on "segment reporting" issued by institute of chartered accountant of India is not applicable.

**NOTE 16:**

Due to outbreak of COVID-19 globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

**NOTE 17:**

**Related party transaction**

During the year the following transaction was made between the related parties covered under accounting standard-18, issued by the institute of chartered accountant of India.

**1. List of relative parties:**

**Partners of LLP**

- » Mr. Rohan Rajendrakumar Kataria
- » Mrs. Nilam Rajendrakumar Kataria (Partner upto 09/09/2019)
- » Mrs. Amita Rohankumar Kataria (Partner upto 09/09/2019)
- » M/s Nila infrastructure Limited

**Enterprises in which the partners are interested**

- » Kataria Automobiles private limited



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 2. Transaction with Related parties:-

Name of transaction	Transaction with related parties 2019-20	Outstanding as on 31/03/2020	Transaction with related parties 2018-19	Outstanding as on 31/03/2019
	Amount (Rs.)	Amount(Rs.)	Amount (Rs.)	Amount(Rs.)
Loan Taken	339,141,471	679,640,758	269,925,001	403,220,087
Loan paid (Including TDS)	138,833,219		225,374,330	
Interest paid on loans	76,112,419		49,696,375	
Interest Paid to Partners	995,251	--	835,370	--
Contract Expenses	105,001,163	--	269,643,948	41,204,448
Retention Money Outstanding	--	--	--	10,071,519

For, RRS & ASSOCIATES  
Chartered Accountants  
FRN No. 118336W

For and on behalf of Board of

KENT RESIDENTIAL AND INDUSTRIAL PARK  
LLP

*Purva Shah*

Purva Shah

Partner

Membership No. 142877

Dated: 25/06/2020

Place: AHMEDABAD



*[Signature]*

*[Signature]*

PARTNER PARTNER

Dated: 25/06/2020

Place: AHMEDABAD