

PARTNERS : RAMESH C. JAGTIANI
JAYESH G. NAIK
RAJENDRA H. SHAH
DHRUVI J. JAIN
KINJAL P. RAJDEV

TEL : 66331784 / 66331785
22076071 / 22002875
E-mail : jagtiani.naik@gmail.com

JAGTIANI & NAIK
CHARTERED ACCOUNTANTS

12-13, ESPLANADE, 3RD FLOOR, 3, AMRIT KESHAV NAYAK MARG,
FORT, MUMBAI- 400 001.

INDEPENDENT AUDITORS' REPORT

To
The Partners of
NETEL KRISHNA ECO PROJECTS LLP

Report on the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **NETEL KRISHNA ECO PROJECTS LLP (Registration No. AAY-9765)** (hereinafter referred to as "LLP"), which comprise the Balance sheet as at 31st March, 2023 and the Profit and Loss Statement for the period then ended and a summary of significant accounting policies and other explanatory information (collectively referred to as "Financial Statements").
2. In our opinion, the accompanying financial statements give true and fair view of the financial position of the LLP as at 31st March, 2023 and financial performance for the period then ended in accordance with Accounting Standards issued by Institute of Chartered Accountants of India ("ICAI").

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those SAs 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 ICAI, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Partners' Responsibility for the Financial Statements

4. The LLP's management (designated partners) is responsible for the preparation of the financial statements in accordance with the Rule 24 of the Limited Liability Partnership Rules, 2009 ("the rules"), and for such internal controls as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.



5. In preparing the financial statements, LLP's 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 LLP's management either intend to liquidate the LLP or to cease operations, or has no realistic alternative but to do so.
6. Management is also responsible for overseeing the LLP's financial reporting process.

Auditor's Responsibility

7. 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 SAs will always detect a material misstatement when it exists. Misstatement 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.
8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :
 - a) 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.
 - b) 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.
 - c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the LLP's management.
 - d) 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 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 auditors' report. However, future events or conditions may cause the LLP to cease to continue as a going concern.

- e) We communicated 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 JAGTIANI & NAIK
Chartered Accountants
(ICAI Reg. No. 103854W)



R. H. SHAH
PARTNER
Membership No. 139417

UDIN : 23139417BGXODN3180

PLACE : MUMBAI

DATED : 8TH SEPTEMBER, 2023

NETEL KRISHNA ECO PROJECTS LLP
BALANCE SHEET AS AT 31ST MARCH 2023

Particulars	Note No	As at 31st March 2023
Capital Employed		
Partners' funds		
Partners Capital Account	2	1,00,000
Partners Current Account	3	3,21,14,888
		<u>3,22,14,888</u>
Non-current liabilities		
Deferred Tax Liabilities		11,27,122
		<u>11,27,122</u>
TOTAL		<u><u>3,33,42,010</u></u>
Application of Funds		
Property, Plant and Equipment	4	10,83,800
		<u>10,83,800</u>
Current assets, Loans and Advances		
Inventories	5	27,34,061
Trade receivables	6	13,95,84,716
Cash and bank balances	7	86,67,635
Short-term loans and advances	8	41,41,032
Other current assets	9	49,50,531
Total (a)		<u>16,00,77,976</u>
Less : Current Liabilities and Provisions		
Current Liabilities	10	12,15,55,477
Provisions	11	62,64,290
Total (b)		<u>12,78,19,767</u>
Net Current Assets (a-b)		<u>3,22,58,209</u>
TOTAL		<u><u>3,33,42,010</u></u>

As per our report of even date attached

For JAGTIANI & NAIK
Chartered Accountants
Firm Regn. No. 103854W


R. H. SHAH
PARTNER
Membership No. 139417

PLACE: MUMBAI

DATED: 8TH SEPTEMBER, 2023

For and on behalf of the LLP


Sandip M. Sorathia
Designated Partner
Nominee of Krishna Buildspace Pvt. Ltd.
DPIN : 06433083

PLACE : AHMEDABAD

DATED : 8TH SEPTEMBER, 2023


Feroze R. Katila
Designated Partner
Nominee of Netel (India) Ltd.
DPIN : 08702330

PLACE : MUMBAI

DATED : 8TH SEPTEMBER, 2023

NETEL KRISHNA ECO PROJECT LLP
PROFIT AND LOSS STATEMENT FOR THE PERIOD 12TH OCT 2021 TO 31ST MARCH 2023

Particulars	Note No	12th Oct 2021 to 31st Mar 2023 Rs.
Income :		
Revenue from Operations	12	38,57,97,972
TOTAL INCOME		38,57,97,972
Expenses:		
Direct Cost and Materials Consumed	13	34,05,94,511
Changes in inventories of finished goods and work-in-process	14	(27,34,061)
Employee benefits expenses	15	14,73,278
Finance costs	16	6,80,000
Depreciation and amortization expenses	4	2,17,311
Other expenses	17	56,61,796
TOTAL EXPENSES		34,58,92,834
Profit before tax		3,99,05,138
Tax expense:		
Current tax		1,35,00,000
Deferred tax		11,27,122
Tax adjustments for earlier years		-
		1,46,27,122
Profit after tax		2,52,78,016

As per our report of even date attached

For JAGTIANI & NAIK
Chartered Accountants
Firm Regn. No. 103854W

R. H. SHAH
PARTNER
Membership No. 139417

PLACE: MUMBAI

DATED: 8TH SEPTEMBER, 2023

For and on behalf of the LLP


Sandip M. Sorathia
Designated Partner
Nominee of Krishna Buildspace Pvt. Ltd.
DPIN : 06433083

PLACE : AHMEDABAD

DATED : 8TH SEPTEMBER, 2023


Feroze R. Katila
Designated Partner
Nominee of Netel (India) Ltd.
DPIN : 08702330

PLACE : MUMBAI

DATED : 8TH SEPTEMBER, 2023



NETEL KRISHNA ECO PROJECTS LLP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH, 2023

1. SIGNIFICANT ACCOUNTING POLICIES :

a) Basis of Preparation of Financial Statements :

These financial statements have been prepared in accordance with the Rule 24 of the Limited Liability Partnership Rules, 2009.

b) Revenue Recognition :

- i) Revenue from service activities spread over a specific period of time is recognized on a straight line basis over the period.
- ii) Revenue from fixed price contracts is recognized by applying the percentage of completion method to the contract value.

c) Property, Plant and Equipment :

Property, Plant and Equipment are stated at cost less depreciation and impairment. Cost includes all expenses and financing costs related to acquisition and installation of the concerned assets and any attributable cost of bringing the asset to the condition of its intended use.

d) Depreciation :

Depreciation on Property, Plant and Equipment is provided as per Income Tax Rates.

e) Inventories :

Inventories are valued as under:

- i) Contract-in-process at lower of cost and net realizable value.
- ii) Finished Products at lower of cost and net realizable value.

f) Taxation :

- i) Provision for tax is made on the basis of the estimated taxable income as per the provisions of the Income Tax Act, 1961 and the relevant Finance Act, after taking into consideration judicial pronouncements and opinions of the Company's tax advisors.

- ii) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax asset is recognized only to the extent it is virtually certain that there will be sufficient income to recover such deferred tax asset.

g) Provisions and Contingencies:

A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are neither recognized nor disclosed in the financial statements

NETELKRISHNA ECO PROJECTS LLP

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD 12TH OCT 2021 TO 31ST MARCH 2023

Particulars	As At 31.03.2023	As At 31.03.2023
	Rs.	Rs.

2 PARTNERS' CAPITAL ACCOUNT

Krishna Buildspace Pvt Ltd.
Netel (India) Ltd.

51,000

49,000

1,00,000

3 PARTNERS' CURRENT ACCOUNT

Krishna Buildspace Pvt Ltd.

Opening Balance

Add : Amount introduced during the period

85,00,000

Add : Interest thereon

3,40,000

Add: Net profit as per Profit and Loss Statement

1,28,91,788

Less : Amount withdrawn during the period

(55,29,996)

1,62,01,792

Netel (India) Ltd.

Add : Amount introduced during the period

85,00,000

Add : Interest thereon

3,40,000

Add: Net profit as per Profit and Loss Statement

1,23,86,228

Less : Amount withdrawn during the period

(53,13,132)

1,59,13,096

3,21,14,888

M/S. NETEL KRISHNA ECO PROJECTS LLP**Note : 4 STATEMENT SHOWING FIXED ASSETS FOR THE PERIOD 12TH OCT 2021 TO 31ST MAR 2023**

Description of Assets	Opening	Additions during the period	Deduction during the period	Total Cost	Depreciation	W.D.V. As on 31.03.23
Furniture and Fixtures		8,26,773	-	8,26,773	1,18,077	7,08,696
Vehicles		3,01,880	-	3,01,880	64,527	2,37,353
Office Equipments		1,13,138	-	1,13,138	22,842	90,296
Laptop		59,320	-	59,320	11,865	47,455
TOTAL	-	13,01,111	-	13,01,111	2,17,311	10,83,800

NETEL KRISHNA ECO PROJECTS LLP

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD 12TH OCT 2021 TO 31ST MARCH 2023

Particulars	Amount
	Rs
5 INVENTORIES	
Contract in Progress	27,34,061
	<u>27,34,061</u>
6 TRADE RECEIVABLES	
Other Trade Receivables	13,95,84,716
	<u>13,95,84,716</u>
7 CASH AND BANK BALANCES	
Balance with Bank in Current Account	86,67,635
	<u>86,67,635</u>
8 SHORT TERM LOANS AND ADVANCES	
(Unsecured and considered good)	
Advance Recoverable in cash or in Kind	2,20,327
Receivable from Statutory / Government Authorities	38,77,124
Prepaid expenses	43,581
	<u>41,41,032</u>
9 OTHER CURRENT ASSETS	
Security Deposit	1,06,000
Earnest Money Deposit	43,62,000
Unbilled revenue	4,82,531
	<u>49,50,531</u>
10 CURRENT LIABILITIES	
Trade Payables	11,85,28,752
Statutory Liabilities	27,68,700
Salary Payable	49,443
Other Payables	2,08,582
	<u>12,15,55,477</u>
11 SHORT-TERM PROVISIONS	
Provision for Income Tax (Net of Tax Deducted at Source)	62,64,290
	<u>62,64,290</u>

NETELKISHNA ECO PROJECTS LLP
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD 12TH OCT 2021 TO 31ST MARCH 2023

Particulars	Amount Rs.
12 REVENUE FROM OPERATIONS	
Project Sales	38,57,97,972
	<u><u>38,57,97,972</u></u>
13 Direct Costs and Materials Consumed	
Cost of Materials for Projects	19,65,80,275
Construction Contract Costs for Projects	11,26,86,578
Business Execution Management Services	2,77,27,652
Service Charges	1,23,700
Insurance	4,24,137
Labour Cess	23,67,488
Transportation charges	6,54,151
Water Supply Charges	30,530
	<u><u>34,05,94,511</u></u>
14 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROCESS	
<u>Opening Stock :</u>	
Finished Goods	-
Work-In-Process	-
	<u>-</u>
<u>Closing Stock :</u>	
Finished Goods	-
Work-In-Process	27,34,061
	<u>27,34,061</u>
	<u><u>(27,34,061)</u></u>
(INCREASE) / DECREASE IN INVENTORIES	
15 EMPLOYEE BENEFITS EXPENSES	
Salaries and Wages	14,47,789
Welfare Expenses	25,489
	<u><u>14,73,278</u></u>
16 FINANCE COSTS	
Interest Expense	6,80,000
	<u><u>6,80,000</u></u>

17 OTHER EXPENSES

Hire Charges	2,70,420
Labour Charges	3,57,120
Electricity Charges	68,635
Repairs and Maintenance	4,03,457
Rent	6,33,000
Professional Fees	6,04,900
Audit Fees	2,50,000
Messing Charges	9,84,573
Travelling and Conveyance	7,85,762
Guest House Expenses	1,74,944
Security Charges	2,37,100
Communication Expenses	61,166
Printing and Stationery	1,08,583
Office Expenses	1,58,840
Loading and Unloading Charges	87,470
Brokerage Charges	35,000
Medical Expenses	36,749
Ineligible Goods and Services Tax Credit written off	69,310
Interest on Late Payment of Tax	2,08,493
Bank Charges	2,032
Miscellaneous Expenses	1,24,243

56,61,796

M/S. NETEL KRISHNA ECO PROJECTS LLP

BALANCE SHEET AS AT 31ST MARCH, 2023

<u>LIABILITIES</u>	<u>SCHEDULE</u>	<u>RUPEES</u>	<u>ASSETS</u>	<u>SCHEDULE</u>	<u>RUPEES</u>
Partners' Capital Account	A	1,00,000	Fixed Assets	D	10,83,800
Partners' Current Account	B	3,21,14,888	Current Assets and Loans and Advances	E	16,00,77,976
Deferred Tax Liabilities		11,27,122			
Current Liabilities and Provisions	C	12,78,19,765			
TOTAL		16,11,61,775	TOTAL		16,11,61,775

This is the Balance Sheet referred to in
our Report in Form No. 3CB of even date

FOR JAGTIANI & NAIK
Chartered Accountants
FRN : 103854W



R H SHAH
PARTNER
M. No. 139417

PLACE : MUMBAI

DATED : 8TH SEPTEMBER, 2023

FOR M/S. NETEL KRISHNA ECO PROJECTS LLP

Sandip M. Sorathia
Designated Partner
Nominee of Krishna Buildspace Pvt. Ltd.
DPIN : 06433083

PLACE : AHMEDABAD

DATED : 8TH SEPTEMBER, 2023

Feroze R. Katila
Designated Partner
Nominee of Netel (India) Ltd.
DPIN : 08702330

PLACE : MUMBAI

DATED : 8TH SEPTEMBER, 2023

M/S. NETEL KRISHNA ECO PROJECTS LLP

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2023

PARTICULARS	2022-2023 RUPEES	PARTICULARS	2022-2023 RUPEES
<u>Opening Stock :</u>		Projects Sales	26,27,37,403
Contract in Progress	31,08,458	Unbilled Revenue	4,82,531
Traded Goods	2,15,821		
Cost of Materials for Projects	13,10,42,390	<u>Closing Stock :</u>	
Construction Contract Costs for Projects	8,87,15,584	Contract in Progress	27,34,061
Labour Cess Paid	9,94,615	Traded Goods	-
Transportation Charges	2,83,118		
Business Execution Management Services	1,21,00,460		
Labour Charges	2,63,220		
Hire Charges	71,220		
Water Supply Charges	26,030		
Service Charges	1,09,000		
Insurance	3,17,897		
Gross Profit Carried Down	2,87,06,182		
	26,59,53,995		26,59,53,995
Salary to Employees	10,10,607	Gross Profit Brought Down	2,87,06,182
Staff Welfare	19,074		
Depreciation (Schedule "D")	1,47,355		
Rent Paid	4,41,000		
Professional Fees Paid	3,36,400		
Electricity Charges	55,830		
Travelling and Conveyance	6,16,100		
Communication Expenses	35,997		
Guest House Expenses	1,05,170		
Messing Expenses	7,56,213		
Repairs and Maintenance	3,84,675		
Brokerage Charges	35,000		
Security Charges	2,32,100		
Ineligible GST Input Tax Credit written off	69,310		
Printing and Stationery	78,924		
Office Expenses	1,29,410		
Interest on Loan	6,80,000		
Interest on delayed payment of Income Tax	2,04,404		
Loading and Unloading Charges	73,000		
Bank Charges	1,422		



Miscellaneous Expenses	64,278		
Net Profit Carried Forward	2,32,29,913		2,87,06,182
	2,87,06,182		
Provision for Tax		Net Profit brought down	2,32,29,913
Current Years' Tax Provision	90,00,000	Deferred Tax Adjustment	2,04,975
Net Profit Transferred to Current Accounts :			
Krishna Buildspace Pvt Ltd (51%)	73,61,793		
Netel (India) Ltd. (49%)	70,73,095		
	2,34,34,888		2,34,34,888

This is the Profit & Loss Account referred to in our Report in Form No. 3CB of even date

FOR JAGTIANI & NAIK
Chartered Accountants
FRN : 103854W

R H SHAH
PARTNER
M. No. 139417

PLACE : MUMBAI

DATED : 8TH SEPTEMBER, 2023

FOR M/S. NETEL KRISHNA ECO PROJECTS LLP

Sandip M. Sorathia
Designated Partner
Nominee of Krishna Buildspace Pvt. Ltd.
DPIN : 06433083

PLACE : AHMEDABAD

DATED : 8TH SEPTEMBER, 2023

Feroze R. Katila
Designated Partner
Nominee of Netel (India) Ltd.
DPIN : 08702330

PLACE : MUMBAI

DATED : 8TH SEPTEMBER, 2023



M/S. NETEL KRISHNA ECO PROJECTS LLP
PARTNERS' CAPITAL ACCOUNT
SCHEDULE "A"

PARTICULARS	AS AT 31ST MARCH, 2023 RUPEES	AS AT 31ST MARCH, 2023 RUPEES
1 Krishna Buildspace Pvt Ltd. Opening Balance		51,000
Add : Introduced during the year		-
Closing Balance		51,000
2 Netel (India) Ltd. Opening Balance		49,000
Add : Introduced during the year		-
Closing Balance		49,000
TOTAL CAPITAL ACCOUNT BALANCE		1,00,000

M/S. NETEL KRISHNA ECO PROJECTS LLP
PARTNERS' CURRENT ACCOUNT
SCHEDULE "B"

PARTICULARS	AS AT 31ST MARCH, 2023 RUPEES	AS AT 31ST MARCH, 2023 RUPEES
1 Krishna Buildspace Pvt Ltd. Opening Balance		55,29,996
i) Add : Amount introduced during the period	85,00,000	
ii) Add : Interest thereon	3,40,000	
iii) Add: Net profit as per Profit and Loss Statement	73,61,793	
iv) Less : Amount withdrawn during the period	(55,29,996)	1,06,71,797
		1,62,01,793
2 Netel (India) Ltd. Opening Balance		53,13,132
i) Add : Amount introduced during the period	85,00,000	
ii) Add : Interest thereon	3,40,000	
iii) Add: Net profit as per Profit and Loss Statement	70,73,095	
iv) Less : Amount withdrawn during the period	(53,13,132)	1,05,99,963
		1,59,13,095
TOTAL CURRENT ACCOUNT BALANCE		3,21,14,888



M/S. NETEL KRISHNA ECO PROJECTS LLP
CURRENT LIABILITIES AND PROVISIONS
SCHEDULE "C"

PARTICULARS		AS AT 31ST MARCH, 2023 RUPEES
1	Trade Payables	11,85,28,751
2	Statutory Liabilities	27,68,699
3	Salary Payable	49,443
4	Other Payables	2,08,582
5	Provision for Tax (Net of Tax Deducted at Source)	62,64,290
		12,78,19,765

M/S. NETEL KRISHNA ECO PROJECTS LLP
CURRENT ASSETS AND LOANS AND ADVANCES
SCHEDULE "E"

PARTICULARS		AS AT 31ST MARCH, 2023 RUPEES
1	Closing Stock : Contract in Progress	27,34,061
2	Sundry Debtors	13,95,84,716
3	Balance with Bank in Current Account	86,67,635
4	Unbilled Revenue	4,82,531
5	Balances with Statutory / Government Authorities	33,69,899
6	Prepaid Expenses	43,581
7	Deposit with Public Bodies and Others	44,68,000
8	Advance recoverable in Cash or in Kind	2,20,327
9	Goods and Services Tax Input Tax Credit Receivable	5,07,225
		16,00,77,976



M/S. NETEL KRISHNA ECO PROJECTS LLP

SCHEDULE - D

STATEMENT SHOWING FIXED ASSETS AS AT 31.03.2023

Description of Assets	Rate of Dep	W.D.V. As On 01.04.22	Additions Before 04.10.2022	Additions After 03.10.2022	Total Cost	Depreciation	W.D.V. As On 31.03.23
Furniture and Fixtures	10%	7,67,384	-	19,000	7,86,384	77,687.96	7,08,696
Laptop	40%	-	-	59,320	59,320	11,864.00	47,456
Vehicles	15%	2,79,239	-	-	2,79,239	41,886.00	2,37,353
Office Equipments	15%	85,413	20,799	-	1,06,212	15,916.91	90,295
TOTAL		11,32,036	20,799	78,320	12,31,155	1,47,355	10,83,800

