KAUSTUBH DEVELOPERS & BUILDERS PRIVATE LIMITED

DIRECTOR'S REPORT

To,
The Members,
Yours Directors are presenting the 28th Annual Report together with Audited Statement of Accounts of the Company for the period ending 31-03-2023.

Financial results

(Rs. in thousands)

Particulars	2022-23	2021-22
Sale and Other Income	4147.87	1107.57
Profit/(Loss) before Finance Cost, Depreciation & tax	2303.32	544.08
Finance Cost	153.99	47.98
Depreciation	337.58	302.86
Provision for taxation	894.70	77.55
Deferred Tax (Liability)/Asset	(9.27)	24.03
Earlier Year Tax paid	-	-
Net profit /(loss) after tax	907.78	159.13

State of Company's Affairs and Future Outlook
The company has started civil construction activity during the year.

Our total receipts amounted to Rs. 4147.87 thousand as against Rs. 1107.57 thousand in the previous year.

Our net profit before tax amounted to Rs. 1811.75 thousand as against Rs.212.65 thousand in the previous year.

Change in Nature of Business, if any
The Board informs to the members that there has been no change in the nature of business of the Company during the financial year.

Changes in Share Capital, if Any
During the Financial Year 2022-23, no new shares has been issued or allotted out of the authorized capital of the Company, hence no change in the share capital of the Company.

Web Link
The Company does not have any website.

Number of Board Meetings
During the Financial Year 2022-23, the Board of Directors of the company duly meet Five (5) times i.e. on 19/04/2022, 29/07/2022, 26/09/2022 18/12/2022 and 16/03/2023. The intervening gap between the two meetings was within the period as prescribed under the Companies Act, 2013.
Further, the status of attendance of Board Meeting by each of Director is as follow:

S. No.	Name of Director	No. of Board Meeting Held	No. of Board Meeting Attended
1	Mr. Rajiv Agarwal	5	5
2.	Mr. Shankar Lal Agarwal	5	5
3.	Mrs. Rani Agrawal	5	5

Particulars of Contracts or Arrangements with Related Parties

Your Directors draw attention of the members that Company has not entered into with any contracts/arrangements/transactions during the financial year with any related parties referred to in section 188 (1) of the Companies Act,2013

Material Changes Affecting the Financial Position of the Company

The Board declares that there has been no material change and no event has occurred during the balance sheet date and the date of signing this report which could affect the financial position or the solvency of the company.

Risk Management Policy

The Board affirms and discloses to the members that it has put in place proper risk management framework across the company, which is overseen and monitored by the Board on regular basis. The Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

The key Risk management practices include those related to identifying key risks to our business objectives, impact assessment, risk analysis, risk evaluation, risk reporting and disclosures, risk mitigation and monitoring, and integration with strategy and business planning.

On the basis of above exercise, The Board confirms that there are no risk factors identified in the near-term, medium-term and long-term, which threaten the existence of the Company.

Details of Directors and Key Managerial Personnel

As per the provisions of section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 Company is not required to appoint Key Managerial Personnel.

There has been no change in constitution of board of directors during the year.

Further, none of the Director is disqualified under section 164 of the Companies Act, 2013.

Details of significant & material orders passed by the regulators or courts or tribunal

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

Auditors & Auditor's Report

M/s. LODHA PATEL WADHWA & CO, Chartered Accountants, Patna, with registration number 006271C be and are hereby Re-appointed as the Statutory Auditors of the Company at a remuneration as may be mutually agreed between the Board of Directors and **M/s. LODHA PATEL WADHWA & CO**, plus applicable taxes, out-of-pocket expenses, in connection with the work of audit to be carried out by them, to hold office of Statutory Auditor till the conclusion of the 11th Annual General Meeting of the Company to be held in the year 2024".

The notes on Financial Statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, The Board of directors confirms that:

a) in the preparation of the annual accounts for the financial year ended 31st March, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and Profit & Loss of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Proper frameworks exist to ensure that all transactions are recorded to facilitate timely and effective preparation of financial statements in accordance with generally accepted accounting principles.

Acknowledgment

The Directors express their sincere appreciation to the valued shareholders, bankers and clients for their support. We place on record our appreciation of the contribution made by our employees at all levels.

For and on behalf of the Board

For Kaustubh Developers & Builders Pvt. Ltd.

Rajiv Agarwal

Director

(CHAIRMAN)

Place: Patna
Dated:04/09/2023

LODHA PATEL WADHWA & CO.
CHARTERED ACCOUNTANTS

211A, ASHIANA PLAZA, BUDH MARG, PATNA-800 001
Ph/Fax : 0612-2223053, 0612-2239773
Email : lodhapwc@gmail.com

INDEPENDENT AUDITOR'S REPORT

To,
The Members'
KAUSTUBH DEVELOPERS & BUILDERS PRIVATE LIMITED
Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **KAUSTUBH DEVELOPERS & BUILDERS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit & Loss for the year then ended, and 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") 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 Company as at March 31, 2023, and its Profit for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Company Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company 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 standalone financial statements under the provisions of the Company Act, 2013 and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

LODHA PATEL WADHWA * CHARTERED ACCOUNTANTS * F.R.N. 006271C PATNA

Management's Responsibility for the standalone Financial Statements

The company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 are 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.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statement

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

LODHA PATEL WADHWA & Co. F.R.N. 006271C PATNA CHARTERED ACCOUNTANTS

• 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 Company'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 Company 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.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

We draw attention to the following matters in the Notes to the financial Statements:

Balance of Sundry receivables and loan & advances are subject to formal confirmation. All sundry debtors are unsecured but considered good by the management to the extent of their book value.

Our opinion is not modified in respect to these matters.

Report on Other Legal and Regulatory Requirements

1. Since the company does not have paid up share capital rupees Four crores and total turnover exceeding rupees Forty crores therefore it falls under definition of **Small Company** under section 2(85) of the Companies Act, 2013 hence the information as required by the Companies (Auditor's Report) Order, 2020' ("the order'), issued by the Central government of India in terms of sub-section (11) of section 143 of the Act in respect of matters specified in paragraph 3 and 4 of the said order is not applicable.

2. As required by section 143 (3) of the Act, 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 it appears from our examination of those books.

   c. The Balance Sheet and Statement of Profit & Loss dealt with by this Report are in agreement with the books of account.

   d. In our opinion financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.

LODHA PATEL WADHWA & Co. F.R.N. 006271C PATNA CHARTERED ACCOUNTANTS

e. On the basis of written representation received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act, and

f. Since the Company is the private company having turnover less than rupees fifty crores as per latest audited financial statement and having borrowings less than rupees twenty five crores from banks or financial institutions or anybody corporate at any point of time during the financial year, the company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls vide Notification No. G.S.R 583(E) dated 13th June, 2017;

g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, in our opinion and to the best of our information and according to the explanations given to us

(i) The Company does not have any pending litigations which would impact its financial position;

(ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;

(iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

(iv) a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under



sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

(v) No dividend have been declared or paid during the year by the company.

(vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the companies with effect from 01-04-2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules,2014 is not applicable for the financial year ended 31-03-2023.

For **LODHA PATEL WADHWA & CO.**
Chartered Accountants
(FRN 006271C)

LODHA PATEL WADHWA & Co. * CHARTERED ACCOUNTANTS * F.R.N. 006271C PATNA

(SANJAY GOENKA)
Partner
M. No. 074350
UDIN:- 23074350BGTUKK5295

Place: Patna
Dated: 04/09/2023.

KAUSTUBH DEVELOPERS & BUILDERS PRIVATE LIMITED
SUPRABHAT BUILDING, CEAT COMPOUND, EXHIBITION ROAD, PATNA-800001
CIN U00359BR1995PTC006276

NOTES FORMING PART OF ACCOUNTS

NOTE `2'

Note 2" A" SHARE CAPITAL

Particulars	As at 31.03.2023	As at 31.03.2022
	₹ in Thousands	₹ in Thousands
Authorised		
5,00,00 (P.Yr 5,00,00)Equity Shares of Rs. 100 each	5,000.00	5,000.00
Issued, Subscribed & Paid up		
46010 (P.Yr 46010)Equity Shares of Rs. 100 each	4,601.00	4,601.00
TOTAL	**4,601.00**	**4,601.00**

Note 2 "B" RECONCILIATION OF SHARE

Particulars	As at 31.03.2023	As at 31.03.2022
	₹ in Thousands	₹ in Thousands
Shares outstanding at the beginning of the year (46010 shares)	4,601.00	4,601.00
Shares Issued during the year	0.00	0.00
Shares bought back during the year	0.00	0.00
Shares outstanding at the end of the year(46010 shares)	4,601.00	4,601.00

The company has issued only one class of shares referred to as equity shares having nominal value of Rs. 100/-. The holders of equity shares are entitled to one vote per share

Note 2 "C" LIST OF SHARE HOLDERS HOLDING MORE THAN 5% SHARES IS SET OUT BELOW :

Name of Shareholder	As at 31.03.2023		As at 31.03.2022	
	No of Shares	No. of Shares &% of Holding	No of Shares	No. of Shares &% of Holding
SANKAR LAL AGARWAL	7000.00	15.21%	7,000.00	15.21%
RAHUL AGARWAL	38000.00	82.59%	38,000.00	82.59%

Note 2 "D" LIST OF SHAREHOLDING OF PROMOTERS OF THE COMPANY IS SET OUT BELOW :

Name of Promoter	As at 31.03.2023		As at 31.03.2022		% Change
	No. of Shares	% of Holding	No. of Shares	% of Holding	During the
SANKAR LAL AGARWAL	7000.00	**15.21%**	7,000.00	**15.21%**	0.00
RAHUL AGARWAL	38000.00	**82.59%**	38,000.00	**82.59%**	0.00



KAUSTUBH DEVELOPERS & BUILDERS PRIVATE LIMITED

SUPRABHAT BUILDING, CEAT COMPOUND, EXHIBITION ROAD, PATNA-800001

CIN U00359BR1995PTC006276

NOTES ON ACCOUNTS

NOTE – '1'

NOTES TO ACCOUNTS - Notes Annexed to & forming part of the Balance Sheet and Statement of Profit & Loss for the year ended on 31st March, 2023.

1. SIGNIFICANT ACCOUNTING POLICIES

I. Basis of Preparation:

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules,2014 and the relevant provisions of Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

II. Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

III. Property, Plant and Equipment(Tangible Asset):

Property, Plant and Equipment are stated at cost. The cost of Property, Plant and Equipment includes acuisition and installation expenses incidental to acuisition like freight, erection, installation, vat and commissioning etc. are capitalized to the original cost of Fixed Assets.

IV. Depreciation:

Depreciation on Tangible Fixed Assets is provided on **Written DownValue (WDV)** basis using the rates arrived at based on the useful lives of the respective assets prescribed in Schedule II to the Companies Act, 2013, after retaining the residual value. Depreciation on amounts of additions to fixed assets during the year or on its disposal/ demolition/ destruction of fixed assets during the year is provided on pro-rata basis as per Schedule II.

No Depreciation has been charged on those fixed assets whose WDV comes to 5% of value of the fixed assets.

V. Provisions & Contingencies

- Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a results 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.

LODHA PATEL WADHWA & Co. CHARTERED ACCOUNTANTS F.R.N. 006271C PATNA

VI. Taxation:

Tax expense (tax savings) is the aggregate of current year tax and deferred tax charged (or credited) to the Profit & Loss Account of the year.

Current tax is determined as the amount of tax payable in respect of taxable income for the period. The expenses charged to Profit & Loss account is considering deferred tax impact for the timing difference between accounting income and taxable income. The differences that result between the profit offered for income taxes and the profit as per the financial statements are identified and thereafter a deferred tax asset or liability is recorded for timing difference, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations.

VII-Revenue Recognition

Revenue from real estate projects – The Firm derives revenue from sale of constructed properties is recognised at a 'Point of Time', when the firm satisfies the performance obligations, which generally coincides with completion/ possession of the unit.

In case of joint development projects, wherein land owner provides land and the Firm acts as a developer and in lieu of land, the Firm has agreed to transfer certain percentage of constructed area, revenue is recognised in respect of Firm's share of constructed area to the extent of Firm's percentage share of the underlying real estate development project.

Interest income has been recognised on accural basis.

VIII-Inventories

Inventory comprises completed property for sale and property under construction (work-in-progress).

Land cost, construction cost, direct expenditure relating to construction activity during construction period is inventorised to the extent the expenditure is directly attributable to bring the asset to its working condition for its intended use. Costs incurred/items purchased specifically for projects are taken as consumed as and when incurred/ received

Completed unsold inventory is valued at lower of cost and net relisable value.

Work in progress is valued at lower of cost and net relisable value. Work-in-progress represents costs incurred in respect of unsold area of the real estate projects or costs incurred on projects where the revenue is yet to be recognised.

IX. Investment

Investment in unquoted Shares of group company has been valued at cost price.

LODHA PATEL WADHWA & Co. F.R.N. 006271C PATNA CHARTERED ACCOUNTANTS