Independent Auditor's Report
To the Members of Citywood Builders Private Limited
Report on the Audit of the Standalone Financial Statements

1) **Opinion:**

We have audited the accompanying standalone financial statements of **Citywood Builders Private Limited** ('the Company'), which comprise the balance sheet as at 31st March 2020, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statement").

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 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 31st March, 2020 and its financial performance including other comprehensive income and the statement of changes in equity for the year ended on that date.

2) **Basis of Opinion:**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) **Emphasis of Matter:**

1. Attention is invited to Note No. 3.1(A) of the financial statements with regarding recognition of expense for ongoing projects which is based upon estimated project costs, as per the judgement of the management, which have been relied upon by us, these being technical matters.
2. Attention is invited to Note No. 31 of the financial statements with regard to reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities given by the Company.
3. Attention is invited to Note No. 32 of the financial statements with regards to balances that are subject to confirmations, reconciliation and adjustments if any.
4. Attention is invited to Notes the Company has not charged interest on loans and advances given to various entities in which the Company has a business interest.

Our opinion is not qualified in respect of the matters.

SANKET R SHAH & ASSOCIATES M. No 152309 Chartered Accountants

Office : 25, B Wing, 2nd Floor, New Happy Home, Tilak Road, Opp. Hotel Gurukrupa, Ghatkopar (East), Mumbai - 400077.
Mob. : +91 9022469464 • Email : srshahandasso@gmail.com / casanketrshah@gmail.com

4) **Other Information**

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 standalone 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.

5) **Responsibility of Management's for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015 as amended, and other 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 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 were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 also responsible for overseeing the company's financial reporting process.

6) **Auditor's Responsibility for the Audit of the Ind AS Financial Statements**:

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

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

- Identify and assess the risks of material misstatement of the Ind AS 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.
- 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

SANKET R SHAH & ASSOCIATES
M. No
152369

7) Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.

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 purposes 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, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
   d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
   e) on the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
   f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**; and
   g) with respect to the other matters to be included in the Auditor's 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 has no pending litigations on its financial position in its standalone financial statements.
      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, and
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Sanket R Shah & Associates
Chartered Accountants
FRN: 135703W

SANKET R. SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

Sanket Shah
Proprietor
M. No.: 152369

Place: Mumbai
Date: 14th October, 2020

UDIN: 20152369AAAAGL3903

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Citywood Builders Private Limited of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020, we report that:

(i) a. The Company has maintained a register of fixed assets, giving description and location of its assets; and

b. As explained to us, the Company has physically verified its fixed assets during the year;

(ii) a. The inventory has been physically verified by the management during the year. In our opinion, the frequency of the verification is reasonable.

b. In our opinion, the procedures of physical verification of Inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business;

c. On the basis of our examination of the records of the company, we are of the opinion that, the company is not maintaining proper project-wise records. The value of inventory has shown of both projects. The discrepancies noticed on physical verification of inventory as compared to its book records were not maintained.

(iii) The Company has granted unsecured loan to one company covered under the register maintained under Section 189 of the Act;

a. The terms and condition of the loan are prima facie not prejudicial to the interest of the Company, and
b. the schedule of repayment of principal on demand and the loan is interest free loan;
c. As per the terms and conditions of the arrangement, the amount of the loan is not overdue;

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion the Company is generally regular in depositing statutory dues, including income-tax and other material statutory dues, wherever applicable, with the appropriate authorities.

The extent of no arrears of statutory dues outstanding at the balance sheet date, for a period exceeding six months from the date they become payable.

b. On the basis of our examination of documents and records of the Company, and explanation provided to us, there were disputed dues in respect of Income Tax as at the Balance Sheet date which have not been deposited on account of a dispute are as follows:

SAKET R. SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

Name of Statue	Section	Amount not deposited on account of demand (In INR)*	Financial Year	Details of Pending Proceedings
Income Tax Act, 1961	143(3)	1,53,13,250/-	2009-10	The proceedings before High Court (Preferred by Department).

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

For Sanket R Shah & Associates
Chartered Accountants
FRN: 135703W

SANKET R SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

Sanket Shah
Proprietor
M. No.: 152369

Place: Mumbai
Date: 14th October, 2020

UDIN: 20152369AAAAGL3903

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Citywood Builders Private Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1) **Opinion:**

We have audited the internal financial controls over financial reporting of Citywood Builders Private Limited ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the" Guidance Note").

2) **Management's Responsibility for Internal Financial Controls**:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

3) **Auditor's Responsibility**:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal

M. No. 152360

financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

4) Meaning of Internal Financial Controls over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

5) Inherent Limitations of Internal Financial Controls Over Financial Reporting:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Sanket R Shah & Associates
Chartered Accountants
FRN: 135703W

Sanket Shah
Proprietor
M. No.: 152369

Place: Mumbai
Date: 14th October, 2020

UDIN: 20152369AAAAGL3903

CITYWOOD BUILDERS PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	4	49,751	124,167
(b) Current tax assets (Net)	5	6,850,651	5,047,244
(c) Other non-current assets	6	26,990,194	26,990,194
Total Non-Current assets		**33,890,597**	**32,161,605**
Current assets			
(a) Inventories	7	1,014,456,943	998,226,698
(b) Financial assets			
(i) Trade receivables	8	121,342,204	143,378,584
(ii) Cash and cash equivalents	9	161,346,982	106,359,040
(iii) Bank balances other than (iii) above	10	898,742	846,469
(iv) Other financial assets	11	18,259,661	16,912,473
(c) Other current assets	6	86,906,853	94,401,143
Total Current Assets		**1,403,211,385**	**1,360,124,407**
Total assets		**1,437,101,982**	**1,392,286,012**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	100,000	100,000
(b) Other equity	13	(239,507,147)	(216,594,164)
Total Equity		**(239,407,147)**	**(216,494,164)**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	137,393,081	150,428,966
(ii) Other Financial Liabilities	15	12,819,627	12,004,233
Total Non-Current Liabilities		**150,212,708**	**162,433,199**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	6,993,319	6,993,319
(ii) Trade payables	17	193,554,891	187,723,391
(iii) Other financial liabilities	15	1,052,230,099	1,046,892,308
(b) Other current liabilities	18	273,518,112	204,737,959
Total Current Liabilities		**1,526,296,421**	**1,446,346,977**
Total Liabilities		**1,676,509,129**	**1,608,780,176**
Total Equity and Liabilities		**1,437,101,982**	**1,392,286,012**

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

FOR AND ON BEHALF OF THE BOARD

FOR SANKET R. SHAH & ASSOCIATES
Chartered Accountants
Firm Registration No. 135703W

SANKET R SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

SANKET SHAH
PROPRIETOR
Membership No. 152369

JASMIN RATHOD
DIRECTOR
DIN: 03147669

CITYWOOD BUILDERS PVT. LTD.

PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

Place: Mumbai
Date: 14th October, 2020

CITYWOOD BUILDERS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2020

Particulars	Note No.	Year ended 31st March, 2020	Year ended 31st March, 2019
INCOME			
Revenue from Operations	19	36,620,104	289,914,388
Other Income	20	1,409,261	6,345,248
Total Income		**38,029,365**	**296,259,636**
EXPENSES			
Costs Of Construction / Development	21	17,622,715	132,127,880
Purchase of Stock-in-Trade		3,530,760	4,646,744
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	22	(16,663,576)	260,460,788
Employee Benefits Expense	23	16,750,568	11,226,249
Finance Costs	24	-	312,822
Depreciation and Amortisation Expenses	25	74,415	108,670
Other Expenses	26	39,627,466	22,747,898
Total Expenses		**60,942,348**	**431,631,051**
Profit / (Loss) before exceptional items and tax		**(22,912,983)**	**(135,371,414)**
Exceptional Items		-	-
Profit / (Loss) before tax		**(22,912,983)**	**(135,371,414)**
Tax Expense			
Current Tax		-	-
Deferred tax		-	-
Profit / (Loss) After Tax		**(22,912,983)**	**(135,371,414)**
Other Comprehensive Income		-	-
Total Comprehensive Income		**(22,912,983)**	**(135,371,414)**
Earning per equity share of nominal value of ` 10/- each	27		
Basic and Diluted		(2,291)	(13,537)

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

FOR SANKET R. SHAH & ASSOCIATES
Chartered Accountants
Firm Registration No. 135703W

SANKET SHAH
PROPRIETOR
Membership No. 152369

SANKET R SHAH & ASSOCIATES Chartered Accountants M. No. 152369

FOR AND ON BEHALF OF THE BOARD

JASMIN RATHOD
DIRECTOR
DIN: 03147669

CITYWOOD BUILDERS PVT. LTD.

PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

Place: Mumbai
Date: 14th October, 2020

CITYWOOD BUILDERS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
I. CASH FLOWS ARISING FROM OPERATING ACTIVITIES		
Net profit/(loss) before taxation as per Statement of Profit and Loss	(22,912,983)	(135,371,414)
Add / (Less) :		
On account of adoption of Ind AS 115	-	62,583,066
Finance costs	-	312,822
Depreciation and amortisation	74,415	108,670
	(22,838,568)	(72,366,856)
Operating profit before working capital changes		
Add / (Less) :		
(Increase)/Decrease in inventories	(16,230,244)	70,292,348
(Increase)/Decrease in Trade Receivables and Other Receivables (Including Current Investment)	28,131,207	(25,933,080)
Increase /(Decrease)in trade and other payables	79,949,445	279,156,954
Increase/(Decrease) in Other Financial Liabilities (Current)	815,394	5,404,269
Direct taxes paid	(1,803,407)	(2,538,783)
	90,862,394	326,381,708
Net cash flow from operating activities	68,023,826	254,014,852
II. CASH FLOWS ARISING FROM INVESTING ACTIVITIES		
Inflow / (Outflow) on account of :		
(Increase)/Decrease in Loans and advances	-	2,538,783
Net cash flow from investing activities	-	2,538,783
III. CASH FLOWS ARISING FROM FINANCING ACTIVITIES		
Inflow / (Outflow) on account of :		
Proceeds from Long Term Borrowing	(13,035,885)	(161,979,172)
Finance costs paid	-	(312,822)
Net cash flow from financing activities	(13,035,885)	(162,291,994)
Net increase in cash and cash equivalents (I + II + III)	54,987,942	94,261,640
Add: Balance at the beginning of the year	106,359,040	12,097,401
Cash and cash equivalents at the end of the year	161,346,982	106,359,040
Components of cash and cash equivalents (Refer Note 9)		
Cash on hand	670,269	653,425
Balances with banks		
- in Current accounts	152,188,413	102,895,909
- in Deposits with maturity of less than six months	8,488,300	2,809,706
	161,346,982	106,359,040

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

FOR SANKET R. SHAH & ASSOCIATES
Chartered Accountants
Firm Registration No. 135703W

SANKET R. SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

SANKET SHAH
PROPRIETOR
Membership No. 152369

Place: Mumbai
Date: 14th October, 2020

FOR AND ON BEHALF OF THE BOARD

JASMIN RATHOD
DIRECTOR
DIN: 03147669

CITYWOOD BUILDERS PVT. LTD.

PRABHU SHINDE
DIRECTOR
DIN: 03140671

CITYWOOD BUILDERS PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

in `

Particulars	Equity Share Capital	Retained Earnings	Total
Balance at 1st March, 2017	100,000	(138,652,597)	**(138,552,597)**
Total Comprehensive Income for the year	-	(5,153,219)	**(5,153,219)**
Balance at 31st March, 2018	100,000	(143,805,816)	**(143,705,816)**
Balance at 1st April, 2018	100,000	(143,805,816)	**(143,705,816)**
Total Comprehensive Income for the year	-	(135,371,414)	**(135,371,414)**
Balance at 31st March, 2019	100,000	(216,594,164)	**(216,494,164)**
Balance at 1st April, 2019	100,000	(216,594,164)	**(216,494,164)**
Total Comprehensive Income for the year	-	(22,912,983)	**(22,912,983)**
Balance at 31st March, 2020	100,000	(239,507,147)	**(239,407,147)**

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

FOR SANKET R. SHAH & ASSOCIATES
Chartered Accountants
Firm Registration No. 135703W

SANKET SHAH
PROPRIETOR
Membership No. 152369

SANKET R SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

Place: Mumbai
Date: 14th October, 2020

FOR AND ON BEHALF OF THE BOARD

JASMIN RATHOD
DIRECTOR
DIN: 03147669

CITYWOOD BUILDERS PVT. LTD.

PRATHIK SHINDE
DIRECTOR
DIN: 03140671

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

Citywood Builders Private Limited is a private limited Company domiciled in India, incorporated under The Companies Act, 1956. The Company is engaged in real estate business of construction and development of residential and commercial projects and other real estate project etc.

The financial statements are approved for issue by the Company's Board of Directors on 12th October, 2020.

2. STANDARDS, NOT YET EFFECTIVE AND HAVE NOT BEEN ADOPTED EARLY BY THE COMPANY

Information on new standards, amendments and interpretations that are expected to be relevant to the financial statements is provided below.

Ind AS 115 'Revenue from Contracts with Customers' (Ind AS 115)

There is one new standard issued by MCA (not yet effective) for revenue recognition which overhauls the existing revenue recognition standards including Ind AS 18 - Revenue and Ind AS 11 - Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

i) Identification of the contracts with the customer
ii) Identification of the performance obligations in the contract
iii) Determination of the transaction price
iv) Allocation of transaction price to the performance obligations in the contract (as identified in step ii)
v) Recognition of revenue when performance obligation is satisfied.

The effective date of the new standard has not yet been notified by the MCA. The management is yet to assess the impact of this new standard on the Company's financial statements.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with Indian Accounting Standards (IndAS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the IndAS standards and the adoption was carried out in accordance with IndAS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in note 40.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy thereto in use.

a) Historical Cost Convention

The financial statements have been prepared on historical cost basis, except for the following:

i. certain financial assets and liabilities that have been measured at fair value
ii. assets held for sale - measured at lower of carrying amount or fair value less cost to sell.
iii. defined benefit plans - plan assets measured at fair value.

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b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non current classification. An asset is classified as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c) Foreign currency translation

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.

3.1 REVENUE RECOGNITION

Revenue Recognition Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services.

A. Revenue from sale of properties/ development rights

Revenue from the sale of properties / flats / commercial premises / units in a project are recognised when the company satisfies performance obligations at a point in time i.e when control is transferred to the customer which is usually on giving soft possession for fit outs or actual possession to the customer.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, rebates, price concessions, returns and financing component if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government.

Amount received as Advance from customers on Invoicing / raising demand letters are classified as Contract Liabilities. The company's right to consideration in exchange for goods or services that the company has transferred to the customer are classified as receivables.

The Company has adopted Ind AS 115 Revenue from contracts with customers, with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers and replaces Ind AS 18 "Revenue" and Guidance Note on "Accounting for Real Estate transactions" for entities to whom Ind AS is applicable. The Company has adopted Ind AS 115 using the modified retrospective approach to contracts that were not completed as at April 01, 2018 and has given impact of Ind AS 115 application by debit to Retained Earnings as at the said date by Rs. 10,37,71,371/- pertaining to recognition of revenue based on satisfaction of performance obligations at a point in time.

Accordingly, the comparative amounts of revenue and corresponding contract assets/ liabilities have not been retrospectively adjusted.

B. Revenue from Trading Materials:

Revenue from sale of trading material is recognised when control of promised goods are transferred to the customer.

C. Revenue from project management services:

Revenue from 'project management services' is recognized only on satisfaction of performance obligation of promised services based on the agreements between the Company and the customer to whom such services are rendered.

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D. Interest

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

E. Others

Revenues / Income and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.

F. Share of profit / loss from partnership firms / association of persons (AOP) is accounted in respect of the financial year of the Firm / AOP, during the reporting period, on the basis of their audited/ management reviewed accounts, which is considered as a part of other operating activity.

3.2 PROPERTY PLANT AND EQUIPMENT AND DEPRECIATION / AMORTISATION

A. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

B. Depreciation is provided on the straight line method on the basis of estimated useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Computer	3
Office Equipments	5
Furniture and Fixture	10

3.3 FINANCIAL INSTRUMENTS

3.3.1 INITIAL RECOGNITION

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for trade receivables which are initially measured at transaction price.Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss,are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

3.3.2 SUBSEQUENT MEASUREMENT

a. Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

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(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

3.3.3 Derecognition Of Financial Instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

3.3.4 Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case thoseare measured at lifetime ECLThe amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability wheneer events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

3.4 TAXATION

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated financial statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

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ii. **Deferred Tax**

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. **Current and deferred tax for the year**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.5 INVENTORIES

i. All inventories are stated at Cost or Net Realizable Value, whichever is lower.

ii. 'Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.

iii. Cost included in inventory include costs incurred upto the completion of the project viz. cost of land / rights, value of FSI, materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.

3.6 EMPLOYEE BENEFITS

Post-Employment Benefits

3.6.1 **Defined contribution plans:** Company's contribution to State governed Provident Fund Scheme is recognised during the year in which the related service is rendered;

3.7 BORROWING COSTS

Borrowings are initially recognised at the net transaction costs incurred and measured at ammortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

Interests and other borrowing costs calculated as per effective interest rate attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

3.8 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

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3.9 FOREIGN CURRENCY TRANSACTIONS

i. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.

ii. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date , are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the statement of profit and loss.

iii. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

3.10 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

* Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

* Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

3.11 USE OF ESTIMATES

The preparation of the financial statements in conformity with IndAS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 3.11.1. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3.11.1 Critical accounting judgements and estimates

a. Revenue recognition

The Company uses the percentage-of-completion method in accounting for its revenue. Costs of the project are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically. Costs expended have been used to measure progress towards completion of work. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b. Property, plant and equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed peiodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

c. Fair value measurements and valuation processes

Some of the company's assets are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The Company works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
4. Property, plant and equipment		
Carrying amounts of:		
Leasehold land	-	-
Commercial Premises	-	-
Mivan System	-	-
Computers and Laptops	-	-
Furniture and Fixtures	49,751	1,24,169
Vehicles		-
Office Equipment	-	-
Total	**49,751**	**1,24,169**

	Computers and Laptops	Furniture and Fixtures	Office Equipment	Total
4. Property, Plant and Equipment				
Cost or deemed cost				
Balance at 1st April, 2018	-	12,99,827	11,59,710	24,59,537
Additions	-	-	-	-
Disposals	-	-	-	-
Transfers	-	-	-	-
Balance at 31st March, 2019	-	**12,99,827**	**11,59,710**	**24,59,537**
Accumulated depreciation and impairment				
Balance at 1st April, 2018	-	10,66,988	11,59,710	22,26,698
Eliminated on disposal of assets	-	-	-	-
Depreciation expense	-	1,08,670	-	1,08,670
Balance at 31st March, 2019	-	**11,75,658**	**11,59,710**	**23,35,368**
Carrying amount as on 31st March 2019	-	**1,24,169**	-	**1,24,167**

	Computers and Laptops	Furniture and Fixtures	Office Equipment	Total
Cost or deemed cost				
Balance at 31st March, 2019	-	12,99,826	11,59,710	24,59,536
Additions	-	-	-	-
Disposals	-	-	-	-
Balance at 31st March, 2020	-	**12,99,826**	**11,59,710**	**24,59,536**
Accumulated depreciation and impairment				
Balance at 31st March, 2019	-	11,75,660	11,59,710	23,35,370
Eliminated on disposal of assets		-	-	-
Depreciation expense	-	74,415	-	74,415
Balance at 31st March, 2020	-	12,50,075	11,59,710	24,09,785
Carrying amount as at 31st March, 2020	-	49,751	-	49,751

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

		As at 31st March, 2020	As at 31st March, 2019
5. Current tax assets (Net)			
Advance Tax paid		6,850,651	5,047,244
Less : Provision for Tax		-	-
Curent Tax Asset / (Liability)		**6,850,651**	**5,047,244**
6. Other assets			
Non-current			
Advances to land owners		26,990,194	26,990,194
	Total	**26,990,194**	**26,990,194**
Current			
Project Advances		54,181,255	24,282,846
Advances to Suppliers, Contractors and Professionals		2,690,321	2,938,210
Balance with statutory authorities		4,749,976	4,365,186
Unbilled revenue		-	-
Other Advances			
- Others.		25,100,000	62,777,035
- Prepaid Expense		185,301	37,866
	Total	**86,906,853**	**94,401,143**
7. Inventories			
Inventories (lower of cost or net realisable value)			
- Stock of material at site		384,163	817,495
- Incomplete projects (Refer footnote)		1,014,072,779	997,409,203
	Total	**1,014,456,943**	**998,226,698**

Footnote: During the financial year incomplete projects including of INR 18,31,43,717/- Work In Progress (WIP) relating to six projects i.e. (1. Kamaraj Nagar CHS Limited., 2. Jai Mata Di CHS Limited., 3. Shiv Kripa / Anand Aman CHS Limited., 4. Ambedkar Nagar CHS Limited, 5. Nirmal Nagar CHS Limited, 6. Om Shivaji SRA CHS.)

8. Trade Receivables			
Current			
Trade Receivables -Others		121,342,205	143,378,584
	Total	**121,342,204**	**143,378,584**
9. Cash and cash equivalents			
Balances with banks:			
- in current accounts		152,188,413	102,895,909
- in escrow accounts		8,488,300	2,809,706
Cash on hand		670,269	653,425
	Total	**161,346,982**	**106,359,040**
10. Other bank balances			
Deposits with maturity of more than three months but less than 12 months(Refer footnote)		898,742	846,469
Deposits with maturity of more than three months		-	
	Total	**898,742**	**846,469**

Footnotes:

1) Balances with bank in margin money and fixed deposits are kept as security for guarantees / other facilities.
2) Balances with Bank in Fixed Deposit are kept as security for gurantees.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

	Period ended 31st March, 2020	Year Ended 31st March, 2019
11. Other financial assets		
Current		
Security deposits	189,500	185,500
Advances recoverable from others	16,405,549	16,191,118
Reimbursement		
Related parties	1,125,000	499,530
Interest accrued on fixed deposits	539,613	36,325
Total	**18,259,661**	**16,912,473**

12. Equity Share Capital

Authorised Share Capital:		
5,00,000 (As at 31st March, 2019: 5,00,000;) Equity Shares of ₹ 10/- each fully paid up	5,000,000	5,000,000
Issued and subscribed capital comprises:		
10,000 (As at 31st March, 2019: 10,000) Equity Shares of ₹ 10/- each fully paid up	100,000	100,000

Footnotes:

(i) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year.	Number of shares	Share Capital
Balance at 1st April, 2018	10,000	100,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2019	10,000	100,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2020	**10,000**	**100,000**

(ii) Details of shares held by each shareholders holding more than 5% shares

	31st March, 2020		31st March, 2019	
	No of shares held	% holding	No of shares held	% holding
Fully paid equity shares				
Hubtown Limited	9,994	99.94%	9,994	99.94%
Maya Vaidya / Hubtown Limited	1	0.01%	1	0.01%
D.V Prabhu / Hubtown Limited	1	0.01%	1	0.01%
Kamal Matalia / Hubtown Limited	1	0.01%	1	0.01%
Nancy Pereira / Hubtown Limited	1	0.01%	1	0.01%
Anil Ahluwalia / Hubtown Limited	1	0.01%	1	0.01%
Chetan Mody / Hubtown Limited	1	0.01%	1	0.01%
Total	**10,000**	**100.00%**	**10,000**	**100.00%**

(iii) Terms / rights attached to Equity Shares :

The company has a single class of equity shares having a face value of ` 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

	Year ended 31st March, 2020 ₹	Year ended 31st March, 2019 ₹
13. Other Equity		
Retained Earnings		
Balance at the beginning of the year	(21,65,94,164)	(14,38,05,816)
On account of adoption of Ind AS 115		6,25,83,066
Profit attributable to the owners of the company	(2,29,12,983)	(13,53,71,414)
Balance at the end of the year	**(23,95,07,147)**	**(21,65,94,164)**

14. Non-current borrowings		
Secured Debentures		
300 (As at 31st March, 2019: 300) 0% Redeemable non-convertible debentures of the face value of ₹ 10,00,000 each	13,73,93,081	15,04,28,966
Total	**13,73,93,081**	**15,04,28,966**

Footnote:

i. The Debentures shall be redeemed at a premimum such that the Debenture Holders earn an IRR of 22% on Subscription Amount.

ii. If Issuer commits a default in payment of Redemption Amount or Amounts Due or in redemption of Debenture (including Target Return thereupon) for two consecutive months, then the Debenture Holder shall have the right to exchange/convert (the "Conversion Option"), as its option, the whole or part of the defaulted amount of the outstanding Debentures into 100% of the equity shares of the Issuer.

iii. The debentures are secured by:
   a) Personal gurantee of the promoters of Hubtown Limited.
   b) Unconditional and irrevocable Corporate Guarantee of Hubtown Limited.
   c) Pledge of unencumbered equity shares valued at ₹ 50 Million of Hubtown Limited.

iv. No Interest charged on debenture during the Financial Year and Previous Year.

15. Other financial liabilities		
Non-current		
Retention money payable		
- From related parties	48,01,415	48,01,415
- From others	80,18,212	72,02,818
Total	**1,28,19,627**	**1,20,04,233**
Current		
- From related parties (Refer Footnote)	48,67,57,214	80,38,93,061
- From others	1,88,475	15,72,42,208
Other payables	56,52,84,410	8,57,57,039
Total	**1,05,22,30,099**	**1,04,68,92,308**

Footnote :

The Company has received interest free Advances from it's Parent Company, considering the nature of business in which the Company operate, the amounts so received are considered to be repayable on call / demand as the repayment period of such amounts so received is not measurcable precisely.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

		As at 31st March, 2020	As at 31st March, 2019
16. Current borrowings			
- From Companies		6,993,319	6,993,319
	Total	**6,993,319**	**6,993,319**

Footnotes:

1) Unsecured loans from Companies no interest rates charged.
2) Borrowing relating to repayable on demand.

17. Trade payables			
Trade Payables (Refer Footnote)			
- Related parties		116,579,519	116,579,744
- Others		76,975,372	71,143,872
	Total	**193,554,891**	**187,723,616**

Footnote:

As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the auditors.

18. Other current liabilities			
Current			
Advance from customers		272,890,621	199,436,394
Statutory dues		627,491	5,301,565
	Total	**273,518,112**	**204,737,959**
19. Revenue from operations			
Sale from operations :			
Revenue from Sale of Properties/rights		32,874,222	284,682,158
Revenue from sale of Trading Materials		3,745,882	5,232,158
Other operating revenue :			
Liabilities written back to the extent no longer required.		-	72
	Total	**36,620,104**	**289,914,388**
20. Other income			
Interest Income:			
Bank fixed deposits		348,292	55,971
Income Tax Refund		807,075	4,750
Others		77,589	2,026,460
Gain on sale of current investments		-	-
Gain on foreign currency fluctuation (Net)		-	(25)
Miscellaneous income		176,305	4,258,092
	Total	**1,409,261**	**6,345,248**
21. Costs Of Construction / Development			
Construction costs incurred during the year:			
Land / rights acquired			-
Material and labour costs		15,603,671	94,663,258
Approval and consultation expenses		857,844	16,122,430
Other direct development expenses		1,161,200	21,342,192
	Total	**17,622,715**	**132,127,880**

SANKET [illegible] & ASSOCIATES Chartered Accountants M. No. 52369

CITYWOOD BUILDERS PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

		Year Ended 31st March, 2020	Year Ended 31st March, 2019
22. Changes In Inventories Of Incomplete Projects, Finished Properties And FSI			
Opening Inventory :			
Incomplete projects		814,265,486	1,064,208,902
		814,265,486	**1,064,208,902**
Add / (Less):			
WIP relating to other 6 Projects			(183,143,717)
On account of adoption of Ind AS 115			193,661,090
		814,265,486	**1,074,726,275**
Closing Inventory :			
Incomplete projects		830,929,062	814,265,486
		830,929,062	814,265,486
	Total	**(16,663,576)**	**260,460,788**
23. Employee Benefits Expense			
Salaries, bonus, etc.		15,822,626	10,950,415
Contribution to provident and other funds		840,395	226,945
Staff welfare expenses		29,765	29,124
Other fund expenses		57,782	19,765
	Total	**16,750,568**	**11,226,249**
24. Finance Costs			
Interest costs:-			
Other interest expense		-	-
Delayed/penal interest on loans and statutory dues		-	312,822
	Total	**-**	**312,822**
25. Depreciation and Amortisation Expenses			
Depreciation of property, plant and equipment		74,415	108,670
Total depreciation and ammortisation expense		**74,415**	**108,670**
26. Other Expenses			
Insurance		166,545	214,801
Rent		4,107,917	-
Advances and other debit balances written off		1,965,578	367,785
Bad Debts		-	544,500
Brokerage		17,602,895	13,827,243
Repairs and society maintenance charges		1,065,006	453,358
Legal and professional fees		5,955,748	1,128,310
Other expenses (Refer Footnote)		8,763,777	6,211,901
	Total	**39,627,466**	**22,747,898**
Footnote:			
Auditors, Remuneration:			
Audit fees		35,000	50,000

SANKET R. SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

CITYWOOD BUILDERS PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

	Year Ended 31st March, 2020	Year Ended 31st March, 2019
27. EARNINGS PER SHARE (EPS)		
Basic Earning Per Share and Diluted	(2,291)	(13,537)
(i) Basic and Diluted EPS		
The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:		
Profit for the year attributable to the owners of the Company	(22,912,983)	(135,371,414)
Earnings used in the calculation of basic earnings per share	**(22,912,983)**	**(135,371,414)**
(ii) Weighted average number of equity shares for the purposes of basic and diluted earnings per share	10,000	10,000

28. Financial Risk Management Objectives

The company is exposed to market risk, credit risk and liquidity risk. The company's management oversees the management of these risks. The company's board of directors review and agrees policies for managing each of these risks summarized below:

1) Market Risk

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to company's long term debt obligations with floating interest rates.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate on account of changes in foreign exchange rates. The company does not have any exposure to the risk of changes in foreign exchange rates from its operating activities or investments in foreign companies.

There is no purchase of materials of imported materials hence foreign currency risk does not arise.

c) Commodity price risk

- The Company is not affected by the price volatility of commodities
- The Company has awarded building construction contracts to its contractors on turnkey basis.

2) Credit Risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The company is not exposed to credit risk from its operating activities or trade receivables since the sale / lease buildings are yet to be constructed and there is no sale or leasing in relation to the same.

Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy. Investments of surplus funds are made only with approved companies and within credit limits assigned to each company. The credit limits of parties to whom loans are granted are reviewed by board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make repayments.

3) Liquidity risk

The company is in stage of construction of buildings. All allowable expenses are inventorised by as per the policy of the company. Liquidy risk is dependent on the market demand for completed flats.

SANKET R SHAH & ASSOCIATES
M. No. 132369
Chartered Accountants

CITYWOOD BUILDERS PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

29. RELATED PARTY TRANSACTIONS

a. LIST OF RELATED PARTIES:

A. Names of related parties and description of relationship

I. Holding Company
Hubtown Limited

II. A Private company in which a Director, is a member of Company
Hubtown Bus Terminal (Mehasana) Private Limited

III. Associate Company of Holding Company
Shubhsiddhi Builders Private Limited

IV. Jointly Control Entity of Holding Company
Shreenath Realtors

Note:(i) Related party relationships are as identified by the Company and relied upon by the Auditors.
(ii) Previous year's figures are given in brackets

b. Transactions with Related Parties:

Sr. No.	Particulars	Holding Company	A Private company in which a Director, is a member of Company	Associate Company of Holding Company	Jointly Control Entity of Holding Company
1	**Loans and advances received /recovered/adjusted**				
	Hubtown Limited	92,876,562 (145,311,232)	- (-)	- (-)	- (-)
2	**Loans and Advances given/ repaid/adjusted**				
	Hubtown Limited	473,208,649 (87,503,098)	- (-)	- (-)	- (-)
3	**On behalf payments made/ adjusted (Including reimbursement**				
	Shreenath Realtors	- (-)	- (-)	- (-)	525 (363,625)
	Shubhsiddhi Builders Private Limited			1,125,000 (-)	- (-)
	Hubtown Bus Terminal (Mehasana) Private Limited	- (-)	499,530 (499,530)	- (-)	- (-)
4	**Trade Payable**				
	Hubtown Limited	- (94,427,825)	- (-)	- (-)	- (-)

Sr. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
1	**Balance outstanding receivables:**		
	Hubtown Bus Terminal (Mehasana) Private Limited	-	499,530
	Shubhsiddhi Builders Private Limited	1,125,000	-
2	**Balance outstanding payables:**		
	Hubtown Limited	491,558,929	871,891,016
	Shreenath Realtors	116,579,219	116,579,744

30. The accumulated losses of the Company have resulted in complete erosion of the net worth of the Company. The Company's management is, however, of the view that the said erosion is temporary in nature as the Company has made strategic investments in certain assets / projects , the proceeds of which would when fructified, would result in turnaround of the Company. The Company to that extent does not consider the erosion of the net worth as an impediment to its status as a going concern.

SANKET R SHAH & ASSOCIATES
M. No. 152360
Chartered Accountants

CITYWOOD BUILDERS PVT. LTD.

	As at 31st March, 2020	As at 31st March, 2019

31. Income Tax Matters for, Tax Contingent Liability

Statute and nature of dues	Section	Financial Year	Disputed Dues	Amount Paid	Balance disputed dues payable	Balance disputed dues payable
Income Tax, High Court (Preferred by Department)	143(3)	2009-10	15,313,250	-	15,313,250	15,313,250
Income Tax, Commissioner of Income tax (Appeals)	271B	2010-11	100,000	-	-	100,000
Total			15,413,250	-	15,313,250	15,413,250

Notes:

There is no contingent liability towards Service Tax, MVAT/Sales Tax as on 31st March, 2020

32. In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans and Advances continues to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

33. Trade payable & other current liability are subject to confirmation, reconciliation and adjustment if any.

34. Capital Management

The primary objective of company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholders value. The company's board of directors reviews the capital structure on an annual basis.

The capital structure of the company consists of net debt (borrowings and offset by cash and bank balances) and total equity of the company. The borrowings consist of debentures issued, term loans from financial institutions and loans from companies.

The gearing ratio at the reporting period was as follows:

	31st March, 2020	31st March, 2019
Unsecured Loan	6,993,319	6,993,319
Interest accured	-	-
Total Debt	6,993,319	6,993,319
Cash and Cash Equivalents	161,346,982	106,359,040
Net Debt (A)	(154,353,663)	(99,365,721)
Equity Share Capital	100,000	100,000
Other Equity	(239,507,147)	(216,594,164)
Total Equity (B)	(239,407,147)	(216,494,164)
Debt Equity Ratio A/B	64%	46%

35. Fair Value measurement of Financial Instruments

	31st March, 2020			31st March 2019		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Investments	-	-		-	-	-
Trade receivables			121,342,204			143,378,584
Cash and cash equivalents	-	-	161,346,982	-	-	106,359,040
Bank balances other than (iii) above			898,742			846,469
Loans			-			-
Other financial assets	-	-	18,259,661	-	-	16,912,473
Total of Financial Assets	-	-	301,847,589	-	-	267,496,565
Financial Liabilities						
Borrowings	-	-	144,386,400	-	-	157,422,285
Trade payables	-	-	193,554,891	-	-	187,723,391
Other Financial liabilities	-	-	1,065,049,726	-	-	1,058,896,541
Total of Financial Liabilities	-	-	1,402,991,017	-	-	1,404,042,216

36. Previous year figures have been regrouped / reclassified wherever required.

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

FOR SANKET R. SHAH & ASSOCIATES
Chartered Accountants
Firm Registration No. 135703W

SANKET SHAH
PROPRIETOR
Membership No. 152369

SANKET R SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

Place: Mumbai
Date: 14th October, 2020

FOR AND ON BEHALF OF THE BOARD

JASMIN RATHOD
DIRECTOR
DIN: 08147669

CITYWOOD BUILDERS PVT. LTD.

PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

NIRAJ D. ADATIA & ASSOCIATES
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Gujarat Akruti - TCG Biotech Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **Gujarat Akruti - TCG Biotech Limited ("*the Company*")** which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 including the Indian Accounting Standards (Ind AS), of the state of affairs (financial position) of the Company as at March 31, 2020, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company 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 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

Attention is invited to Note 28 in the financial statements with regards to status of Biotech Project of the company, management believes that the recoverable amount of Property, Plant and Equipment and capital working in progress is higher than its carrying value as shown in balance sheet which has been relied upon by us for the purpose of our audit of the financial statements. Our Audit Report is not qualified in respect of this matter.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Office: 306, Zee Nayak building, M.G. Road, Opp. Pritam restaurant, Vile Parle East, Mumbai - 400057.
Tel.: 022-26127174, +91 82914 19381 Email: adatia.niraj@gmail.com

Key Audit Matters

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

We have determined that there are no key audit matters to be communicated in our report.

Responsibility of Management and those charged with governance for the 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 financial statements that give a true and fair view of the state of affairs (financial position),profit and loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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.

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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

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

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

NIRAJ D. ADATIA & ASSOCIATES
CHARTERED ACCOUNTANT

- 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

- 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.

Report on Other Legal and Regulatory Requirements

I. As required by section 197(16) of the Act, we report that the Company has not paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V of the Act.

II. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **"Annexure A"** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

NIRAJ D. ADATIA & ASSOCIATES
CHARTERED ACCOUNTANT

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 purposes 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, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

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

(e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**"; and

(g) With respect to the other matters to be included in the Auditor's 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 has disclosed the impact, if any, of pending litigations as on 31st March, 2020 on its financial position in its financial statements.

ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No.: 129486W
Chartered Accountants

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

NIRAJ D. ADATIA
Membership No.: 120844
Place : Mumbai
Date : 04/11/2020
UDIN :20120844AAAAAU9374

ANNEXURE "A" REFERRED TO IN INDEPENDENT AUDIT REPORT OF EVEN DATE TO THE MEMBERS OF GUJARAT AKRUTI – TCG BIOTECH LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020;

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

(i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

b) The Fixed Assets have been physically verified by the Management during the year and no material discrepancies were noticed on such verification;

c) As per the information and explanation given to us, lease deed and transfer formalities with respect to lease hold land included in immovable properties are yet to be executed.

(ii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any inventory during the year. Accordingly, paragraph 3(ii) of the Order is not applicable.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships, or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) The Company has not granted any loans or made any investments, or provided any guarantees or any security to the parties covered under section 185 and 186. Accordingly, paragraph 3(iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) The Central Government of India has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company and accordingly paragraph 3(vi) of the Order is not applicable.

(vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues, including provident fund, income-tax, sales tax, goods and service tax, duty of customs, cess and other material statutory dues, wherever applicable, with the appropriate authorities. The statutory dues of Service Tax amounting to Rs. 1,65,284 and interest thereon of Rs. 1,72,036 and TDS amounting to Rs. 53,988 and interest thereon of Rs. 24,336 were outstanding as at the last day of the financial year for a period exceeding six months from the date they became payable.

RAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Income Tax, as at the

Balance Sheet date which have not been deposited on account of a dispute, are as follows :

Name of the Statute	Nature of dues	Period to which the amount relates (F.Y.)	Amount (Rs.)	Forum where the dispute is pending
Income Tax Act, 1961	143 (3)	2011-12	3,570	Income Tax Appellate Tribunal
Income Tax Act, 1961	143 (3)	2012-13	4,750	Income Tax Appellate Tribunal
Income Tax Act, 1961	271(1)(c)	2012-13	19,61,283	Comissioner of Income Tax (Appeals)
Income Tax Act, 1961	271(1)(c)	2013-14	4,21,052	Comissioner of Income Tax (Appeals)
Income Tax Act, 1961	143 (3)	2013-14	520	Income Tax Appellate Tribunal

(viii) On the basis of records examined by us, the convertible and redeemable debentures of the company were due for conversion and redemption on March 30,2020. As per the information and explanation given to us, the tenure of the said debentures has been extended for two years to March 30, 2022. (Refer footnote to Note 7 and Note 9)

(ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) Based on the audit procedures performed and the information and explanations given by the management, we report that no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) The Company has not paid / provided for managerial remuneration during the year and hence, the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, all transactions with the related parties are in compliances with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable Accounting Standards;

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

(xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.

(xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable.

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No.: 129486W
Chartered Accountants

Adatia

NIRAJ D. ADATIA & ASSOCIATES
CHARTERED ACCOUNTANT

NIRAJ D. ADATIA
Partner
Membership No.: 120844

Place : Mumbai
Date : 04/11/2020

UDIN : 20120844AAAAAU9374

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF GUJARAT AKRUTI – TCG BIOTECH LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of GUJARAT AKRUTI – TCG BIOTECH LIMITED ("the Company") as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risks. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No.: 129486W
Chartered Accountants

NIRAJ D. ADATIA & ASSOCIATES
CHARTERED ACCOUNTANT

NIRAJ D. ADATIA
Partner
Membership No.: 120844

Place: Mumbai
Date : 04/11/2020
UDIN : 20120844AAAAAU9374

GUJARAT AKRUTI - TCG BIOTECH LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Note No.	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	3	177,612,774	177,941,724
(b) Capital work-in-progress	3	146,419,158	122,469,049
(c) Financial assets			
(i) Other financial assets	4	207,600	207,600
Total Non-Current assets		**324,239,532**	**300,618,373**
Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	5	162,455	176,190
(ii) Other financial assets	4	1,609	5,855
Total Current Assets		**164,064**	**182,045**
TOTAL ASSETS		**324,403,596**	**300,800,418**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	6	500,000	500,000
(b) Convertible Instruments classified as Equity	7	161,526,900	161,526,900
(c) Other equity	8	(39,459,540)	(82,985,846)
Total Equity		**122,567,360**	**79,041,054**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	9	166,855,423	142,905,314
(ii) Other financial liabilities	10	-	732,391
(b) Deferred Tax Liabilities (Net)	11	-	41,131,340
Total Non-Current Liabilities		**166,855,423**	**184,769,045**
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	12	25,041,777	27,781,263
(ii) Other financial liabilities	10	2,866,656	2,254,191
(b) Other current liabilities	13	7,072,380	6,954,865
Total Current Liabilities		**34,980,813**	**36,990,319**
Total Liabilities		**201,836,236**	**221,759,364**
TOTAL EQUITY AND LIABILITIES		**324,403,596**	**300,800,418**

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No. 129486W
Chartered Accountants

NIRAJ ADATIA
Partner
Membership No.: 120844

Mumbai
Date: 4th November, 2020

For and on behalf of the Board of Directors

KHILEN SHAH
Director
DIN: 03134932

RUSHANK SHAH
Director
DIN: 02960155

Mumbai
Date: 4th November, 2020

GUJARAT AKRUTI - TCG BIOTECH LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	Note No.	Year ended 31st March, 2020 ₹	Year ended 31st March, 2019 ₹
INCOME			
Revenue from Operations	14	3,295,090	186,760
Other Income	15	3,644	7,233
TOTAL INCOME		**3,298,734**	**193,993**
EXPENSES			
Costs Of Construction / Development	16	-	-
Finance Costs	17	19,238	52,841
Depreciation and Amortisation Expenses	18	328,950	328,050
Other Expenses	19	555,581	626,746
TOTAL EXPENSES		**903,769**	**1,007,637**
Profit/(Loss) before Tax		**2,394,965**	**(813,644)**
Tax Expense			
Deferred tax (charge) / Credit		41,131,341	(7,776,074)
Profit/(Loss) for the Year		**43,526,306**	**(8,589,718)**
Other Comprehensive Income		-	-
Total Comprehensive Income		**43,526,306**	**(8,589,718)**
Earning per equity share of nominal value of ₹ 10/- each			
Basic	20	870.53	(171.79)
Diluted	20	2.69	(171.79)

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR NIRAJ D. ADATIA & ASSOCIATES
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Mumbai
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Mumbai
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GUJARAT AKRUTI - TCG BIOTECH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	Particulars	31st March, 2020 ₹	31st March, 2019 ₹
I	**CASH FLOWS ARISING FROM OPERATING ACTIVITIES**		
	Net profit/(loss) before taxation as per Statement of Profit and Loss	**2,394,965**	**(813,644)**
	Add/(Less) :		
	Depreciation	328,950	328,050
	Finance Costs	19,238	52,841
	Sundry credit balances appropriated	(3,295,090)	-
	Interest Income	(2,345)	(1,601)
		(2,949,247)	379,290
	Operating profit before working capital changes	**(554,282)**	**(434,354)**
	Add / (Less) :		
	Increase/(Decrease) in trade and other payables	553,193	386,666
	(Increase)/Decrease in other financial assets	-	22,188
		553,193	408,854
	Net cash flow from operating activities	**(1,089)**	**(25,500)**
II	**CASH FLOWS ARISING FROM INVESTING ACTIVITIES**		
	Inflow/(Outflow) on account of :		
	Interest received on fixed deposit	6,592	-
	(Purchase)/Sale of fixed assets, including capital work-in-progress (net)	-	-
	Net cash flow from investing activities	**6,592**	-
III	**CASH FLOWS ARISING FROM FINANCING ACTIVITIES**		
	Inflow/(Outflow) on account of:		
	Finance Costs Paid	(19,238)	(52,841)
	Increase/(Decrease) in long and short term borrowings		
	Net cash flow from financing activities	**(19,238)**	**(52,841)**
	Net increase in cash and cash equivalents (I + II + III)	**(13,735)**	**(78,341)**
	Add: Balance at the beginning of the year	**176,190**	**254,531**
	Cash and cash equivalents at the end of the year	**162,455**	**176,190**
	Components of cash and cash equivalents (Refer note 5)		
	Cash on hand	104	100,829
	Balances with banks		
	- On Current accounts	133,573	53,173
	- Deposit with maturity of less than three months	28,778	22,188
		162,455	**176,190**

Footnote :
The Cash Flow Statement has been prepared under indirect method as set out in Indian Accounting Standard (Ind AS- 7) statement of cash flows.

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No. 129486W
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NIRAJ ADATIA
Partner
Membership No.: 120844

Mumbai
Date: 4th November, 2020

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KHILEN SHAH
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Mumbai
Date: 4th November, 2020

GUJARAT AKRUTI - TCG BIOTECH LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

(in ₹)

A. EQUITY SHARE CAPITAL

As at 1st April, 2018	**500,000**
Changes in equity share capital	-
As at 31st March, 2019	**500,000**
Changes in equity share capital	-
As at 31st March, 2020	**500,000**

8. OTHER EQUITY AND CONVERTIBLE INSTRUMENTS

(in ₹)

Particulars	Convertible Instruments classified as Equity (Refer note 7)	Retained Earnings	Total
As at 1st April, 2018	**161,526,900**	**(74,396,128)**	**87,130,772**
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(8,589,718)	**(8,589,718)**
As at 1st April, 2019	**161,526,900**	**(82,985,846)**	**78,541,054**
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	43,526,306	43,526,306
Balance at 31st March, 2020	**161,526,900**	**(39,459,540)**	**122,067,360**

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR *NIRAJ D. ADATIA & ASSOCIATES*
Chartered Accountants

NIRAJ ADATIA
Partner
Membership No.: 120844

Mumbai
Date: 4th November, 2020

For and on behalf of the Board of Directors

KHULEN SHAH
Director
DIN: 03134932

RUSHANK SHAH
Director
DIN: 02960155

Mumbai
Date: 4th November, 2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note 1. Statement of Significant Accounting Policies.

1.1 **Company Overview**

Gujarat Akruti - TCG Biotech Limited is an unlisted limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged in the business of development, construction, marketing and maintenance of a bio-technology park in the state of Gujarat. The Company was incorporated on 28th May, 2007 as a joint venture between Gujarat State Biotechnology Mission, Hubtown Limited and TCG Urban Infrastructure Holding Private Limited to carry on the business of development, construction, marketing and maintenance of a bio-technology park in the state of Gujarat, as per the Memorandum of Understanding dated 5th March, 2007. The Company is yet to commence commercial activities.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 4th November, 2020.

Note 2. Significant Accounting Policies followed by the Company

I. Basis of preparation of financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value.

(iii) Current non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project, contract including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies, if any) within the credit period normally applicable to the respective project.

II. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

Classification of property

The company determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of the company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the company develops and intends to sell before or on completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

III. Revenue recognition

Revenue Recognition Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services.

A. Revenue from sale of properties/ development rights

Revenue from the long term lease of land / properties are recognised when the company satisfies performance obligations at a point in time i.e when control is transferred to the customer which is usually on giving possession to the customer.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, rebates, price concessions, returns and financing component if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government.

Amount received as Advance from customers towards premium for long term lease of land / property are classified as Contract Liabilities. The company's right to consideration in exchange for goods or services that the company has transferred to the customer are classified as receivables. The Company has purchased land on leasehold basis from Gujarat Industrial Development Corporation for the purpose of building and executing work thereon for development of Bio-tech park. The same will be sub leased to customers for lease rental after the lease deed and other formalities are executed.

The Company has adopted Ind AS 115 Revenue from contracts with customers, with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers. The Company has adopted Ind AS 115 using the modified retrospective approach to contracts that were not completed as at April 01, 2018 and there were no amounts required to be debited to Retained Earnings pertaining to recognition of revenue based on satisfaction of performance obligations at a point in time

Accordingly, the comparative amounts of revenue and corresponding contract assets/ liabilities have not been retrospectively adjusted.

B. Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

C. Others:

Other revenues incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Gujarat Akruti TCG Biotech Limited

IV. Property plant and equipment, Investment property and depreciation / ammortisation

A. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

B. Depreciation is provided on the straight line method on the basis of estimated useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Compound Wall	30
Computers & Laptops	3

C. Leasehold land will be amortized over the balance period of lease after the lease deed and other transfer formalities are executed.

D. Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready to use for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

V. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Investments and Financial Assets

i. Initial recognition

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories.

a) Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

iii. De-recognition of Financial Assets:

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

ii. Financial Liabilities

1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below

- Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

- Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Gujarat Akruti TCG Biotech Limited

3. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. **Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

VI Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VII. Impairment

a. Financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

b. Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss.

i. Property, plant and equipment

Property, plant and equipment are evaluated for recoverability wheneer events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

ii. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

VIII. Taxation

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANTS

Gujarat Akruti TCG Biotech Limited

IX. Borrowings and Borrowing costs

Borrowing are initally recognised at Net off transation cost incurred and measured at amortised cost. Any difference between the proceeds (net of transation costs) and the redemption amount is recognised in statetment of profit and loss over ther period of the borrowings using the effective interest method.

Interests and other borrowing costs included under finance costs calculated as per effective interest rate attributable to qualifying assets, which takes substantial period of time to get ready for its intended use are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

X. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

XI. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

XII. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XIII. Foreign currency transactions

A. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.

B. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date , are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the Statement of Profit and Loss.

C. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

XIV. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

XV. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Gujarat Akruti TCG Biotech Limited

3. Property, plant and equipment and capital work-in-progress

(in ₹)

	Leasehold Land*	Compound Wall	Computers and Laptops	Total	Capital work-in-progress (Refer note 28)
Cost or deemed cost					
Balance at 1st April, 2018	171,496,664	10,635,281	17,160	182,149,105	101,956,693
Additions	-	-	-	-	20,512,356
Balance at 31st March, 2019	171,496,664	10,635,281	17,160	182,149,105	122,469,049
Accumulated depreciation and impairment					
Balance at 1st April, 2018	-	3,862,171	17,160	3,879,331	-
Depreciation expense	-	328,050	-	328,050	-
Balance at 31st March, 2019	-	4,190,221	17,160	4,207,381	-
Carrying amount as on 31st March 2019	**171,496,664**	**6,445,060**	-	**177,941,724**	**122,469,049**

	Leasehold land*	Compound Wall	Computers and Laptops	Total	Capital work-in-progress
Cost or deemed cost					
Balance at 1st April, 2019	171,496,664	10,635,281	17,160	182,149,105	122,469,049
Additions	-	-	-	-	23,950,109
Balance at 31st March, 2020	171,496,664	10,635,281	17,160	182,149,105	146,419,158
Accumulated depreciation and impairment					
Balance at 1st April, 2019	-	4,190,221	17,160	4,207,381	-
Depreciation expense	-	328,950	-	328,950	-
Balance at 31st March, 2020	-	4,519,171	17,160	4,536,331	-
Carrying amount as at 31st March, 2020	**171,496,664**	**6,116,110**	-	**177,612,774**	**146,419,158**

*Refer note 2(IV)C.

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
4. Other financial assets		
Non-current		
Security deposits	207,600	207,600
Total	**207,600**	**207,600**
Current		
Other Advances and Receivables		
Interest accrued on fixed deposits	1,609	5,855
Total	**1,609**	**5,855**
5. Cash and cash equivalents		
Balances with banks:		
- in current accounts	133,573	53,173
- deposit having maturity less than 3 months	28,778	22,188
Cash on hand	104	100,829
Total	**162,455**	**176,190**

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
6. Share capital		
Authorised Share Capital:		
3,000,000 (P.Y. 3,000,000) Equity Shares of ₹ 10/- each	30,000,000	30,000,000
800,000 (P.Y. 8,00,000) Preference Shares of ₹ 100/- each	80,000,000	80,000,000
Total	**110,000,000**	**110,000,000**
Issued and subscribed capital comprises :		
50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each fully paid up	500,000	500,000
Total	**500,000**	**500,000**

a) Reconciliation of Number of shares outstanding at the beginning and at the end of the year

Fully paid equity shares

	Number Of Share	Share Capital ₹
Balance at 1st April, 2018	50,000	500,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2019	50,000	500,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2020	50,000	500,000

b) Rights, Preferences and Restrictions attached to Shares

The company has a single class of equity shares having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Equity Shares heldby its holding company or its ultimate holding company, subsidaries or assocoiates of the holding company or the ultimate holding company

	As at 31st March, 2020		As at 31st March, 2019	
	No of shares held	% holding	No of shares held	% holding
Hubtown Limited with Benificiary Owners	36,500	73%	36,500	73%
Total	**36,500**	**73%**	**36,500**	**73%**

d) Details of shares held by each shareholders holding more than 5% shares

	As at 31st March, 2020		As at 31st March, 2019	
	No of shares held	% holding	No of shares held	% holding
Fully paid equity shares				
Hubtown Limited with Benificiary Owners	36,500	73%	36,500	73%
TCG Urban Infrastructure Holdings Private Limited	13,000	26%	13,000	26%
Others	500	1%	500	1%
Total	**50,000**	**100%**	**50,000**	**100%**

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Gujarat Akruti TCG Biotech Limited

GUJARAT AKRUTI - TCG BIOTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
7. Convertible Instruments classified as Equity		
Convertible Debentures classified as Equity		
1,615,269 (P.Y. : 1,615,269) Zero Coupon Compulsorily Convertible Debentures of the face value of ₹ 100 each	161,526,900	161,526,900
Total	**161,526,900**	**161,526,900**

Footnote :

1,615,269, zero coupon compulsorily convertible debenture of ₹ 100 each to be converted not later than five years from the date of allotment, into 16,152,690 number of equity shares of face value of ₹10/-.

As per Ind AS 32 & 109, zero coupon compulsorily convertible debentures of ₹ 100 each have been classified as equity since the issuer holds an unconditional right to avoid a cash outflow. Hence, it has been regrouped under equity.

The above debentures were due for conversion on March 30, 2020, however in view of accumulated losses and the severe liquidity crunch being faced by the Company, the tenure of the said CCDs be extended by further period of two years from March 30, 2020 to March 30 2022, such that the CCDs shall fall due for conversion in to equity shares of the Company on March 30, 2022.

8. Other Equity

Retained Earnings		
Balance at the beginning of the year	(82,985,846)	(74,396,128)
Profit attributable to the owners of the company	43,526,306	(8,589,718)
Items of OCI recognised directly in retained earnings	-	-
Total	**(39,459,540)**	**(82,985,846)**

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Gujarat Akruti TCG Biotech Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

9. Borrowings

Non-current		
Secured		
Debentures		
768,919 (P.Y.: 768,919) 0% Secured Reedeemable Non-Convertible Debentures of the face value of ₹ 100 each (Refer Footnote)	166,855,423	142,905,314
	166,855,423	**142,905,314**

Footnote :

768,919, 0% Debenture having reedeemable balance of ₹ 7,68,91,900 are to be reedeemed at the end of five years from the date of allotment. These debentures are secured by creation of first charge by way of the receivables from the project of the company and the project being presently executed and developed at Savil, near Vadodara , Gujarat . These debentures will be redeemed at a premium of ₹ 117 each. The debentures are valued at amortised cost, using EIR method using 16.76% as the effective interest rate which has been derived by compounding the face value of the debentures to the redeemable value over a period of 5 years. The interest calculated is capitalised to Capital-WIP.

The above debentures were due for redemption on March 30, 2020, however in view of accumulated losses and the severe liquidity crunch being faced by the Company, the tenure of the said NCDs be extended by further period of two years from March 30, 2020 to March 30 2022, such that the NCDs shall fall due for redemption on March 30, 2022.

10. Other financial liabilities

Non-current		
Retention money payable	-	732,391
Total	-	**732,391**
Current		
Business Advance received from related party(Refer Note 24)	2,143,824	1,508,368
Other payables	722,832	745,823
Total	**2,866,656**	**2,254,191**

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Gujarat Akruti TCG Biotech Limited

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹

11. Deferred Tax Liabilities (Net)

The following is the analysis of deferred tax liabilities / (asset) presented in the balance sheet

Deferred Tax Liability	-	54,915,706
Deferred Tax (Asset)	-	(13,784,366)
Total	**-**	**41,131,340**

2019-20	Opening Balance	Recognised in profit or loss	Closing Balance
Deferred tax liabilities / (assets) in relation to :			
On account of Depreciation (WDV)	904,801	(904,801)	-
On account of Capital work-in-progress	(1,734,797)	1,734,797	-
On account of Unamortised Premium on Debentures	(5,239,476)	5,239,476	-
On account of convertible Borrowings	27,813,527	(27,813,527)	-
On account of Premium Payable on Debentures	26,197,378	(26,197,378)	-
On account of Other Items	(6,810,093)	6,810,093	-
Total	**41,131,341**	**(41,131,341)**	**-**

2018-19	Opening Balance	Recognised in profit or	Closing Balance
Deferred tax liabilities / (assets) in relation to :			
On account of Capital work-in-progress	(2,182,842)	448,046	(1,734,797)
On account of Unamortised Premium on Debentures	(9,266,243)	4,026,767	(5,239,476)
On account of convertible Borrowings	29,876,654	(2,063,127)	27,813,527
On account of Premium Payable on Debentures	23,165,607	3,031,771	26,197,378
On account of Other Items	(9,027,100)	2,217,007	(6,810,093)
Total	**33,355,266**	**7,776,074**	**41,131,340**

Since current year's profit is adjusted with carried forward losses of previous years for the purpose of Income tax, there is no current tax payable; hence reconciliation has not been provided.

12. Trade payables

Due to Micro & Small enterprises	460,493	536,398.36
Due to others	24,581,285	27,244,865
Total	**25,041,777**	**27,781,263**

Footnote

The above information has been provided as available with the Company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act. The overdue principal amounts outstanding to the extent Rs. 4,60,493/- (P.Y- 1,11,977) are payable to such vendors at the Balance Sheet date. The interest on overdue amount has not been paid / provided since there are differences in supplier account balances is under reconciliation.

13. Other Liabilities

Current		
Advance from customers	5,300,000	5,300,000
Deposits (Unsecured)	1,350,000	1,350,000
Overdrawn bank balances as per books of accounts		
Other payables :		
- Statutory dues	422,380	304,865
Total	**7,072,380**	**6,954,865**

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Gujarat Akruti TCG Biotech Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

	Year Ended 31st March, 2020 ₹	Year Ended 31st March, 2019 ₹
14. Revenue from operations		
Other operating revenue :		
Sundry credit balances appropriated	3,295,090	186,760
Excess Provision Written Back	-	-
Total	**3,295,090**	**186,760**
15. Other income		
a) Interest Income :		
Bank fixed deposits	2,345	1,601
	2,345	**1,601**
b) Other gains and losses		
Gain on foreign currency fluctuation (Net)	1,299	5,632
	1,299	**5,632**
Total	**3,644**	**7,233**
16. Costs of Construction/Development		
Construction costs incurred during the year :		
Approval and consultation expenses	-	-
Total	-	-
17. Finance Costs		
Interest costs :		
Interest on Debentures	23,950,109	20,512,356
Less - Transfer to Capital WIP (Refer note 28)	(23,950,109)	(20,512,356)
Delayed/penal interest on statutory dues	19,238	52,841
Total	**19,238**	**52,841**
18. Depreciation and Amortisation Expenses		
Depreciation of property, plant and equipment	328,950	328,050
Total	**328,950**	**328,050**
19. Other Expenses		
Legal and professional fees	31,885	60,771
Security Charges	394,809	515,128
Other expenses (refer footnote)	128,887	50,847
Total	**555,581**	**626,746**

Footnote:

Auditors Remuneration (included in other expenses) :

Audit Fees	20,000	20,000
GST on above	3,600	3,600
Total	**23,600**	**23,600**

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Gujarat Akruti TCG Biotech Limited

	Year Ended 31st March, 2020 ₹	Year Ended 31st March, 2019 ₹
20. Earnings Per Share (EPS)		
Basic Earnings Per Share	870.53	(171.79)
Diluted Earnings Per Share **	2.69	(171.79)

20.1 Basic EPS

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows

Earnings used in the calculation of basic earnings per share	43,526,306	(8,589,718)
Weighted average number of equity shares for the purposes of basic earnings per share	50,000	50,000

20.2 Diluted EPS (Refer note 7)

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows

Earnings used in the calculation of diluted earnings per share	43,526,306	(8,589,718)
Weighted average number of equity shares for the purposes of diluted earnings per share	16,202,690	50,000

For the purpose of calculating diluted EPS convertible instruments (zero coupon compulsorily convertible debentures) are deemed to be converted into ordinary shares at the beginning of the period.

** Zero coupon compulsorily convertible debentures could potentially not dilute basic earnings per share for the year ended 31st March, 2019, hence are not included in the calculation of diluted earnings per share for F.Y. 2018-19, because they are antidilutive for the period presented. Diluted EPS is restricted to the amount of Basic EPS to the extent the conversion of convertible instruments prove to be anti dilutive for F.Y. 2018-19.

21. Contingent Liabilities (Not Provided For) :

Particulars	As at 31st March, 2020	As at 31st March, 2019
Claims against the Company, not acknowledged as debts on account of :		
Outstanding legal cases	107,512,196	107,512,196
Income Tax Matter with Income Tax Appellate Tribunal u/s 143(3) for the F.Y. 2011-12 (A.Y. 2012-13)	3,570	3,570
Income Tax Matter with Income Tax Appellate Tribunal u/s 143(3) for the F.Y. 2012-13 (A.Y. 2013-14)	4,750	4,750
Income Tax Matter with Commissioner of Income Tax (Appeals) u/s	1,961,283	1,961,283
Income Tax Matter with Income Tax Appellate Tribunal u/s 143(3) for the F.Y. 2013-14 (A.Y. 2014-15)	520	520
Income Tax Matter with Commissioner of Income Tax (Appeals) u/s 271(1)(c) for the F.Y. 2013-2014 (A.Y. 2014-15)	421,052	421,052

Footnote:

The Company does not have any contingent liability as at balance sheet date, other then stated above, as certified by management & relied upon by the auditors.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Gujarat Akruti TCG Biotech Limited

22. Disclosure of Derivatives

a. No derivative instrument were outstanding at the end of the year.
b. Uncovered risk in foreign currency are as under :

Cash in Hand	31st March, 2020	31st March, 2019
USD	-	1,400
INR	-	96,840
EURO	-	50
INR	-	3,885

23. In the opinion of the Board of Directors of the Company, all items of property plant & Equipment, current assets, current liabilities & loans and advances continues to have a realizable value of at least the amounts at which they are stated in the balance sheet.

24. Related Parties Disclosures

A. Names of related parties and description of relationship

Holding Company
Hubtown Limited

Joint Ventures of Holding Company, with whom Transitions have taken place during the year
Hubtown Bus Terminal (Ahmedabad) Private Limited
Hubtown Bus Terminal (Vadodara) Private Limited

Related Party relationships are identified by the company and relied upon by the auditors

B. Transitions with Related Parties

Sr. No.	Nature of Transition	Holding Company ₹	Joint Venture of Holding Company ₹
i.	**Business Advances received/recovered/adjusted**		
	Hubtown Bus Terminal (Ahmadabad) Private Limited	- (-)	734,024 (400,000)
	Hubtown Bus Terminal (Vadodara) Private Limited	- (-)	3,456 (-)
ii.	**Interest Expense Accrued**		
	Hubtown Limited	23,950,109 (20,512,356)	- (-)

Previous years figures are given in brackets

C. Balance outstanding payables/receivables

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
a) Unsecured Non- Convertible Debenture		
Hubtown Limited	166,855,423	142,905,314
b) Business Advances payable		
Hubtown Limited	1,121,219	1,121,219
Hubtown Bus Terminal (Ahmedabad) Private Limited	1,019,149	387,149
Hubtown Bus Terminal (Vadodara) Private Limited	3,456	-

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Gujarat Akruti TCG Biotech Limited

25. Capital Management

The primary objective of company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholder's value. The company's Board of Directors reviews the capital on an annual basis.

The capital structure of the company consists of net debt (borrowings and offset by cash and bank balances) and total equity of the company. There are no borrowings from banks/ financial institutions or corporates other than the equity shareholders and their group companies.

Debt - Equity Ratio

The debt - equity ratio at the reporting period was as follows (in ₹)

	As at 31st March, 2020	As at 31st March, 2019
Secured Debentures	166,855,423	142,905,314
Less: Cash and Bank Balances	(162,455)	(176,190)
Net Debt (A)	**166,692,968**	**142,729,124**
Equity Share Capital	500,000	500,000
Convertible Instruments classified as Equity	161,526,900	161,526,900
Other Equity	(39,459,540)	(82,985,846)
Total Equity (B)	**122,567,360**	**79,041,054**
Debt Equity Ratio A/B	136%	181%

26. Financial Risk Management Objectives

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

The Company manages market risk through a treasury department which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies which are approved by the senior management. The activities of this department include management of cash resourses, borrowing strategies and ensuring compliance with the market risk limits and policies.

1) Market Risk

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to company's long term debt obligations with floating interest rates.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate on account of changes in foreign exchange rates. The company does not have any exposure to the risk of changes in foreign exchange rates from its operating activities or investments in foreign companies.

There is no purchase of materials of imported materials hence foreign currency risk does not arise.

2) Credit Risk

The Company is not exposed to credit risk form its operating activities. Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

3) Liquidity risk

The Company's cashflow requiremnet are met by funds received from its holding company.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Gujarat Akruti TCG Biotech Limited

27. Fair Value measurement of Financial Instruments (in ₹)

	31st March 2020			31st March 2019		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Other financial assets	-	-	209,209		-	213,455
Cash and cash equivalent	-	-	162,455	-	-	176,190
Total of Financial Assets	-	-	**371,664**	-	-	**389,645**
Financial Liabilities						
Borrowings		-	166,855,423		-	142,905,314
Trade payables	-	-	25,041,777	-	-	27,781,263
Other Financial liabilities	-	-	2,866,656	-	-	2,986,582
Total of Financial Liabilities	-	-	**194,763,856**	-	-	**173,673,159**

28. The Company is in discussion with Department of Science and Technology - Government of Gujarat for permission of development of the project - Biotech Park. The company is in the possession of the project land and the said project is in progress. As per management the recoverable value of property plant and equipment and Capital work in progress is far more than carrying value as shown in balance sheet. Considering the ongoing nature of the project the Company has capitalised interest expense incurred on Capital work in progress.

29. Previous years figures have been regrouped/reclassified wherever necessary.

As per our report of even date

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No. 129486W
Chartered Accountants

NIRAJ ADATIA
Partner
Membership No.: 120844

Mumbai
Date: 4th November, 2020

For and on behalf of the Board of Directors

KHILEN SHAH
Director
DIN: 03134932

RUSHANK SHAH
Director
DIN: 02960155

Mumbai
Date: 4th November, 2020

Independent Auditor's Report
To the Members of Joynest Premises Private Limited
Report on the Audit of the Standalone Financial Statements

1) **Opinion:**

We have audited the accompanying standalone financial statements of **Joynest Premises Private Limited** ('the Company'); which comprise the balance sheet as at 31st March 2020, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statement").

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 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 31st March, 2020 and its financial performance including other comprehensive income and the statement of changes in equity for the year ended on that date.

2) **Basis of Opinion:**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) **Emphasis of Matter:**

1. Attention is invited to Note No. 3.1(A) of the financial statements with regarding recognition of expense for ongoing projects which is based upon estimated project costs, as per the judgement of the management, which have been relied upon by us, these being technical matters.
2. Attention is invited to Note No. 29 of the financial statements with regard to reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities given by the Company.
3. Attention is invited to Note No. 31 of the financial statements with regards to balances that are subject to confirmations, reconciliation and adjustments if any.
4. Attention is invited to Notes the Company has not charged interest on loans and advances given to various entities in which the Company has a business interest.

Our opinion is not qualified in respect of the matters.

SANKET R SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

4) Other Information

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 standalone 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.

5) Responsibility of Management's for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015 as amended, and other 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 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 were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 also responsible for overseeing the company's financial reporting process.

6) Auditor's Responsibility for the Audit of the Ind AS Financial Statements:

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

SANKET R SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

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 Ind AS 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

- 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

SANKET R. SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

7) **Report on Other Legal and Regulatory Requirements**:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.

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 purposes 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, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
   d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
   e) on the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
   f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**; and
   g) with respect to the other matters to be included in the Auditor's 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 has no pending litigations on its financial position in its standalone financial statements.
      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, and
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Sanket R Shah & Associates
Chartered Accountants
FRN: 135703W

SANKET R SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

Sanket Shah
Proprietor
M. No.: 152369

Place: Mumbai
Date: 21st July, 2020

UDIN: 20152369AAAADP3765

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Joynest Premises Private Limited of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020, we report that:

(i) a. The Company has maintained a register of fixed assets, giving description and location of its assets; and

b. As explained to us, the Company has physically verified its fixed assets during the year;

(ii) a. The inventory has been physically verified by the management during the year. In our opinion, the frequency of the verification is reasonable.

b. In our opinion, the procedures of physical verification of Inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business;

c. On the basis of our examination of the records of the company, we are of the opinion that, the company is not maintaining proper project-wise records. The value of inventory has shown of both projects. The discrepancies noticed on physical verification of inventory as compared to its book records were not maintained.

(iii) The Company has granted unsecured loan to one company and one partnership firm covered under the register maintained under Section 189 of the Act;

a. The terms and condition of the loan are prima facie not prejudicial to the interest of the Company, and

b. the schedule of repayment of principal on demand and the loan is interest free loan;

c. As per the terms and conditions of the arrangement, the amount of the loan is not overdue;

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Maharashtra Value Added Tax (MVAT) and Employees State Insurance Corporation (ESIC) the Company is generally regular in depositing, undisputed statutory dues, including income-tax and other material statutory dues, wherever applicable, with the appropriate authorities.

SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

The extent of arrears of statutory dues outstanding including interest at the balance sheet date, for a period exceeding six months from the date they become payable and the details of outstanding as follows:

Sr. No.	Particulars	Amount in INR
1.	ESIC Payable	7,617/-
2.	Maharashtra Value Added Tax (MVAT) Liability	43,60,026/-
3.	Interest on above Statutory Liability	72,77,444/-
	Total Statutory Liability	**1,16,45,087/-**

b. According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Income Tax, Value Added Tax and Service Tax as at the Balance Sheet date which have not been deposited on account of a dispute are as follows:

Name of Statue	Nature of Dues	Amount not deposited on account of demand (In INR)*	Financial Year	Details of Pending Proceedings
Income Tax Act, 1961	Income Tax	1,00,02,800/-	2016-17	The Commissioner of Income Tax (Appeals).

* Net of amount deposited under protest

(viii) *In our opinion and according to the information and explanations given to us, the Company has defaulted during the year in repayment of principal dues to debenture holders. The Company does not have any loans or borrowings from government during the year.*

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

SANKET R SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

(xiv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

For Sanket R Shah & Associates
Chartered Accountants
FRN: 135703W

SANKET R SHAH & ASSOCIATES
M. No.
152369
Chartered Accountants

Sanket Shah
Proprietor
M. No.: 152369

Place: Mumbai
Date: 21st July, 2020

UDIN: 20152369AAAADP3765

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Joynest Premises Private Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1) **Opinion:**

We have audited the internal financial controls over financial reporting of Joynest Premises Private Limited ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the" Guidance Note").

2) **Management's Responsibility for Internal Financial Controls**:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

3) **Auditor's Responsibility**:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal

SANKET R SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

4) **Meaning of Internal Financial Controls over Financial Reporting:**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

5) **Inherent Limitations of Internal Financial Controls Over Financial Reporting**:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Sanket R Shah & Associates
Chartered Accountants
FRN: 135703W

SANKET R SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

Sanket Shah
Proprietor
M. No.: 152369

Place: Mumbai
Date: 21st July, 2020

UDIN: 20152369AAAADP3765

JOYNEST PREMISES PRIVATE LIMITED
CIN: U45202MH2008PTC183715
BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Note No.	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
1 ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	4	6,825,990	3,274,270
(b) Capital work-in-progress	4	22,569,817	22,569,817
(c) Financial assets			
(i) Other financial assets	5	5,206,750	5,095,250
(d) Current tax assets (Net)	6	15,899,175	9,016,475
Total Non-Current assets		**50,501,732**	**39,955,812**
2 Current assets			
(a) Inventories	7	2,433,825,340	2,240,646,171
(b) Financial assets			
(i) Cash and cash equivalents	8	10,062,492	17,959,263
(ii) Bank balances other than (i) above	9	120,620,051	120,120,051
(iii) Other financial assets	5	305,032,240	205,909,128
(c) Other current assets	10	141,530,258	176,387,212
Total Current Assets		**3,011,070,381**	**2,761,021,826**
TOTAL ASSETS		**3,061,572,113**	**2,800,977,638**
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	11	1,047,194,550	1,047,194,550
(b) Other equity	12	(184,718,547)	(152,209,794)
Total Equity		**862,476,003**	**894,984,756**
2 Liabilities			
i Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	402,796,067	400,985,870
(ii) Other Financial Liabilities	14	17,181,288	12,946,631
(b) Provisions	15	28,624	21,247
Total Non-Current Liabilities		**420,005,980**	**413,953,748**
ii Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	16	194,265,907	243,026,343
(ii) Other financial liabilities	14	437,792,470	614,081,161
(b) Other current liabilities	17	1,147,012,430	634,931,192
(c) Provisions	15	19,324	437
Total Current Liabilities		**1,779,090,131**	**1,492,039,133**
Total Liabilities		**2,199,096,110**	**1,905,992,881**
TOTAL EQUITY AND LIABILITIES		**3,061,572,113**	**2,800,977,638**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants

SANKET SHAH
Proprietor
Membership No.: 152369

SANKET R SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

Place: Mumbai
Date: 21st July, 2020

For and on behalf of the board of Directors

KAMAL MATALIA
Director
DIN : 00009695

JOYNEST PREMISES PVT. LTD.
MUMBAI

KHILEN V SHAH
Director
DIN : 03134932

Place: Mumbai
Date: 21st July, 2020

JOYNEST PREMISES PRIVATE LIMITED
CIN: U45202MH2008PTC183715
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

	Particulars	Note No.	Year ended 31st March, 2020 ₹	Year ended 31st March, 2019 ₹
I	**INCOME**			
	Revenue from Operations	18	34,616,123	10,600,529
	Other Income	19	9,196,601	7,798,206
	Total Income		**43,812,724**	**18,398,735**
II	**Expenses**			
	Costs Of Construction / Development	20	141,577,203	143,604,936
	Purchase of Stock-in-Trade		15,533,149	10,502,108
	Changes in Inventories of Incomplete Project	21	(192,866,680)	(324,024,284)
	Employee Benefits Expense	22	58,869,526	61,892,871
	Finance Costs	23	930,980	9,267,700
	Depreciation and Amortisation Expenses	24	935,518	1,200,808
	Other Expenses	25	51,328,613	132,076,498
	Total Expenses		**76,308,310**	**34,520,637**
III	**Profit before Tax**		**(32,495,586)**	**(16,121,902)**
IV	**Tax Expense**			
	Current Tax		-	-
	Profit / (Loss) for the Year		**(32,495,586)**	**(16,121,902)**
V	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeseaurement of the net defined benefit liability / asset		**(13,168)**	**(13,423)**
VI	**Total comprehensive income / (loss) for the year**		**(32,508,754)**	**(16,135,325)**
VII	**Earning per equity share of nominal value of ₹ 10/- each**			
	Basic and Diluted Earning Per Share	26		
	Class - A		(1.79)	(0.89)
	Class - B		(16.12)	(8.00)
	Class - C		(0.62)	(0.31)
	Ordinary		(3,249.56)	(1,612.19)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants

SANKET R SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

SANKET SHAH
Proprietor
Membership No.: 152369

Place: Mumbai
Date: 21st July, 2020

For and on behalf of the board of Directors

JOYNEST PREMISES PVT. LTD. MUMBAI

KAMAL MATALIA
Director
DIN : 00009695

KHILEN V SHAH
Director
DIN : 03134932

Place: Mumbai
Date: 21st July, 2020

JOYNEST PREMISES PRIVATE LIMITED
CIN: U45202MH2008PTC183715
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
I CASH FLOW ARISING FROM OPERATING ACTIVITIES :		
Net profit/(loss) before taxation as per Statement of Profit and Loss	**(32,495,586)**	**(16,121,902)**
Add / (Less) :		
Finance costs	930,980	9,267,700
Depreciation and amortisation	935,518	1,200,808
Remeseaurement of the net defined benefit liability / asset	(13,168)	(13,423)
Interest income	(9,158,295)	(7,784,493)
	(7,304,965)	2,670,592
Operating profit before working capital changes	**(39,800,551)**	**(13,451,310)**
Add / (Less) :		
Increase / (Decrease) in Trade payables	(48,760,436)	55,614,397
Increase / (Decrease) in Provisions	26,264	3,938
Increase / (Decrease) in Other Non Current / Current Liabilities and Provisions	340,027,204	128,694,903
(Increase) / Decrease in Inventories	(193,179,169)	(321,406,157)
(Increase) / Decrease in Other Non Current / Current Assets	(64,377,658)	224,397,149
Direct taxes paid	(6,882,700)	(1,565,857)
	26,853,504	**85,738,373**
Net Cash flow from Operating Activities	**(12,947,046)**	**72,287,063**
II CASH FLOW ARISING FROM INVESTING ACTIVITIES :		
Inflow / (Outflow) on account of :		
Purchase of Tangible / Intangible Assets	(4,487,238)	(65,883)
(Increase) / Decrease in Capital Work in Progress	-	(2,630,899)
(Increase) / Decrease in Bank balance	(500,000)	(54,120,051)
Interest Received	9,158,295	7,784,493
Net cash flow from investing activities	**4,171,057**	**(49,032,340)**
III CASH FLOW ARISING FROM FINANCING ACTIVITIES :		
Inflow / (Outflow) on account of :		
Proceeds from Long Term Borrowings	1,810,198	(519,264)
Finance costs paid	(930,980)	(9,267,700)
Net Cashflow from Financing Activities	**879,218**	**(9,786,964)**
Net increase in cash and cash equivalents (I + II + III)	(7,896,771)	13,467,758
Add: Balance at the beginning of the year	17,959,263	4,491,505
Cash and Cash Equivalents at the close of the year	**10,062,492**	**17,959,263**
Components of cash and cash equivalents (Refer Note 8)		
Cash on hand	31,863	57,609
Balances with Banks (including Fixed Deposits having maturities less than three months)	10,030,629	17,901,654
	10,062,492	**17,959,263**

The accompanying notes are an integral part of the financial statements

Note:

The Cash Flow Statement has been prepared under indirect method as set out in Indian Accounting Standard (Ind AS- 7) statement of cash flows.

As per our attached report of even date

For and on behalf of the board of Directors

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants

SANKET R SHAH & ASSOCIATES
M. No.
152369
Chartered Accountants

SANKET SHAH
Proprietor
Membership No.: 152369

JOYNEST PREMISES PVT. LTD.
MUMBAI

KAMAL MATALIA
Director
DIN : 00009695

KHILEN V SHAH
Director
DIN : 03134932

Place: Mumbai
Date: 21st July, 2020

Place: Mumbai
Date: 21st July, 2020

JOYNEST PREMISES PRIVATE LIMITED
CIN: U45202MH2008PTC183715
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

	Notes No	Amount ₹	Amount ₹
A. EQUITY SHARE CAPITAL			
		Equity Shares	**Preference Shares**
As at 1st April, 2018	11	**727,194,550**	**320,000,000**
Changes in share capital		-	-
As at 31st March, 2019		**727,194,550**	**320,000,000**
Changes in share capital		-	-
As at 31st March, 2020		**727,194,550**	**320,000,000**

B. OTHER EQUITY

	Reserves and Surplus	
	Retained Earnings	Total
Balance at 1st April, 2018	(136,074,468)	911,120,082
Total Comprehensive Income for the year	(13,423)	(13,423)
Transfer to Retained Earnings	(16,121,902)	(16,121,902)
Balance at 31st March, 2019	(152,209,794)	894,984,756
Total Comprehensive Income for the year	(13,168)	(13,168)
Transfer to Retained Earnings	(32,495,586)	(32,495,586)
Balance at 31st March, 2020	(184,718,547)	862,476,003

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants

SANKET R SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

SANKET SHAH
Proprietor
Membership No.: 152369

Place: Mumbai
Date: 21st July, 2020

For and on behalf of the board of Directors

KAMAL MATALIA
Director
DIN : 00009695

JOYNEST PREMISES PVT. LTD. MUMBAI

KHILEN V SHAH
Director
DIN : 03134932

Place: Mumbai
Date: 21st July, 2020

Note 1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1 **Company Overview**

Joynest Premises Private Limited is a Private Limited Company domiciled in India, incorporated under the Companies Act, 1956. Company is engaged in the real estate business of construction and development of residential project at Chembur and other similar works.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 21st July, 2020

Note 2. STANDARDS, NOT YET EFFECTIVE AND HAVE NOT BEEN ADOPTED EARLY BY THE COMPANY

Information on new standards, amendments and interpretations that are expected to be relevant to the financial statements is provided below.

Ind AS 115 'Revenue from Contracts with Customers' (Ind AS 115)

There is one new standard issued by MCA (not yet effective) for revenue recognition which overhauls the existing revenue recognition standards including Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

i) Identification of the contracts with the customer
ii) Identification of the performance obligations in the contract
iii) Determination of the transaction price
iv) Allocation of transaction price to the performance obligations in the contract (as identified in step ii)
v) Recognition of revenue when performance obligation is satisfied.

The effective date of the new standard has not yet been notified by the MCA. The management is yet to assess the impact of this new standard on the Company's financial statements.

Note 3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act , 2013 ('Act') (to the extent notified) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the IndAS standards and the adoption was carried out in accordance with IndAS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

a) Historical Cost Convention

The financial statements have been prepared on historical cost basis, except for the following:

i. certain financial assets and liabilities that have been measured at fair value
ii. assets held for sale - measured at lower of carrying amount or fair value less cost to sell.
iii. defined benefit plans - plan assets measured at fair value.

b) Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non current classification.

An asset is classified as current when:

i. It is expected to be realised or intended to sold or consumed in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is expected to be realised within twelve months after the reporting period, or
iv. It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Operating cycle for the business activities of the company covers the duration of the specific project / contract / service and extends upto the realisation of receivables within the agreed credit period normally applicable to the respective project.

c) Foreign currency translation

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.

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3.1 REVENUE RECOGNITION

Revenue Recognition Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services.

A. Revenue from sale of properties/ development rights:

i. Revenue from the sale of properties / flats / commercial premises / units in a project are recognised when the company satisfies performance obligations at a point in time i.e when control is transferred to the customer which is usually on giving soft possession for fit outs or actual possession to the customer.

ii. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, rebates, price concessions, returns and financing component if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government.

iii. Amount received as Advance from customers on Invoicing / raising demand letters are classified as Contract Liabilities. The company's right to consideration in exchange for goods or services that the company has transferred to the customer are classified as receivables.

iv. The Company has adopted Ind AS 115 Revenue from contracts with customers, with effect from April 1, 2018. Ind AS 11S establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers and replaces Ind AS 18 "Revenue" and Guidance Note on "Accounting for Real Estate transactions" for entities to whom Ind AS is applicable. The Company has adopted Ind AS 115 using the modified retrospective approach to contracts that were not completed as at April 01, 2018 and there were no amounts required to be debited to Retained Earnings pertaining to recognition of revenue based on satisfaction of performance obligations at a point in time.

Accordingly, the comparative amounts of revenue and corresponding contract assets/ liabilities have not been retrospectively adjusted.

B. Revenue from Trading Materials:

Revenue from sale of trading material is recognised when control of promised goods are transferred to the customer.

C. Revenue from project management services:

Revenue from 'project management services' is recognized only on satisfaction of performance obligation of promised services based on the agreements between the Company and the customer to whom such services are rendered.

D. Interest

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

E. Others

Revenues / Income and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.

F. Share of profit / loss from partnership firms / association of persons (AOP) is accounted in respect of the financial year of the Firm / AOP, during the reporting period, on the basis of their audited/ management reviewed accounts, which is considered as a part of other operating activity.

3.2 PROPERTY PLANT AND EQUIPMENT AND DEPRECIATION / AMMORTISATION

A. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

B. Depreciation is provided on the straight line method on the basis of estimated useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Computer	3
Office Equipment's	5
Furniture and Fixture	10
Vehicles	8

3.3 FINANCIAL INSTRUMENTS

3.3.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

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3.3.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

3.3.3 Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

3.3.4 Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

3.4 TAXATION

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

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ii. 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. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.5 INVENTORIES

All inventories are stated at Cost or Net Realizable Value, whichever is lower.
Stock of material at Site' includes cost of purchase, other costs incurred in bringing them to their respective present location and condition. Cost formula used is average cost.

Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.

Inventory value includes costs incurred upto the completion of the project viz. cost of land / rights, value of floor space index (FSI), materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.

3.6 EMPLOYEE BENEFITS

Post-Employment Benefits

Defined benefit plans:

3.6.1 Gratuity

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.
Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Short-term employee benefits:

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Other Long Term employee Benefits:

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of discounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Defined contribution plans: Company's contribution to State governed Provident Fund Scheme is recognised during the year in which the related service is rendered.

3.7 BORROWING COSTS

Interests and other borrowing costs calculated as per effective interest rate attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

3.8 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

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3.9 FOREIGN CURRENCY TRANSACTIONS

i. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.

ii. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date , are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the statement of profit and loss.

iii. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

3.10 SEGMENT REPORTING

The Company is engaged in the business of Real Estate Development, which as per Ind AS - 108 'Operating Segments' is considered to be the only reportable business segment. The Company is also operating within the same geographical segment. Hence, disclosures under Ind AS - 108 are not applicable.

3.11 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

3.12 USE OF ESTIMATES

The preparation of the financial statements in conformity with IndAS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 3.12.1. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3.12.1 Critical accounting judgements and estimates

a. Revenue recognition

The Company uses the percentage-of-completion method in accounting for its revenue. Costs of the project are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically. Costs expended have been used to measure progress towards completion of work. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b. Property, plant and equipment and depreciation

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

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Note 4. Property, plant and equipment and capital work in progress

	Computers and Laptops	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital work-in-progress
Cost or deemed cost						
Balance at 1st April, 2018	38,687	1,148,117	3,927,258	4,226,702	9,340,764	19,938,918
Additions	-	-	65,883	-	65,883	2,630,899
Transfers	-	-	-	-	-	-
Balance at 31st March, 2019	38,687	1,148,117	3,993,141	4,226,702	9,406,647	22,569,817
Accumulated depreciation and impairment						
Balance at 1st April, 2018	38,687	914,924	633,246	3,344,712	4,931,569	-
Depreciation expense	-	74,497	492,652	633,659	1,200,808	-
Balance at 31st March, 2019	38,687	989,421	1,125,898	3,978,371	6,132,377	-
Carrying amount as at 31st March, 2019	-	**158,696**	**2,867,243**	**248,331**	**3,274,270**	**22,569,817**

	Computers and Laptops	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital work-in-progress
Cost or deemed cost						
Balance at 31st March, 2019	38,687	1,148,117	3,993,141	4,226,702	9,406,647	22,569,817
Additions	-	674,690	3,812,548	-	4,487,238	-
Disposals	-	-	-	-	-	-
Balance at 31st March, 2020	38,687	1,822,807	7,805,689	4,226,702	13,893,885	22,569,817
Accumulated depreciation and impairment						
Balance at 31st March, 2019	38,687	989,421	1,125,898	3,978,371	6,132,377	-
Depreciation expense	-	39,893	699,726	195,899	935,518	-
Balance at 31st March, 2020	38,687	1,029,314	1,825,624	4,174,270	7,067,895	-
Carrying amount as at 31st March, 2020	-	**793,493**	**5,980,065**	**52,432**	**6,825,990**	**22,569,817**

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JOYNEST PREMISES PRIVATE LIMITED
CIN: U45202MH2008PTC183715
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

		As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Note 5. Other financial assets			
Non-current			
Bank balances			
- Deposits with maturity of more than twelve months		5,000,000	5,000,000
Security deposits		206,750	95,250
	Total	**5,206,750**	**5,095,250**
Current			
Project Advances		243,732,938	150,415,754
Interest accrued on fixed deposits		984,696	947,426
Other receivables (Other than Trade Receivables)		60,314,606	54,545,948
	Total	**305,032,240**	**205,909,128**
Note 6. Current Tax assets and liabilities			
Advance Tax paid		15,899,175	9,016,475
	Total	**15,899,175**	**9,016,475**
Note 7. Inventories			
Inventories (lower of cost or net realisable value)			
- Stock of material at site		1,622,400	1,309,911
- Incomplete projects		2,432,202,939	2,239,336,260
	Total	**2,433,825,340**	**2,240,646,171**
Note 8. Cash and cash equivalents			
Balances with banks:			
- in current accounts		9,786,600	16,225,454
- in escrow accounts		244,029	1,676,200
Cheques / Drafts on hand			
Cash on hand		31,863	57,609
	Total	**10,062,492**	**17,959,263**
Note 9. Other bank balances			
Other bank deposits		93,450,000	93,450,000
Margin money deposits		27,170,051	26,670,051
	Total	**120,620,051**	**120,120,051**

Foot Note:
Balances with bank in margin money and fixed deposits are kept as security for guarantees / other facilities.

Note 10. Other assets			
Current			
Advances to land owners		10,000,000	10,000,000
Advance recoverable in cash or in kind		128,257,680	132,625,698
Prepaid Expenses		576,534	562,555
Balance with statutory authorities		2,683,717	33,154,514
Plan Assets (Net of provisions ₹ 92,419)		12,327	44,445
	Total	**141,530,258**	**176,387,212**

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	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Note 11. Equity share capital		
Equity share capital	727,194,550	727,194,550
Preference share capital	320,000,000	320,000,000
Total	**1,047,194,550**	**1,047,194,550**
Authorised Share Capital:		
100,00 (P.Y. - 100,00) Ordinary Equity Shares of ₹ 10 each	100,000	100,000
1,81,34,450 (P.Y. - 1,81,34,450) Class A Equity Shares of ₹ 10 each	181,344,500	181,344,500
20,16,050 (P.Y. - 20,16,050)Class B Equity Shares of ₹ 10 each	20,160,500	20,160,500
5,25,58,955 (P.Y. - 5,25,58,955) Class C Equity Shares of ₹ 10 each	525,589,550	525,589,550
3,20,00,000 (P.Y. - 3,20,00,000), 17.75% Cumulative Compulsory Convertible Preference Shares of ₹ 10 each	320,000,000	320,000,000
Total	**1,047,194,550**	**1,047,194,550**
Issued and subscribed capital comprises:		
Ordinary Equity Shares		
100,00 (P.Y. - 100,00) Ordinary Equity Shares of ₹ 10 each	100,000	100,000
Class A Equity Shares		
1,81,34,450(P.Y. - 1,81,34,450) Class A Equity Shares of ₹ 10 each	181,344,500	181,344,500
Class B Equity Shares		
20,16,050 (P.Y. - 20,16,050)Class B Equity Shares of ₹ 10 each	20,160,500	20,160,500
Class 'C' Equity Shares		
5,25,58,955 (P.Y. - 5,25,58,955) Class C Equity Shares of ₹ 10 each	525,589,550	525,589,550
Preference Shares		
3,20,00,000 (P.Y. - 3,20,00,000), 17.75% Cumulative Compulsory Convertible Preference Shares of ₹ 10 each	320,000,000	320,000,000
Total	**1,047,194,550**	**1,047,194,550**

a) Reconciliation of Number of shares outstanding at the beginning and at the end of the year

	Number of shares	Share Capital ₹
Ordinary Equity Shares		
Balance at 1st April, 2018	10,000	100,000
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2019	10,000	100,000
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2020	**10,000**	**100,000**
Class A Equity Shares		
Balance at 1st April, 2018	18,134,450	181,344,500
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2019	18,134,450	181,344,500
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2020	**18,134,450**	**181,344,500**
Class B Equity Shares		
Balance at 1st April, 2018	2,016,050	20,160,500
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2019	2,016,050	20,160,500
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2020	**2,016,050**	**20,160,500**
Class C Equity Shares		
Balance at 1st April, 2018	52,558,955	525,589,550
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2019	52,558,955	525,589,550
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2020	**52,558,955**	**525,589,550**
Preference Shares		
Balance at 1st April, 2018	32,000,000	320,000,000
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2019	32,000,000	320,000,000
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2020	**32,000,000**	**320,000,000**

b) Terms / rights attached to Equity Shares:

Equity Shares (Class 'A')	Class A equity shares have no voting rights
Equity Shares (Class 'B')	Class B equity shares shall be entitled to 26% of the total voting rights in the Company.
Equity Shares (Class 'C') :	Class C equity shares shall be entitled to 74% of the total voting rights in the Company.
Ordinary Shares :	Ordinary Equity shares have no voting and distributions rights.

c) Terms of Conversion of Preference Shares

The Company has issued 17.75%, 3,20,00,000, cumulative compulsorily convertible preference shares of Rs. 10 each (CCPS) on 26th February, 2014. Each CCPs shall be compulsorily convertible into Class "B " Equity Share at fair value, which is equivalent to the subscription amount of the CCPS in one or more tranches on or after February 27, 2029. The Company has not paid any dividend since date of issue of the above preference shares.

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d) Details of shares held by each shareholders holding more than 5% shares

i. Equity Share Capital

	As at 31st March, 2020		As at 31st March, 2019	
	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares
Ordinary Equity Shares				
Hubtown Limited	7,400	74.00%	7,400	74.00%
Shree Naman Developers	2,600	26.00%	2,600	26.00%
	10,000	**100.00%**	**10,000**	**100.00%**
Class 'A' Equity Shares				
Hubtown Limited	12,431,045	68.55%	12,431,045	68.55%
High Scale Trading Private Limited	2,016,050	11 12%	2,016,050	11.12%
Grayline Real Estate Private Limited	1,108,827	6 11%	1,108,827	6.11%
Eknath Infraprojects Private Limited	1,671,306	9.22%	1,671,306	9.22%
J.P. Vaastu Nirman Private Limited	907,222	5.00%	907,222	5.00%
	18,134,450	**100.00%**	**18,134,450**	**100.00%**
Class 'B' Equity Shares				
SIREF I Residential A Limited	2,016,050	100	2,016,050	100
	2,016,050	**100%**	**2,016,050**	**100%**
Class 'C' Equity Shares				
Hubtown Limited	52,558,955	100	52,558,955	100
	52,558,955	**100%**	52,558,955	**100%**
Preference Shares				
SIREF I Residential A Limited	32,000,000	100%	32,000,000	100%
	32,000,000	**100%**	**32,000,000**	**100%**

		As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Note 12. Other Equity			
Retained Earning		(184,718,547)	(152,209,794)
	Total	**(184,718,547)**	**(152,209,794)**
Retained Earnings			
Balance at the beginning of the year		(152,209,794)	(136,074,468)
Prior Period Adjustment		-	-
Profit attributable to the owners of the company		(32,508,754)	(16,135,325)
Balance at the end of the year	**Total**	**(184,718,547)**	**(152,209,794)**

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		As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Note 13. Borrowings			
Non-current			
(i)	**Debentures (Unsecured)** 40,00,000 (P.Y. - 40,00,000) Compulsorily convertible debentures of the face value of ₹100/- each **(Refer footnote a)**	400,000,000	400,000,000
(ii)	**Vehicle Loans (Secured)**		
	- From banks (Refer Foot Note b)	985,870	1,505,134
	- From others (Refer Foot Note c)	2,927,224	-
(iii)	**Other Loans (Unsecured)**		
	- Loan from Companies	247,596,573	247,596,573
		651,509,667	**649,101,707**
Less: Transferred to Current Maturities			
	Of Vehicle Loan from banks	(572,263)	(519,264)
	Of Vehicle Loan from others	(544,764)	-
	Of Loan from Companies	(247,596,573)	(247,596,573)
		(248,713,600)	**(248,115,837)**
	Total	**402,796,067**	**400,985,870**

Foot Note :

a. 17.75% Debentures of ₹4,000 Lacs have a term of 84 months from issue date (20,00,000 debentures issued on 01/02/2013 and 20,00,000 debentures issued on 10/06/2013) same can be converted into Class "B" Shares in whole or in part at the option of the investor but not before expiry of 36 months. The term has been further extended for a period of 36 months Out of Total ₹4,000 Lacs Debentures, Interest has been provided on Debentures amounting to ₹250 Lacs & on the balance amount of Debentures i.e. ₹3,750 Lacs no Interest has been provided during the period.

b. - Secured Vehicle loans from banks, which carry interest rate @ 9.76% p.a and are repayable by November,2021
- Vehicle loans secured against the assets of the Company

c. - Secured Vehicle loans from financial institution, which carry interest rate @ 7.45 % p.a and are repayable by November,2024
- Vehicle loans secured against the assets of the Company

d. **Guarantees / Security given for Secured loans taken by the company**
- Personal guarantee of Mr. Hemant Shah and Mr. Vyomesh Shah, the promoter directors of Hubtown Limited
- Corporate guarantee of Hubtown Limited
- The promoters of Hubtown Limited have pledged the shares of Hubtown Limited held by them as security for the loan.

Note 14. Other financial liabilities

		As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Non-current			
Retention money payable		17,181,288	12,946,631
	Total	**17,181,288**	**12,946,631**
Current			
Current maturities of long-term debts		248,713,600	248,115,837
Interest accrued and due on borrowings		611,066	-
Interest Accrued & Due on Other Loan		2,247,228	2,247,228
Interest accrued but not due on borrowings		132,970	132,970
Retention money payable		2,746,535	2,706,891
Security deposits (Refundable)		617,576	617,576
Other payables		182,723,496	360,260,660
	Total	**437,792,470**	**614,081,161**

Foot Note :

Retention Money liability to the contractors which are not due for payment as at 31st March, 2020 have been shown under the head "Other Financial Liabilities" as per Ind AS-32. As per the management, the retention liability is in the nature of holding the amount as guarantee towards performance and does not relate to credit period given by the contractor. Further in the opinion of the management, there has not been any authoritative clarification / interpretation with regard to measurement of fair value in respect of above item hence retention liability has not been discounted as on 31st March, 2020.

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		As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Note 15. Provisions			
Non-current			
Employee Benefits			
Provision for leave benefit		28,624	21,247
	Total	**28,624**	**21,247**
Current			
Employee Benefits			
Provision for Gratuity		-	-
Provision for leave benefit		19,324	437
	Total	**19,324**	**437**

Note 16. Trade payables

Due to MSME (Refer footnote)		7,080,416	-
Due to Others		187,185,491	243,026,343
	Total	**194,265,907**	**243,026,343**

Foot Note :
Details of dues to Micro, Small and Medium Enterprises as defined under Micro Small Medium Enterprises Development Act, 2006 : The above information has been provided as available with the Company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act. The overdue principal amounts outstanding to the extent ₹ 70,80,416/- (P.Y- Nil) are payable to such vendors at the Balance Sheet date and the same has been relied upon by the auditors.

Note 17. Other current liabilities

Current			
Advance from customers		1,117,933,565	603,373,930
Overdrawn bank balances as per books of accounts		-	444,622
Other payables :			
- Statutory dues		29,078,865	31,112,640
	Total	**1,147,012,430**	**634,931,192**

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JOYNEST PREMISES PVT LTD MUMBAI

	Year ended 31st March, 2020 ₹	Year ended 31st March, 2019 ₹
Note 18. Revenue from operations		
Sale from operations :		
Revenue from sale of Trading Materials	17,156,597	10,105,529
	17,156,597	**10,105,529**
Other operating revenue :		
Excess/Short provision for expenses	2,796,864	495,000
Sundry Creditor Balances Written Back	10,987,662	-
Others	3,675,000	-
	17,459,526	**495,000**
Total	**34,616,123**	**10,600,529**
Note 19. Other income		
a) Interest Income:		
- Loans	-	432,000
- Bank fixed deposits	7,507,523	7,090,843
- Others	1,650,772	261,650
	9,158,295	**7,784,493**
b) Other gains and losses		
Miscellaneous income	38,306	13,713
	38,306	**13,713**
Total	**9,196,601**	**7,798,206**

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EXPENSES

		Year ended 31st March, 2020 ₹	Year ended 31st March, 2019 ₹
Note 20. Costs Of Construction / Development			
Construction costs incurred during the year:			
Land / rights acquired		31,794,534	-
Material and labour costs		78,392,508	97,139,428
Approval and consultation expenses		30,814,374	46,001,736
Other direct development expenses		575,787	463,772
	Total	**141,577,203**	**143,604,936**
Note 21. Changes in Inventories of incomplete projects			
Opening Inventory of Incomplete projects		2,239,336,260	1,915,311,976
Closing Inventory of Incomplete projects		2,432,202,939	2,239,336,260
	Total	**(192,866,680)**	**(324,024,284)**
Note 22. Employee Benefits Expense			
Salaries, bonus, etc.		56,827,469	59,897,459
Contribution to provident and other funds		1,901,438	1,856,339
Staff welfare expenses		27,991	32,102
Other fund expenses		112,628	106,971
	Total	**58,869,526**	**61,892,871**
Note 23. Finance Costs			
Interest on Debentures		678,962	-
Other interest expense		202,018	5,056,195
Delayed/penal interest on loans and statutory dues		-	3,991,505
		880,980	**9,047,700**
Other borrowing costs		50,000	220,000
	Total	**930,980**	**9,267,700**
Note 24. Depreciation and Amortisation Expenses			
Depreciation of property, plant and equipment		935,518	1,200,808
	Total	**935,518**	**1,200,808**
Note 25. Other Expenses			
Insurance		902,435	798,914
Rent		3,000,000	-
Rates and taxes		129,508	64,754
Advertisement expenses		21,847,553	3,452,023
Bad Debts		79,949	493,991
Repairs and society maintenance charges		20,610	185,143
Legal and professional fees		3,337,991	109,401,875
Other expenses (Refer Foot Note)		22,010,567	17,679,798
	Total	**51,328,613**	**132,076,498**
Foot Note :			
Audit Fees		50,000	50,000
	Total	**50,000**	**50,000**

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	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Note 26. Earnings per share (EPS)		
Basic Earnings Per Share		
Class - A	(1.79)	(0.89)
Class - B	(16.12)	(8.00)
Class - C	(0.62)	(0.31)
Ordinary	(3,249.56)	(1,612.19)
Diluted Earnings Per Share		
Class - A	(1.79)	(0.89)
Class - B	(1.48)	(1.94)
Class - C	(0.62)	(0.31)
Ordinary	(3,249.56)	(1,612.19)

Basic EPS

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows

Profit for the year attributable to the owners of the Company		
Earnings used in the calculation of basic earnings per share	**(32,495,586)**	**(16,121,902)**
Weighted average number of equity shares for the purposes of basic earnings per share		
Class - A	18,134,450	18,134,450
Class - B	2,016,050	2,016,050
Class - C	52,558,955	52,558,955
Ordinary	10,000	10,000
Total	**72,719,455**	**72,719,455**

Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as Profit for the year attributable to the owners of the Company

Earnings used in the calculation of diluted earnings per share	**(32,495,586)**	**(16,121,902)**
Weighted average number of equity shares for the purposes of basic earnings per share		
Class - A	18,134,450	18,134,450
Class - B	74,016,050	74,016,050
Class - C	52,558,955	52,558,955
Ordinary	10,000	10,000
Total	**144,719,455**	**144,719,455**

For the purpose of diluted EPS convertible instruments 17.75% Debentures are deemed to be converted on the first day of the previous year. The conversion ratio has been arrived at on face value basis.

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JOYNEST PREMISES PRIVATE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note 27. Related Parties Disclosures

A. Names of related parties and description of relationship

Parent/ Holding Company
Hubtown Limited

Other Fellow Subsidiaries (with Whom transactions have taken place)
Citygold Farming Private Limited
Heddle Knowledge Private Limited

Others - Joint Ventures Of Holding Company (with Whom transactions have taken place)
Rising Glory Developers
Akruti GM JV
Sunstone Developers JV
Ackruti Jay Chandan JV

Key Management personnel their relatives & enterprises (with Whom transactions have taken place)
Citygold Management Services Pvt Ltd

Note. Related party relationships are as identified by the Company and relied upon by the Auditor.
Previous year

B. Related party transactions and balance as at year end:

Sr. No.	Nature of transaction	Holding Company	Fellow Subsidiary companies	Joint Ventures of Holding company	Key Management personnel, their relatives & enterprises
a.	**Transactions with Related parties**				
i.	**Loans and Advances received \ recovered \ adjusted**				
	Hubtown Limited	148,621,000	-		
		(290,584,000)		-	-
	Citygold Farming Private Limited			-	
		-			
	Rising Glory Developers	-		19,921,000	-
				(25,050,000)	-
	Akruti GM JV	-		-	-
		-		(800,000)	
	Sunstone Developers JV	-		-	-
		-	-	(11,700,000)	-
ii	**Loans and Advances given/ repaid/adjusted**				
	Hubtown Limited	283,359,832		-	
		(44,374,500)		-	-
	Citygold Farming Private Limited	-		-	
		-	(2,200,000)	-	
	Rising Glory Developers			34,191,000	
		-		(20,675,000)	-
	Akruti GM JV	-		-	-
		-		(800,000)	-
	Sunstone Developers JV	-	-	83,562	-
			-	(16,500,000)	-
iii	**Others - given/ repaid/adjusted**				
	Ackruti Jay Chandan JV			1,727,622	-
			-	(2,500,000)	
iv	**PMC Fees**				
	Citygold Management Services Pvt Ltd	-		-	
		-		-	(5,000,000)
v	**Transfer of Steel / Other Materials (Expenses)**				
	Hubtown Limited	667,088		-	
		(1,056,464)		-	-
vi	**Advertisement & Other Income (Income)**				
	Hubtown Limited	4,467,370		-	-
		-			-
vii	**Sitting Fees (Expenses)**				
	Khilen Shah	-	-	-	12,500
				-	
	Kamal Matalia	-		-	12,500
		-		-	-

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C. Balance outstanding

Sr. No.	Nature of Balance outstanding	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
i	**Balance outstanding Receivables :**		
	Akruti GM JV	4,500	4,500
	Sunstone Developers JV	4,033,562	3,950,000
	Hubtown Bus Terminal (Mehsana) Private Limited	560,857	499,530
	Hubtown Bus Terminal (Adajan) Private Limited	61,327	-
	Hubtown Bus Terminal (Ahmadabad) Private Limited	61,327	-
	Hubtown Bus Terminal (Vadodara) Private Limited	61,327	-
	M/s Rising Glory Developers	9,895,000	-
	Hubtown Limited	87,675,122	-
ii	**Balance outstanding payables :**		
	Hubtown Limited		55,318,037
	M/s Rising Glory Developers	-	4,375,000
	Citygold Farming Private Limited		-
	Ackruti Jay Chandan JV		1,727,622
	Ackruti Jay Developers	-	1,379,401
	Citygold Management Services Pvt Ltd	894,508	4,949,409
	Khilen Shah (Sitting Fees payable)	12,500	-
	Kamal Matalia (Sitting Fees payable)	12,500	-

Note 28. Contingent Liability

Sr. No.	Particulars	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
	Claim against Company not acknowledge as debt on accounts of:-		
i	**Commissioner of Income Tax (Appeals):**		
	F.Y. 2016-17	12,512,800	

The Company does not have any contingent liability as at the balance sheet date, other then stated above, as certified by the management and relied by the auditors.

Note 29.
The Company has created charge on its immovable property or any interest therein against borrowings on behalf of the related parties and third parties

Note 30.
In the opinion of the Board of Directors of the Company, all the items of current assets, current labilities & loans and advances continue to have a realisable value of at least the amount at which they are stated in the balance sheet.

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Note 31. Capital Management

The primary objective of company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholders value. The company's board of directors reviews the capital structure on an annual basis.

The capital structure of the company consists of net debt (borrowings and offset by cash and bank balances) and total equity of the company. The borrowings consist of debentures issued, term loans from financial institutions and loans from companies.

Gearing Ratio

The gearing ratio at the reporting period was as follows

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Unsecured Loan	400,000,000	400,000,000
Secured Loan	985,870	1,505,134
Interest accrued and due/and but not due	744,036	132,970
Less: Cash and Bank Balance	(10,062,492)	(17,959,263)
Total Debt (A)	**391,667,414**	**383,678,840**
Equity Share Capital	1,047,194,550	1,047,194,550
Retained Earnings	(184,718,547)	(152,209,794)
Total Equity (B)	**862,476,003**	**894,984,756**
Debt Equity Ratio A/B	45.41%	42.87%

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	Year ended 31st March, 2020 ₹	Year ended 31st March, 2019 ₹
Note 32. Post Retirement Benefit Plans		
The Principal assumptions used for the purpose of the actuarial valuations were as follows,		
Gratuity:		
Discount Rate	6.80%	7.64%
Expected rate of salary increase	5%	5%
Expected average remaining service	24.29	24.06
Service cost		
Current service cost	22,346	12,015
Past service cost and (gain)/loss from settlement	-	-
Net interest expense	(3,396)	(4,978)
Component of define benefit cost recognised in profit or loss	**18,950**	**7,037**
Actuarial (gains) / losses for the period	13,168	13,423
Component of defined benefit cost recognised in other comprehensive income	**13,168**	**13,423**
Total	32,118	20,460
Present value of funded defined benefit obligation	92,419	53,119
Fair value of plan assets	(104,746)	(97,564)
Funded status	**(197,165)**	**(150,683)**
Movement in PV of defined benefit obligation		
Opening define benefit obligation	53,119	25,996
Current service cost	22,346	12,015
Interest cost	4,058	1,994
Actuarial (gains) and losses arising from changes in financial assumption	14,865	335
Actuarial (gains) and losses arising from changes in experience adjustment	(1,969)	12,779
closing define benefit obligation	**92,419**	**53,119**
Movements in fair value of plan assets		
Opening fair value of plan assets	97,564	90,901
Interest income	7,454	6,972
Return on plan assets (excluding amounts included in net interest expense)	(272)	(309)
Contribution from employer	-	-
closing fair value of plan assets	**104,746**	**97,564**
Asset Information:	**Total Amount**	**Target Allocation %**
Gratuity Fund	104,746	100%
Expected Payout:	**PVO Payout**	
Expected Outgo First Year	1,260	
Expected Outgo Second Year	1,315	
Expected Outgo Third Year	1,374	
Expected Outgo Fourth Year	1,594	
Expected Outgo Fifth Year	1,847	
Expected Outgo Sixth to Tenth Years	10,669	

Sensitivity Analysis:

As of 31st March, 2020, every percentage point increase in discount rate will affect our gratuity benefit obligation ₹ 75,061 /-

As of 31st March, 2020, every percentage point decrease in discount rate will affect our gratuity benefit obligation ₹ 1,14,794 /-

As of 31st March, 2020, every percentage point increase in salary escalation rate will affect our gratuity benefit obligation ₹ 1,14,802 /-

As of 31st March, 2020, every percentage point decrease in salary escalation rate will affect our gratuity benefit obligation ₹ 74,794 /-

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

Projected service cost as on 31st March, 2021 is ₹ 34,825 /-

Narrations:

1 **Analysis of Defined Benefit Obligation**
The number of members under the scheme have increased by 20.00%
The total salary has increased by 31.77% during the accounting period
The resultant liability at the end of the period over the beginning of the period has increased by 73.98%

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2 **Expected rate of return basis:**
EROA is the discount rate as at previous valuation date as per the accounting standard

3 **Description of Plan Assets and Reimbursement Conditions**
100% of the Plan Asset is entrusted to LIC of India under their Group Gratuity Scheme. The reimbursement is subject to Insurer's Surrender Policy.

4 **Investment / Interest Risk**
The Company is exposed to Investment / Interest risk if the return on the invested fund fails below the discount rate used to arrive at present value of the benefit

5 **Longevity Risk**
The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

6 **Risk of Salary Increase**
The Company is exposed to higher liability if the future salaries rise more than assumption of salary escalation.

7 **Discount Rate**
The discount rate has decreased from 7.64% to 6.80% and hence there is an increase in liability leading to actuarial loss due to change in discount rate.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note 33. Financial Risk Management Objectives

Financial Risk Management Objectives
The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.
The Company manages market risk through a treasury department which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies which are approved by the senior management. The activities of this department include management of cash resourses, borrowing strategies and ensuring compliance with the market risk limits and policies.

Market Risk
a) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to company's long term debt obligations with floating interest rates.

b) Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate on account of changes in foreign exchange rates. The company does not have any exposure to the risk of changes in foreign exchange rates from its operating activities or investments in foreign companies.

Credit Risk
The company is not exposed to credit risk from its operating activities. Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

Liquidity risk
The companies cashflow requirement are met by funds received from its holding company.

Note 34. Previous year figures have been regrouped or reclassified whereever necessary.

As per our report of even date

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants

SANKET R SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

SANKET SHAH
Proprietor
Membership No.: 152369

Place: Mumbai
Date: 21st July, 2020

KAMAL MATALIA
Director
DIN : 00009695

JOYNEST PREMISES PVT. LTD. MUMBAI

KHILEN V SHAH
Director
DIN : 03134932

Place: Mumbai
Date: 21st July, 2020

INDEPENDENT AUDITORS REPORT

To,

The Members of **SANAS DEVELOPERS PRIVATE LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Standalone IND AS financial statements of **SANAS DEVELOPERS PRIVATE LIMITED**,(" the company") which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows & Statement of Changes in Equity for the year then ended and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 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, 2020, and its loss & changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including Annexures to Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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

Responsibilities of Management and Those Charged with Governance for the 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, financial performance, (changes in equity) and cash flows 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 of 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 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.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility

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

F. R. No.
112?? W
PUNE

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

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.

Report on the Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 purposes of our audit of the aforesaid Standalone financial statements.

F. R. No. 111165W PUNE Accountants

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Balance Sheet, Statement of Profit and Loss & Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.

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

e) On the basis of written representations received from the directors as on 31 March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, 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 in its financial statements

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For S P C M & ASSOCIATES
Chartered Accountants
FRN:- 112165W

S P C M & ASSOCIATES Chartered Accountants F. R. No. 112165W PUNE

CA Chetan R. Parakh
Partner
Mem. No. 105408
UDIN : 20105408AAAADB9836

Place : Pune
Date : 18.07.2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2020, we report that:

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification

(c) According to the information and explanations given by the management, there are no immovable properties included in the fixed assets of the company and accordingly the requirements under paragraph 3(i)(c) of the Companies (Auditor's Report) Order, 2016 ("The Order") are not applicable to the Company.

(ii) In our opinion and according to the information and explanation given to us, inventories have been physically verified during the year by the management at regular intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and no order in this respect has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunals.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Income-tax, Goods and Services Tax (G.S.T), TDS and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Income-tax, Goods and Services Tax (G.S.T) and other material statutory dues in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable, except Rs. 12000/- on account of Professional tax deducted from the salary of employees.

(c) There are no dues of Income-tax as on 31st March, 2020 on account of disputes.

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) In our opinion and according to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud by its officers or employees on the Company has been noticed or reported during the year.

(xi) Based upon the audit procedures performed and the information and explanations given by the management, no managerial remuneration has been paid or is payable during the year and hence reporting under clause 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For S P C M & ASSOCIATES
Chartered Accountants
FRN:-112165W

S P C M & ASSOCIATES
F. R. No.
112165W
PUNE
Chartered Accountants

CA. Chetan R. Parakh
Partner
Mem. No. 105408
UDIN:20105408AAAADB9836

Place : Pune
Date : 18.07.2020

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ('the Act')

1. We have audited the internal financial controls over financial reporting of **Sanas Developers Private Limited** ('the Company') as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

2. **Management's Responsibility of Internal Financial Controls**

   The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountant of India (the "ICAI").These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act,2013.

3. **Auditor's Responsibility**

   Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of internal financial controls over financial reporting issued by the ICAI and Standards on Auditing issued by the ICAI as specified u/s 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

   Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error.

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

4. **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that -

(a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the Company are being made only in accordance with authorisations of the management and directors of the Company; and

(c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

5. **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S P C M & ASSOCIATES
Chartered Accountants
FRN:- 112165W

S P C M & ASSOCIATES
F. R. No. 112165W
PUNE
Chartered Accountants

Place : Pune
Date : 18.07.2020

CA Chetan R. Parakh
Partner
Mem. No. 105408
UDIN:- 20105408AAAADB9836

SANAS DEVELOPERS PRIVATE LIMITED

Balance Sheet as at March 31, 2020

(Amount in Rs.)

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
	ASSETS			
1	**Non-current assets**			
	(a) Property, Plant and Equipment	3	8,12,118	11,06,356
	(b) Intangible Assets		-	-
	(c) Financial Assets		-	-
	(d) Deferred Tax Assets (Net)	12	35,980	-
	(e) Other Non-Current Assets		-	-
	Total Non - Current Assets		8,48,098	11,06,356
2	**Current assets**			
	(a) Inventories	4	25,70,55,257	2,30,67,576
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade Receivables		-	-
	(iii) Cash and Cash Equivalents	5	36,17,226	13,37,045
	(iv) Other Financial Assets	6	5,23,573	-
	(c) Other Current Assets	7	15,34,262	7,10,350
	Total Current Assets		26,27,30,318	2,51,14,972
	Total Assets (1+2)		26,35,78,416	2,62,21,328
	EQUITY AND LIABILITIES			
1	**EQUITY**			
	(a) Equity Share capital	8	1,00,000	1,00,000
	(b) Other Equity	9	(28,90,871)	(14,084)
	Total Equity		(27,90,871)	85,916
	LIABILITIES			
2	**Non-current liabilities**			
	(a) Financial Liabilities			
	Borrowings From Banks	10	-	-
	Borrowings From Related Parties		25,62,91,601	-
	Other Financial Liabilities	11	25,45,399	1,75,000
	(b) Employee Benefit Obligations		-	-
	(c) Deferred Tax Liabilities (Net)	12	-	14,084
	Total Non - Current Liabilities		25,88,37,000	1,89,084
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Trade payables			
	A. total outstanding dues of micro enterprises and small enterprises	13	-	-
	B. total outstanding dues of creditors other than micro enterprises and small enterprises		4,20,508	4,41,003
	(b) Employee Benefit Obligations		-	-
	(c) Current Tax Liabilities		-	-
	(d) Other current liabilities	14	71,11,779	2,55,05,324
	Total Current Liabilities		75,32,287	2,59,46,327
	Total Equity and Liabilities (1+2+3)		26,35,78,416	2,62,21,327
	See accompanying notes to the financial statements	1-29		

As per our report of even date
For S.P.C.M & Associates
Chartered Accountants
FRN - 112165W

CA. Chetan R. Parakh
Partner
M No. 105408
UDIN: 20105408AAAADB9836
Place : Pune
Date: 18/07/2020

S.P.C.M & ASSOCIATES F. R. No. 112165W PUNE Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
SANAS DEVELOPERS PRIVATE LIMITED

Surendra R. Sanas
Director
DIN - 00164013

Siddhanth S. Sanas
Director
DIN - 06382684

SANAS DEVELOPERS PRIVATE LIMITED

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

(Amount in Rs.)

	Particulars	Note No.	Year Ended 31st March, 2020	Year Ended 31st March, 2019
I	Revenue from operations		-	-
II	Other Income	15	23,573	-
III	Total Revenue (I + II)		23,573	-
IV	EXPENSES			
	(a) Cost of services, construction and land	16	23,39,29,308	2,30,67,576
	(b) Changes in inventories including Raw materials,	17	(23,39,87,681)	(2,30,67,576)
	(c) Employee benefits expense	18	14,81,631	-
	(d) Finance costs		-	-
	(e) Depreciation and amortisation expense	3	3,71,182	-
	(f) Other expenses	19	11,55,984	-
	Total Expenses		29,50,424	-
V	Profit before tax (III - IV)		(29,26,851)	-
VI	Tax Expense			
	(a) Current tax		-	-
	(b) Deferred tax (charge)/ credit	12	50,064	(14,084)
	(c) Excess / (Short) provision for tax relating to prior years		-	-
	Total tax expense	20	50,064	(14,084)
VII	Profit after tax (V - VI)		(28,76,787)	(14,084)
VIII	Other comprehensive income/(loss)		-	-
IX	Total Comprehensive income for the year (VII + VIII)		(28,76,787)	(14,084)
X	Earnings per equity share(FaceValue Rs.10) in Rs.	24		
	(a) Basic		(287.68)	(1.41)
	(b) Diluted		(287.68)	(1.41)
	See accompanying notes to the financial statements	1-29		

As per our r...

For S.P.C.M & Associates
Chartered Accountants
FRN - 112165W

F. R. No. 112165W PUNE

CA. Chetan R. Parakh
Partner
M No. 105408
UDIN: 20105408AAAADB9836
Place : Pune
Date: 18/07/2020

...OARD OF DIRECTORS
SANAS ... RIVATE LIMITED

Surendra R. Sanas
Director
DIN - ...64013

Siddhanth S. Sanas
Director
DIN - 06382684

SANAS DEVELOPERS PRIVATE LIMITED

Cash Flow Statement for the year ended March 31, 2020

(Amount in Rs.)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax:	(29,26,851)	-
Adjustment for:		
Depreciation/Amortisation	3,71,182	-
Interest Income	(23,573)	-
Operating profit before Working Capital changes	(25,79,242)	-
Adjustments for changes in Working capital		
(Increase)/Decrease in Inventories	(23,39,87,680)	(2,30,67,576)
(Increase)/Decrease in Other Non-current and current assets	(8,23,912)	(7,10,350)
Increase/(Decrease) in Trade Payables	(20,496)	4,41,003
Increase/(Decrease) in Other current liabilities	(1,83,93,545)	2,55,05,324
Increase/(Decrease) in Other Financial liabilities	23,70,399	1,75,000
Cash generated from/ (used in) operations	(25,34,34,476)	23,43,401
Income taxes refund/ (paid)	-	-
Net Cash from / (used in) operating activities (A)	(25,34,34,476)	23,43,401
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on Property ,Plant & Equipment, CWIP including capital advances	(76,944)	(11,06,356)
Fixed Deposits Placed	(5,23,573)	-
Interest income received	23,573	-
Net Cash from/(used in) investing activities (B)	(5,76,944)	(11,06,356)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from initial subscription from shareholders	-	1,00,000
Proceeds from Borrowings	25,62,91,601	-
Net Cash from/(used in) financing activities (C)	25,62,91,601	1,00,000
D Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	22,80,181	13,37,045
Cash and Cash Equivalents (Opening balance)	13,37,045	-
Cash and Cash Equivalents (Closing balance)	36,17,226	13,37,045
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	22,80,181	13,37,045
Cash and cash equivalents at the end of the year as above comprises:		
Cash in hand	9,71,911	3,51,420
Balances with banks		
- In current accounts	26,45,315	9,85,625
Total	36,17,226	13,37,045
See accompanying notes forming part of the financial statements 1-29		

As per our report of even date
For S.P.C.M & Associates
Chartered Accountants
FRN - 112165W

F. R. No. 112165W PUNE Associates Chartered Accountants

CA. Chetan R. Parakh
Partner
M No. 105408
UDIN: 20105408AAAADB9836
Place : Pune
Date: 18/07/2020

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
SANAS DEVELOPERS PRIVATE LIMITED

Surendra R. Sanas
Director
DIN - 00164013

Siddhanth S. Sanas
Director
DIN - 06382684

SANAS DEVELOPERS PRIVATE LIMITED

Statement of Changes in Equity

a) Equity share capital

(Amount in Rs.)

Particulars	Amount
Balance As at April 1, 2018	-
Change for the year	1,00,000
Balance As at March 31, 2019	1,00,000
Change for the year	-
Balance As at March 31, 2020	1,00,000

b) Other Equity 18-19

(Amount in Rs.)

Particulars	Reserves & Surplus
	Retained earnings
Balance as at April 1, 2018	-
Profit during the year	(14,084)
Other Comprehensive Income	-
Balance as at March 31, 2019	**(14,084)**

c) Other Equity 19-20

(Amount in Rs.)

Particulars	Reserves & Surplus
	Retained earnings
Balance as at April 1, 2019	(14,084)
Profit during the year	(28,76,787)
Other Comprehensive Income (Net)	-
Balance as at March 31, 2020	**(28,90,871)**

As per our report of even date
For S.P.C.M & Associates
Chartered Accountants
FRN - 112165W

S.P.C.M & ASSOCIATES F. R. No. 112165W PUNE Chartered Accountants

CA. Chetan R. Parakh
Partner
M No. 105408
UDIN: 20105408AAAADB9836
Place : Pune
Date: 18/07/2020

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
SANAS DEVELOPERS PRIVATE LIMITED

Surendra R. Sanas
Director
DIN - 00164013

Siddhanth S. Sanas
Director
DIN - 06382684

SANAS DEVELOPERS PRIVATE LIMITED
Notes forming part of the financial statements

1 Corporate information

Sanas Developers Private Limited ("the Company") is a Company registered under the Companies Act, 2013. The Company is primarily engaged in business of construction and development of residential and commercial complexes, multistoried buildings, flats, houses, apartments, etc.

The financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorized for issue on 18/07/2020

2 Going Concern

The accumulated losses of the Company as of March 31, 2020, have exceeded its paid-up capital and reserves. The Company has incurred net loss for the year ended March 31, 2020. The loss is mainly on account of the accounting policy of the company on Revenue Recognition from real estate projects on the 'Completed Contract method' of accounting as per IND AS 115, when, significant risk and rewards of ownership will be transferred to the customers.

Based on the above, the Company is confident of its ability to meet the funds requirement and to continue its business as a going concern and accordingly, the financial statements have been prepared on that basis.

3 Significant Accounting Policies

A. Disclosures as required by Indian Accounting Standard (Ind AS) 101 First time adoption of Indian Accounting Standard

The Company has adopted Ind AS with effect from 1st April, 2019. Exemptions availed on first time adoption of Ind AS 101: On first time adoption of Ind AS, allows certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

B. Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act") (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Financial Statements for the year ended 31st March 2019 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) ("previous GAAP").

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

SANAS DEVELOPERS PRIVATE LIMITED
Notes forming part of the financial statements

C. Basis of Preparation of Financial Statements:

The financial statements have been prepared on the historical cost and accrual basis.
Historical cost is generally based on the fair value of the considerations given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
• Level 3 inputs are unobservable inputs for the asset or liability.

D. Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management of the company to make judgement, estimates and assumptions to be made that affect the reported amounts of assets and liabilities (including contingent liabilities) on the date of financial statements, and the reported amounts of income and expenses during the reported period and accompanying disclosures. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialize.

Significant accounting judgements, estimates and assumptions used by management.
Refer Note "S"

E. Inventories:

Raw materials are valued at lower of cost and net realisable value. Cost is determined based on a weighted average basis.
Work in progress is valued at cost, which includes cost of land, development expenses and Other construction expenses, which is certified by the Management.

F. Cash Flow Statement:

Cash Flow Statement is prepared under Ind AS 7 'Statement of Cashflows' specified under Section 133 of the Act. Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature.

ASSOCIATES F. R. No. 112185W PUNE Accountants

SANAS DEVELOPERS PRIVATE LIMITED
Notes forming part of the financial statements

G. Property, Plant & Equipment and Intangible assets:

Property, Plant & Equipment and Intangible assets are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction / installation stage.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation / amortisation on Property, Plant & Equipment is charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.

The estimated useful lives and residual values of the Property, Plant & Equipment and Intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Computer software is amortized over a period of six years.

H. Revenue Recognition:

i. Revenue from real estate projects is recognised on the 'Completed Contract method' of accounting as per IND AS 115, when:

- the seller has transferred to the buyer all significant risks and rewards of ownership and the seller retains no effective control of the real estate to a degree usually associated with ownership;
- The seller has effectively handed over possession of the real estate unit to the buyer forming part of the transaction;
- No significant uncertainty exists regarding the amount of consideration that will be derived from real estate sales; and
- It is not unreasonable to expect ultimate collection of revenue from buyers.

ii. The amount received from customers which does not qualify for revenue recognition is accounted as Current Liabilities under the head "Other Current Liabilities Sub Head "Advance from Customers".

iii. Interest income is accounted on accrual basis on a time proportion basis.

I. Cost of Construction / Development:

Cost of Construction/Development (including cost of land) incurred is charged to the statement of profit and loss proportionate to project area sold. Costs incurred for projects which have not received Occupancy/Completion Certificate is carried over as construction work-in-progress. Costs incurred for projects which have received Occupancy/Completion Certificate is carried over as Completed Finished Properties.

J. Foreign Currency transactions:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Nonmonetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

ASSOCIATES F. R. No. 112185W PUNE Accountants

SANAS DEVELOPERS PRIVATE LIMITED
Notes forming part of the financial statements

K. Employee benefits

There are no Employee Benefits plan as declared by The Company, therefore IND AS 19 : Employee Benefits is not applicable to the Company.

L. Borrowing costs:

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset, is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

A qualifying asset is an asset that necessarily takes 12 months or more to get ready for its intended use or sale and includes the real estate properties developed by the Company.

M. Earnings Per Share:

The Company reports basic and diluted earnings per share in accordance with Ind AS - 33 on 'Earnings per Share'. Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti- dilutive.

N. Current and Deferred Taxes:

Current Tax:

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred Tax:

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneous.

Current tax and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

O. Impairment:

i. Financial assets (other than at fair value):

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii. Non-financial assets:

Property, Plant & Equipment and Intangible assets (PPE&IA):

At each Balance Sheet date, the Company reviews the carrying amounts of its PPE&IA to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the Statement of Profit and Loss as and when they arise.

P. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Company has a present obligation as a result of past events 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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements but are disclosed.

Q. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

SANAS DEVELOPERS PRIVATE LIMITED
Notes forming part of the financial statements

R. Financial Instruments:

Initial recognition:

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

Financial assets at amortised cost:

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial liabilities and equity instruments:

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.
Financial liabilities are measured at amortised cost.

S. Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

1. **Recognition of deferred tax assets**

   The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

2. **Evaluation of indicators for impairment of assets**

   The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

3. **Contingent liabilities**

   At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgement.

Significant Estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

4. **Impairment of financial assets**

   At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

5 **Useful lives of depreciable/ amortisable assets**

   Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

2A. New Accounting Standards, Amendments to Existing Standards, Annual Improvements and Interpretations Effective Subsequent to March 31, 2019

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.
The standard permits two possible methods of transition -
i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and,
ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.
The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.
The Company does not expect this amendment to have any impact on its financial statements.

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.
The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.
Effective date for application of this amendment is annual period beginning on or after April 1, 2019.
The Company does not expect this amendment to have any impact on its financial statements.

SANAS DEVELOPERS PRIVATE LIMITED

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

Note 3 : Property, Plant and Equipment

(Amount in Rs.)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2019	Additions during the year	Deletion during the year	As at March 31, 2020	As at April 1, 2019	For the year	On Deletion	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Plant and Machinery	-	39,910	-	39,910	-	6,763	-	6,763	33,147	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-
Vehicles	11,37,500	-	-	11,37,500	31,144	3,45,515	-	3,76,659	7,60,841	11,06,356
(Previous Year)	-	(11,37,500)	-	(11,37,500)	-	(31,144)	-	(31,144)	(11,06,356)	-
Computers & Printe	-	37,034	-	37,034	-	18,904	-	18,904	18,130	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-
Total	11,37,500	76,944	0	12,14,444	31,144	3,71,182	0	4,02,326	8,12,118	11,06,356
Previous Year	-	(11,37,500)	-	(11,37,500)	-	(31,144)	-	(31,144)	(11,06,356)	-

Note -
- The figures in bracket pertains to previous year.
- Vehicle is held in the Name of Directors of the Company.

F. R. No. 112165W PUNE Chartered Accountants

SANAS DEVELOPERS PRIVATE LIMITED

Notes to the Financial Statements for the year ended March 31. 2020

Note - 4 : Inventories

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
At cost or net realisable value whichever is lower		
Opening Inventory	2,30,67,576	-
Add:- Addition during the Year	23,39,29,308	2,30,67,576
Add:- Expenditure Transferred to WIP	58,372	
Less:- Cost of Goods Sold	-	-
Closing Inventory	25,70,55,257	2,30,67,576
Total	25,70,55,257	2,30,67,576

Note - 5 : Cash and Cash Equivalents

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Cash on hand	9,71,911	3,51,420
(b) Balances with banks - In current accounts	26,45,315	9,85,625
Total	36,17,226	13,37,045

Note 6 - Other Financial Asset : Current

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured and considered good		
(a) Fixed deposits having maturity of not more than 12 months from the Balance Sheet date	500000	-
(b) Interest accrued on bank deposits	23,573	-
Total	5,23,573	-

Note - 7 : Other Current Assets

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured and considered good		
(a) Advances to suppliers	9,52,909	7,10,350
(b) Advances to Staff	5,81,353	-
Total	15,34,262	7,10,350

ASSOCIATES F.R. No. PUNE Accountants

SANAS DEVELOPERS PRIVATE LIMITED
Notes to the Financial Statements for the vear ended March 31. 2020

Note - 8 : Equity Share Capital

(Amount in Rs.

Particulars	As at March 31, 2020	As at March 31,
Authorised:		
50000 Equity Shares of Rs.10/- each (as at March 31, 2019: 50000 equity shares of ₹ 10/- each)	5,00,000	5,00,000
	5,00,000	5,00,000
Issued, Subscribed and Fully Paid:		
10000 Equity Shares of Rs.10/- each (as at March 31, 2019: 10000 equity shares of ₹ 10/- each)	1,00,000	1,00,000
Total	1,00,000	1,00,000

Note 8A: Terms, rights and restrictions attached to equity shares

The Company has only one class of equity shares having a face value of Rs. 10 per share. Accordingly, all equity shares rank equally with regards to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 8B: Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares	(Amount in Rs.)	Number of shares	(Amount in Rs.)
Shares at the beginning of year	10,000	1,00,000	10,000	1,00,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	10,000	1,00,000	10,000	1,00,000

Note 8C: Details of shares held by each shareholder holding more than 5% equity shares:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares	% of Holdings	Number of shares	% of Holdings
Hubtown Limited	5,100	51.00%	5,100	51.00%
Surendra R. Sanas	3,000	30.00%	3,000	30.00%
Siddhant S. Sanas	1,500	15.00%	1,500	15.00%

Note 8D: Information regarding issue of shares in the last five years:

i) The Company has issued all the above shares in the process of conversion of Partnership firm into Company. (Thus shares are issued without payment being received in cash.)

ii) The Company has not issued any bonus shares.

iii) The Company has not undertaken any buy-back of shares.

Note 8E: Shares held by Holding Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares	(Amount in Rs.)	Number of shares	(Amount in Rs.)
Hubtown Limited	5,100	51,000	5,100	51,000

SANAS DEVELOPERS PRIVATE LIMITED
Notes to the Financial Statements for the year ended March 31, 2020

Note - 9 : Other Equity

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
(I) Retained Earnings		
Balance as at the beginning of the year	(14,084)	-
Add :		
Profit during the year	(28,76,787)	(14,084)
Other Comprehensive Income/(Loss)	-	-
Less:		
Any Other Adjustement-Prior Period	-	-
Total	**(28,90,871)**	**(14,084)**

Note - 10 : Borrowings- Non Current

Particulars	As at March 31, 2020	As at March 31, 2019
Carried at amortised cost		
Borrowings From Banks	-	-
Loans from related parties (Unsecured)	25,62,91,601	-
Total	**25,62,91,601**	-

Note - 11 : Other Finanical Liabilites-Non Current

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Other financial liabilities		
Carried at amortised cost		
Retention money payable	25,45,399	1,75,000
Total	**25,45,399**	**1,75,000**

Note - 12 : Deferred Tax Assets / (Liabilities)

(Amount in Rs.)

Significant components of deferred tax assets and liabilities	Opening balance as on April 1, 2019	Recognized in the statement of profit or loss	Recognized in/ reclassified from other comprehensive income	Closing balance as on March 31, 2020
Deferred tax assets:				
Property, plant and equipment and intangible assets	-	50,064	-	50,064
Total deferred tax assets	-	**50,064**	-	**50,064**
Deferred tax liabilities:				
Property, plant and equipment and intangible assets	14,084	-	-	14,084
Total deferred tax liabilities	**14,084**	-	-	**14,084**
Net Deferred Tax Assets/(Liabilities)	**(14,084)**	**50,064**	-	**35,980**

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SANAS DEVELOPERS PRIVATE LIMITED
Notes to the Financial Statements for the year ended March 31, 2020

Note - 13 : Current liabilities:- Financial Liabilities- Trade Payables

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payables		
Carried at amortised cost		
(a) Total Outstanding dues to Micro Enterprises and Small Enterprises (Refer Note 21)	-	-
(b) Total Outstanding dues other than to Micro Enterprises and Small Enterprises	4,20,508	4,41,003
Total	**4,20,508**	**4,41,003**

Note - 14 : Other Current Liabilities

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Advances received from customers	62,88,947	-
(b) Provisions	5,12,712	31,545
(c) Other Advances	-	2,54,16,077
(b) Others		
- Statutory Dues (GST, TDS etc.	3,10,120	57,702
Total	**71,11,779**	**2,55,05,324**

Note - 15 : Other Income

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Interest Income		
(1) On Bank deposits (at amortised cost)	23,573	-
Total	**23,573**	-

Note - 16 : Cost of services, construction & land

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Cost incurred during the year		
Cost of land/ development rights	15,67,70,908	-
Purchase of raw material	1,64,98,915	3,53,659
Contract cost and labour Charges	4,17,42,550	41,17,490
Other construction expenses	1,89,16,935	1,46,82,918
WIP-SRS Developers(Firm) on Conversion	-	39,13,509
Cost of services, construction and land	**23,39,29,308**	**2,30,67,576**

SANAS DEVELOPERS PRIVATE LIMITED
Notes to the Financial Statements for the year ended March 31, 2020

Note - 17 : Changes in Inventory of Raw materials, work-in-progress

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Opening stock of including Raw	2,30,67,576	-
(b) Less : Closing stock including Raw	25,70,55,257	2,30,67,576
Changes in Inventory To	(23,39,87,681)	(2,30,67,576)

Note - 18 : Employee Benefits Expense

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Salaries and wages	9,07,314	-
(b) Conveyance Allowance	1,17,950	-
(c) HRA	3,17,595	-
(d) Other Allowance	82,015	-
(e) Staff welfare expenses	56,757	-
Total	14,81,631	-

Note - 19 : Other Expenses

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Repairs and maintenance	2,500	2,600
(b) Vehicle Insurance	21,177	-
(c) Telephone	40,982	39,304
(d) Travelling and Conveyance	13,345	47,587
(e) Printing & Stationery	12,666	1,984
(f) Legal and professional fees	2,77,064	44,967
(g) Payment to auditors (Refer Note 22)	1,50,000	20,000
(h) Subsription	2,950	-
(i) Miscellaneous expenses	12,720	2,799
(j) Commission	3,40,480	-
(k) Courier Charges	109	-
(l) Electricity Charges	73,727	51,368
(m) Bank Charges	1,528	-
(n) Interest on Tax/Late fee on GST	380	200
(o) Office Expenses	1,10,730	1,255
(p) Petrol Expenses	95,054	-
(q) Round Off	571	-
Less : Transferred to WIP	-	(2,12,064)
Total	11,55,984	

S.P.C.M & ASSOCIATES F.R. No. [illegible] PUNE Chartered Accountants

SANAS DEVELOPERS PRIVATE LIMITED
Notes forming part of the financial statements

20. Current tax and deferred tax

The income tax expenses can be reconciled to the accounting profit as follows:

(Amount in Rs.)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit Before tax	-29,26,851	0
Enacted tax rate	25.00%	25.00%
Income tax calculated at enacted rate	-	-
Others	(50,064)	14,084
Tax expense recognized in profit and loss	(50,064)	14,084

The tax rate used for the above reconciliation is the rate as applicable for the respective period payable by the

21. Disclosure as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

22. Auditors Remuneration (net of GST) towards:

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory Audit Fees	1,50,000	20,000
Tax matters	25,000	10,000
Total	1,75,000	30,000

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PUNE

SANAS DEVELOPERS PRIVATE LIMITED
Notes forming part of the financial statements

23. Segment Information

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods and services delivered or provided. The Company is engaged in development of real estate property, operating in India, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

24 Earnings per share:

Particulars	As at March 31, 2020	As at March 31, 2019
Nominal value of equity shares – (Amount in Rupees)	10	10
Net Profit attributable to shareholders (Amount in Rupees)	(28,76,787)	(14,084)
Weighted average number of equity shares for basic EPS	10,000	10,000
Basic earnings per share - Rupees	(287.68)	(1.41)
Net Profit attributable to shareholders on dilution (Amount in Rupees)	(28,76,787)	(14,084)
Weighted average number of equity shares for diluted EPS	10,000	10,000
Diluted earnings per share - Rupees	(287.68)	(1.41)

25 Financial Instruments

I) Capital Management

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern
- to maximize the return to stakeholders through optimization of the debt and equity balance.

The Company monitors capital on the basis of the carrying amount of equity as presented on the face of the statement of financial position. The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying Assets.

a) Gearing ratio:

The Gearing ratio at the end of the reporting period are as follows:

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Debt*	25,62,91,601	0
Cash & Bank Balances	36,17,226	13,37,045
Net Debt	25,26,74,375	(13,37,045)
Total Equity	(27,90,871)	85,916
Net Debt to Equity Ratio	(90.54)	-

*Debt is defined as long-term and short-term borrowings

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SANAS DEVELOPERS PRIVATE LIMITED
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b) The carrying value of financial instruments by categories as of March 31, 2020 is as follows:

(Amount in Rs.)

Particulars	Fair value through P&L	Fair value through OCI	Amortized cost	Total carrying value	Total Fair Value
Assets:					
Cash and cash equivalents	-	-	36,17,226	36,17,226	36,17,226
Other bank balances	-	-	-	-	-
Trade receivables	-	-	-	-	-
Investments	-	-	-	-	-
Other financial assets	-	-	5,23,573	5,23,573	5,23,573
Total			**41,40,798**	**41,40,798**	**41,40,798**
Liabilities:					
Trade and other payables	-	-	92,54,854	92,54,854	92,54,854
Borrowings from Others	-	-	25,62,91,601	25,62,91,601	25,62,91,601
Total	-	-	**26,55,46,455**	**26,55,46,455**	**26,55,46,455**

The carrying value of financial instruments by categories as of March 31, 2019 is as follows:

(Amount in Rs.)

Particulars	Fair value through P&L	Fair value through OCI	Amortized cost	Total carrying value	Total Fair Value
Assets:					
Cash and cash equivalents	-	-	13,37,045	13,37,045	13,37,045
Other bank balances	-	-	-	-	-
Trade receivables	-	-	-	-	-
Other financial assets	-	-	-	-	-
Total			**13,37,045**	**13,37,045**	**13,37,045**
Liabilities:					
Trade and other payables	-	-	2,60,32,080	2,60,32,080	2,60,32,080
Borrowings	-	-	-	-	-
Total	-	-	**2,60,32,080**	**2,60,32,080**	**2,60,32,080**

* The fair value of cash and cash equivalents, other balances with banks, trade receivables, trade payables, borrowings and certain other financial assets and liabilities approximate their carrying amount largely due to the short term nature of these instruments.

II) Financial Risk Management Objectives

In the course of its business, the Company is exposed primarily to fluctuations in interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

III Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Future specific market movements cannot be normally predicted with reasonable accuracy.

Currency risk:

The Company does not have material foreign currency transactions. The company is not exposed to risk of change in foreign currency.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to the risk of changes in market interest rates as the Company does not have any long-term debt obligations with floating.

ASSOCIATES
F.R. No.
PUNE

SANAS DEVELOPERS PRIVATE LIMITED
Notes forming part of the financial statements

Other price risk:

The Company is not exposed to equity price risks arising from equity investments, since there are no equity investments.

IV Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

VI Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2020:

(Amount in Rs.)

Financial liabilities	Carrying amount	Due in one Year	Due after one Year	Total contractual cash flows
(a) Trade Payables				
March 31, 2020	4,20,508	4,20,508	-	4,20,508
March 31, 2019	4,41,003	4,41,003	-	4,41,003
b) Borrowings -Non Current				
March 31, 2020	25,62,91,601	-	25,62,91,601	25,62,91,601
March 31, 2019	-	-	-	0
c) Other Financial Liability				
March 31, 2020	25,45,399	-	25,45,399	25,45,399
March 31, 2019	1,75,000	-	1,75,000	1,75,000
Total				
March 31, 2020	25,92,57,508	4,20,508	25,88,37,000	25,92,57,508
March 31, 2019	6,16,003	4,41,003	1,75,000	6,16,003

SANAS DEVELOPERS PRIVATE LIMITED
Notes forming part of the financial statements

26. Related Party Transactions:

(i) List of related Parties

Related Parties are classified as:

Description of relationship	Names of related parties
Holding Company	Hubtown Limited
Equity Shareholder having Significant Influence	Surendra R. Sanas
Entities where key management personnel have significant influence	SRS Projects JV
Key Management Personnel	Surendra Sanas
	Siddhanth Sanas

(ii) Related Party Transactions and Balance Outstanding

I. Details of Related Party Transactions for the year ended 31st March, 2020

(Amount in Rs.)

Type of Transactions	Holding Company	Entities where key management personnel have significant influence	Key Management Personnel
I. Transactions during the year:			
Purchase of Land	14,50,00,000	-	-
Advance received / (Returned Back) (Net)	-	-	(2,45,85,661)
Loan Taken	-	-	28,04,61,345
Loan Repaid	-	-	2,41,69,744
II. Balances at year end:	-	-	25,62,91,601

II. Details of Related Party Transactions for the year ended 31st March, 2019

(Amount in Rs.)

Type of Transactions	Holding Company	Entities where key management personnel have significant influence	Key Management Personnel
I. Transactions during the year:			
Advance received / (Returned Back) (Net)	-	(11,66,676)	1,51,43,851
II. Balances at year end:	-	-	2,54,16,077

ASSOCIATES F. R. No. Accountants

SANAS DEVELOPERS PRIVATE LIMITED
Notes forming part of the financial statements

27 The Ministry of Corporate Affairs ("MCA") on 28th March 2018 notified Ind AS 115, Revenue from Contract with Customers with effect from 1st April 2018. Since the company has come in existence in year 2018-19, no effects are required to be given for the above.

For computation of revenue, the completion contract method is applied in each reporting period and the estimates like reasonableness of collections from customers, lapse of certain period from the intimation to customer to take the possession, disputes with the customer which may result in the cancellation of the contract are re-assessed periodically by the management. The effect of such changes to estimates is recognised in the period such changes are determined. In such cases any revenues attributable to such contracts and the corresponding Cost of Goods Sold ("COGS") previously recognised are reversed and reduced from the current year's Revenue and COGS respectively. However, as assessed by The management, no such effect is required to be given in the reporting period.
The amount received from customers which does not qualify for revenue recognition is accounted as Current Liabilities under the head "Other Current Liabilities Sub Head "Advance from Customers".

The Group has assessed the Impact of COVID-19 on its financial statements based on the internal and external information up to the date of approval of these financial statements. Based on current estimates, the Group expects to recover the carrying amounts of its assets including goodwill, inventories, receivables, investments and other assets. Given the indeterminate circumstances due to the pandemic, the overall business impact thereof remains uncertain. The Group will continue to monitor the future developments and update its assessment accordingly.

28 Previous years figures have been regrouped, rearranged and reclassified, wherever necessary to confirm current year's representation.

29 The Group has assessed the Impact of COVID-19 on its financial statements based on the internal and external information up to the date of approval of these financial statements. Based on current estimates, the Group expects to recover the carrying amounts of its assets including goodwill, inventories, receivables, investments and other assets. Given the indeterminate circumstances due to the pandemic, the overall business impact thereof remains uncertain. The Group will continue to monitor the future developments and update its assessment accordingly.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
SANAS DEVELOPERS PRIVATE LIMITED

Surendra R. Sanas	**Siddhanth S. Sanas**
Director	**Director**
DIN - 00164013	**DIN - 06382684**

Place: Pune
Date: 18/07/2020

F. R. No. 112135W PUNE

P M Pande And Co
Chartered Accountants

Pankaaj Pande
B. Com., F.C.A.

Bldg. No. 3, 4th Floor, Office No. 4R, Navjivan Society
Lamington Road, Mumbai 400 004 Tel. : ~~23082250~~ 49740250
Email: pankaajpande@hotmail.com

INDEPENDENT AUDITOR'S REPORT

The Members of
Vega Developers Pvt Ltd
Mumbai

Opinion

We have audited the standalone financial statements of VEGA DEVELOPERS PRIVATE Limited, which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 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, 2020, and its profit/loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company 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 under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Responsibilities of Management and Those Charged with Governance 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 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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.

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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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.
- 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We draw attention to the uncertainity caused by Novel Coronavirus (COVID 19) pandemic with respect to the estimates of Company's business operations and that such estimates may be affected by the severity and duration of the pandemic . Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.

c. The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report

d. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us.

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

f. On the basis of written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

With respect to the other matters to be included in the Auditor's 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 has disclosed the impact , if any, of pending litigations as at March 31 , 2020 on its financial position in its standalone Ind AS financial Statements.

ii) the Company has made provision , as required under the applicable law or accounting Standards , for material foreseeable losses, if any , on long term contracts including derivative contracts.

iii) There is been no delay in transferring amounts , required to be transferred , to the Investor Education and Protection Fund by the Company during the year ended March 31 , 2020 .

For P M PANDE AND CO
Chartered Accountants
FRN No. 107289W

P M Pande And Co. M. No. 40694 FRN 107289 W Chartered Accountants

Pankaj Pande

PANKAAJ PANDE
Proprietor
M No 040694

Place: Mumbai
Date:9/11/2020

UDIN *20040694AAAABB5518*

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements in our report of even date to the members VEGA DEVELOPERS PVT LTD on the financial statement for the year ended on March 31, 2020, we report that:

(i) a) The company is maintaining proper records showing full particulars including quantative details and situation of fixed assets.

b) The management at reasonable intervals has verified the fixed assets . We Have been informed that no material discrepancies on such verification have been noticed.

(ii) a) As per the records maintained, the management has conducted verification of inventory at reasonable intervals.

b) In our view the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of business.

c) In our view , the company has maintained proper records of inventory. No discrepancy has been noticed on physical verification of stocks as compared to the books record

(iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii) (a) and 3(iii) (b) of the Order are not applicable

(iv) In our opinion and according to the information and explanation give to us, the company has complied with section 185 and section 186 of the companies Act 2013 in respect of corporate guarantee given in connection with the loan taken by the others from bank or financial institutions and investment in other related party.

(v) The Company has not accepted any deposits from public in terms of the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013. We are informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or Court or any other tribunal. Accordingly, the Company has complied with the provisions of section 73 to 76 of the Companies Act, 2013.

(vi) Central Government has not prescribed/specified the maintenance of cost records under sub-section (l) of section 148 of the Companies Act, 2013, hence clause (vi) of Paragraph 3is not applicable to the company.

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax and any other statutory dues with the appropriate authorities.

(b) According to the information and explanations given to us, there are no dues of income-tax, service tax, wealth tax, which have not been deposited on account of any dispute.

(viii) Based on our audit procedures and on the information and explanation give to us by the management, the company has not borrowed any amount from financial institutions or bank or Government issued debentures till 31st March 2020. Hence clause (viii) of Paragraph 3 is not applicable to the company.

(ix) In our opinion and according to the information and explanation give to us, the company has not raised money by way of public issue/ follow-on offer (including debt instruments). The company has not obtained housing loan during the year .

(x) To the best of our knowledge and belief, and according to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers/ employees was noticed or reported during the course of our audit

(xi) To the best of our knowledge and belief, and according to the information and explanations given to us the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.

(xii) According to the record of the Company and the information and explanations given to us the company, the company is not the Nidhi Company, hence the clause (xii) of Paragraph 3 is not applicable to the company.

(xiii) To the best of our knowledge and belief, and according to the information and explanations given to us, the company has complied with Section 188 and 177 of Companies Act, 2013 where applicable in respect of all transactions with the related parties and the details have been disclosed in the Financial Statements etc. as required by the accounting standards and Companies Act, 2013.

(xiv) According to the record of the Company and the information and explanations given to us the company, the company has not made preferential allotment / private placement of shares during the year under review and the requirement of Section 42 of the Companies Act, 2013. Hence the clause (xiv) of Paragraph 3 is not applicable to the company.

(xv) According to the record of the Company and the information and explanations given to us the company, the company has not entered into any non-cash transactions with directors or persons connected with him hence the clause (xv) of Paragraph 3 is not applicable to the company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For P M PANDE AND CO
Chartered Accountants
FRN No. 107289W

PAKAAJ PANDE
Place: Mumbai
Dated: 9/11/2020

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (f) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s. VEGA DEVELPOERS PRIVATE LIMITED. ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P M PANDE AND CO
Chartered Accountants
FRN No. 107289W

Pankaj Pande

PANKAAJ PANDE
Proprietor
M. No. 40694
Place: Mumbai
Dated: 9/11/2020
UDIN 20040694AAAABB5518

P M Pande And Co. Chartered Accountants FRN 107289 W M. No. 40694

VEGA DEVELOPERS PRIVATE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2020

Particulars	Note No.	As at 31st March 2020 ₹	As at 31st March 2019 ₹
ASSETS			
Current assets			
(a) Inventories	3	13,05,28,101	13,15,68,281
(b) Financial assets			
(i) Trade Receivables	4	-	4,62,12,720
(ii) Cash and cash equivalents	5	4,80,833	4,83,873
(iii) Other financial assets	6	11,82,636	8,608
(c) Other current assets	7	9,79,000	9,79,000
Total Current Assets		**13,31,70,570**	**17,92,52,482**
Total assets		**13,31,70,570**	**17,92,52,482**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	8	3,00,00,000	3,00,00,000
(b) Other equity	9	(13,97,672)	(12,93,670)
Total Equity		**2,86,02,328**	**2,87,06,330**
Liabilities			
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	10	3,03,78,386	4,63,89,976
(ii) Other financial liabilities	11	7,40,35,989	10,39,99,809
(b) Other current liabilities	12	1,53,867	1,56,367
Total Current Liabilities		**10,45,68,242**	**15,05,46,152**
Total Liabilities		**10,45,68,242**	**15,05,46,152**
Total Equity and Liabilities		**13,31,70,570**	**17,92,52,482**

The accompanying notes are an intergal part of financial statements

As per our report of even date

For and on behalf of the Board of Directors

FOR P. M. PANDE AND CO
FIRM REGISTRATION NO. 107289 W
CHARTERED ACCOUNTANTS

Pankaaj Pande

PANKAAJ PANDE
PROPRIETOR
MEMBERSHIP NO. 40694

Place: Mumbai
Date: 9/11/20

KETAN SHAH
DIRECTOR
DIN: 00546842

KHILEN SHAH
DIRECTOR
DIN: 03134932

Vega Developers Pvt. Ltd

UDIN: 20040694AAAABB5518.

VEGA DEVELOPERS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020

	Particulars	Note No.	Year ended 31st March 2020 ₹	Year ended 31st March 2019 ₹
I	**INCOME**			
	Other Income	13	6,752	440
	Total Income		6,752	20,956
II	**Expenses**			
	Costs Of Construction / Development	14	59,820	1,01,256
	Changes in inventories of work-in-progress	15	(59,820)	(1,01,256)
	Other Expenses	16	1,10,754	1,57,587
	Total Expenses		**1,10,754**	**1,57,587**
	Profit / (Loss) Before Tax		**(1,04,002)**	**(1,36,631)**
	Tax Expense			
	Current Tax			-
	Profit / (Loss) for the Year		**(1,04,002)**	**(1,36,631)**
	Other Comprehensive Income			
	Total Comprehensive Income		(1,04,002)	(1,36,631)
	Earning per equity share of nominal value of ₹ 100/- each	17		
	Basic and Diluted		(0.35)	(0.46)

The accompanying notes are an intergal part of financial statements

As per our report of even date

FOR P. M. PANDE AND CO
FIRM REGISTRATION NO. 107289 W
CHARTERED ACCOUNTANTS

Pankaj Pande

PANKAAJ PANDE
PROPRIETOR
MEMBERSHIP NO. 40694

P M Pande And Co M. No. 40694 FRN 107289W Chartered Accountants

Place: Mumbai
Date: 09/11/20

For and on behalf of the Board of Directors

KShah

Vega Developers Pvt. Ltd.

KETAN SHAH
DIRECTOR
DIN: 00546842

Shah

KHILEN SHAH
DIRECTOR
DIN: 03134932

UDIN: 20040694AAAABB5518.

VEGA DEVELOPERS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH, 2020

Particulars	As at 31st March 2020 ₹		As at 31st March 2019 ₹	
I. Cash flows arising from operating activities				
Net Profit before tax as per Statement of Profit and Loss Account		(1,04,002)		(1,36,631)
Add / (Less) :				
Finance Charges	-		-	
Share of Profit / (Loss) of Firms	-		(20,516)	
Provision no longer required written back	(6,752)		(440)	
Interest Income	-	(6,752)	-	(20,956)
Operating Profit Before Working Capital Changes		(1,10,754)		(1,57,587)
Add / (Less) :				
(Increase) / Decrease in Inventories	10,40,180		33,98,744	
(Increase) / Decrease in Trade and Other Receivables	4,49,59,692		19,04,862	
Increase / (Decrease) in Trade Payables & Other Payables	(1,60,04,838)		(18,72,148)	
Increase/ (Decrease) in Other Liablities	(2,99,66,320)		(33,98,126)	
Direct Taxes Paid	79,000	1,07,714	79,000	1,12,332
Net Cash flow in the course of Operating Activities		(3,040)		(45,255)
II. Cash flows arising from Investing activities				
Inflow / (Outflow) on account of :				
(increase) / Decrease in Investments	-	-	30,516	-
Net Cash flow in the course of Investing Activities		-		30,516
III. Cash flows arising from Financing activities				
Inflow / (Outflow) on account of :				
Increase in Unsecured Loans	-		-	
Interest and Finance Charges Paid	-		-	
Net Cash flow in the course of Financing Activities		-		-
Net Increase in cash and cash Equivalents (I + II + III)		(3,040)		(14,739)
Add: Balance at the beginning of the year		4,83,873		4,98,612
Cash and Cash Equivalents at the end of the year		4,80,833		4,83,873
Reconciliation of Cash and Bank Balances given in Note 5 is as follows				
Cash on hand		4,51,504		4,54,114
Bank balance in Current Account		29,329		29,759
Cash and Cash Equivalents at the end of the year		4,80,833		4,83,873
		-		-

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

As per our report of even date

For and on behalf of the Board of Directors

FOR P. M. PANDE & Co.
FIRM REGISTRATION NO. 107289 W
CHARTERED ACCOUNTANTS

Pankaaj Pande

PANKAAJ PANDE
PROPRIETOR
MEMBERSHIP NO.40694

Place: Mumbai
Date: 09/11/20

Vega Developers Pvt. Ltd.

KETAN SHAH
DIRECTOR
DIN: 00546842

KHILEN SHAH
DIRECTOR
DIN: 03134932

UDIN: 20040694AAAABB5518.

VEGA DEVELOPERS PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020 (₹)

Particulars	Equity Share Capital	Retained Earnings	Total
Balance as at 31st March, 2017	**3,00,00,000**	**(10,92,391)**	**2,89,07,609**
Changes in accounting Policy or prior period errors			-
Total Comprehensive Income for the year	-	(64,648)	(64,648)
Balance as at 31st March, 2018	**3,00,00,000**	**(11,57,039)**	**2,88,42,961**
Total Comprehensive Income for the year	-	(1,36,631)	(1,36,631)
Balance as at 31st March, 2019	**3,00,00,000**	**(12,93,670)**	**2,87,06,330**
Total Comprehensive Income for the year	-	(1,04,002)	(1,04,002)
Balance as at 31st March, 2020	**3,00,00,000**	**(13,97,672)**	**2,86,02,328**

FOR P. M. PANDE AND CO
FIRM REGISTRATION NO.107289 W
CHARTERED ACCOUNTANTS

Pankaj Pande

PANKAAJ PANDE
PROPRIETOR
MEMBERSHIP NO. 40694
Date: 09/11/20

KETAN SHAH
DIRECTOR
DIN: 00546842

Vega Developers Pvt. Ltd.

KHILEN SHAH
DIRECTOR
DIN: 03134932

UDIN: 20040694AAAABB5518.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

Note 1. Statement of Significant Accounting Policies.

1.1 Company Overview

Vega Developers Private Limited is a Private Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged in the real estate business of construction and development of residential and commercial premises.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 25-July-2019

Note 2. Significant Accounting Policies followed by the Company

I. Basis of preparation of financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value,
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell,
3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies, if any) within the credit period normally applicable to the respective project.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

I. Historical Cost Convention

The financial statements have been prepared on historical cost basis, except for the following.

i. certain financial assets and liabilities that have been measured at fair value
ii. assets held for sale - measured at lower of carrying amount or fair value less cost to sell.
iii. defined benefit plans - plan assets measured at fair value.

II. Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non current classification.

An asset is classified as current when it is:

i. Expected to be realised or intended to sold or consumed in normal operating cycle
ii. Held primarily for the purpose of trading
iii. Expected to be realised within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Operating cycle for the business activities of the company covers the duration of the specific project / contract / service and extends upto the realisation of receivables within the agreed credit period normally applicable to the respective project

II. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

Classification of property

The company determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of, the company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the company develops and intends to sell before or on completion of construction

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Vega Developers Pvt. Ltd.

i) Revenue Recognition

The Company uses the percentage-of-completion method in accounting for its revenue. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Costs of the project are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically. Costs expended have been used to measure progress towards completion of work. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date

ii) Estimation of net realisable value for inventory (including advance to land owner)

Inventory are stated at the lower of cost and net realisable value (NRV).

NRV for completed property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory under construction / incomplete projects is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion

With respect to Advance given to land owners, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

iii) Valuation of investment in/ loans to subsidiaries

The Company has performed valuation for its investments in equity of subsidiaries, associates and JV's for assessing whether there is any impairment. When the fair value of investments in such entities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model.

Similar assessment is carried for exposure of the nature of loans and interest receivable thereon as well as project advances. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported amounts of these investments, loans and advances.

III. **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

A. **Revenue from sale of properties / development rights**

i. The company has adopted the principles of revenue recognition on the basis of " Guidance note on Accounting for Real Estate Transactions " issued by the Institute of Chartered Accountants of India, for the entities to whom IndAS is applicable.

ii. Revenue from sale of 'finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / buildings / rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sale contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards

iii. Revenue from sale of incomplete properties / projects is recognized on the basis of percentage of completion method only if the following thresholds have been met .

a. All critical approvals necessary for the commencement of the project have been obtained;

b. The expenditure incurred on construction and development costs, excluding land costs is not less than 25% of the total estimated construction and development costs of the project.

c. Atleast 25% of the saleable project area is secured by agreements with the buyers; and

d. Atleast 10% of the agreement value of each sold unit has been received at the reporting date in respect of such contracts with the buyers

Further, revenue recognized in the aforesaid manner and related costs are both restricted to 90% until the construction activity and related formalities are substantially completed. Recognition of revenue relating to agreements entered into with the buyers which are subject to fulfillment of obligations / conditions imposed on the Company by statutory authorities is postponed till such obligations are substantially discharged

Estimated costs relating to construction / development are charged to the Statement of Profit and Loss in proportion to the revenue recognized during the year. The balance costs are carried as part of 'Incomplete Projects' as inventories under current assets. Amounts receivable / payable are reflected as 'Trade Receivables / Unbilled Receivables or Advances from Customers' respectively after considering income recognized in the aforesaid manner.

iv. Losses expected to be incurred on projects under construction, are charged in the Statement of Profit and Loss in the period in which the losses are known.

v. Costs of the projects are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income as well as project costs, are reviewed periodically.

vi. The sale proceeds of the investments held in subsidiaries, joint ventures etc. developing real estate projects are included in revenue from operations, net of cost.

B. **Revenue from Trading Materials:**

Revenue from sale of trading material is recognised when significant risks and rewards associated with the sale of material is transferred to the buyer.

C. **Revenue from project management services:**

Revenue from 'project management services' is recognized based on the agreements between the Company and the parties to whom such services are rendered.

B. **Profit / loss from partnership firms / association of persons:**

Share of profit / loss from partnership firms / association of persons (AOP) is recognised on the basis of their audited/ management reviewed accounts which is considered as a part of other operating activity.

E. **Income from leased premises:**

Lease income from operating lease is recognised in the Statement of Profit and Loss on straight line basis after adjusting for escalation over the lease term except where the lease incomes are structured to increase in line with expected general inflation.

F. **Interest and dividend:**

Interest income including income arising on other instruments recognised on time proportion basis using the effective interest rate method

Dividend income is recognized when the right to receive dividend is established.

G. **Others:**

Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

Vega Developers Pvt. Lt

IV. Property plant and equipment, Investment property and depreciation / ammortisation

A. On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April, 2015 of its Property, Plant and Equipment and Investment property and use that carrying value as the deemed cost on the date of transition i.e. 1st April, 2015.

B. Tangible fixed assets are stated at cost of acquisition or construction including attributable interest and finance cost, if any till the date of acquisition/installation of the assets, less accumulated depreciation/amortisation and accumulated impairment losses, if any.

C. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

D. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Plant and Machinery (Mivan System)	3 to 5
Computer servers and network systems	6
Computer desktops and laptops	3
Office Equipments	5
Vehicles	8
Furniture and Fixture	10
Completed Investment Properties	60
Leasehold Land	Over the Primary Lease period
Commercial Premises	60

The residual values, useful lives and methods of depreciation of property plant equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

E. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation.

V. Intangible assets and amortisation

Acquired computer softwares are classified as intangible assets and are stated at cost less accumulated amortisation. These are being amortised over the estimated useful life of five years, as determined by the management.

IV. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. **Financial Assets**

i. **Initial recognition**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

ii. **Subsequent measurement**

For purposes of subsequent measurement financial assets are classified in following categories

a) **Financial Assets at Amortised Cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) **Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April, 2015 of its investments in subsidiaries, associates and joint ventures and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1st April, 2015.

(ii) **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) **Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) **Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Vega Developers Pvt. Ltd.

iii. **De-recognition of Financial Assets:**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. **Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i. **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

ii. **Financial Liabilities**

1. Initial Recognition

Financial liabilities are classified at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

- Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. **Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

V. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VI. Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss.

i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability wheneer events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

ii. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is

Vega Developers Pvt. Ltd.

VII. Taxation

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. 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. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

VIII. Inventories

All inventories are stated at Cost or Net Realizable Value, whichever is lower.

Stock of material at Site' includes cost of purchase, other costs incurred in bringing them to their respective present location and condition. Cost formula used is average cost.

Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.

Inventory value includes costs incurred upto the completion of the project viz. cost of land / rights, value of floor space index (FSI), materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.

IX. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

X. Trade receivable

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

XI. Employee benefits

a) Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b) Defined Benefit Plan

The Company provides for gratuity which is a defined benefit plans the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods.

The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c) Leave Entitlement

Leave entitlement are provided based on an actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d) Short-term Benefits

Short term employee benefits such as salaries, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

XII. Borrowings and Borrowing costs

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit or Loss when the liabilities are de-recognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Interests and other borrowing costs included under finance costs calculated as per effective interest rate attributable to qualifying assets, which takes substantial period of time to get ready for its intended use are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

XIII. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Vega Developers Pvt. Ltd. *

XIV. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

XV. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XVIII. Foreign currency transactions

A. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.

B. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date , are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the Statement of Profit and Loss.

C Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

XVI. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

XVII. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

XVIII. Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreigncurrency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant."

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements.

XXII. Interest in Joint Arrangements

As per Ind AS 111 - Joint Arrangements, investment in Joint Arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the contractual rights and obligations of each investor rather than legal structure of the Joint Arrangement. The Company classifies its Joint Arrangements as Joint Ventures.

The company recognizes its interest in Joint Venture as an investment and accounts for that investment using the Equity method in accordance with Ind AS 28.

Vega Developers Pvt. Ltd.

VEGA DEVELOPERS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

	As at 31st March 2020 ₹	As at 31st March 2019 ₹
3. Inventories		
Inventories (lower of cost or net realisable value)		
Incomplete projects		
Work in Progress (Kalina)	6,51,04,346	6,50,44,526
Work in Progress (Santacruz)	3,76,42,135	3,76,42,135
Work in Progress (Vile Parle)	2,77,81,619	2,88,81,619
Total	**13,05,28,101**	**13,15,68,281**
4. Trade Receivables		
From Related Party	-	4,62,12,720
From Others	-	-
Total	-	**4,62,12,720**
5. Cash and cash equivalents		
Balances with banks:		
- in current accounts	29,329	29,759
Cash on hand	4,51,504	4,54,114
Cash and cash equivalents	**4,80,833**	**4,83,873**
6. Other financial assets		
Current		
Security deposits	-	720
Other Receivables	11,82,636	7,888
Total	**11,82,636**	**8,608**
7. Other current assets		
Current		
Advances to Suppliers		-
Advances / Deposits recoverable in cash or in kind or for value to be received	9,79,000	9,79,000
Total	**9,79,000**	**9,79,000**

Vega Developers Pvt. Ltd.

	As at 31st March 2020 ₹	As at 31st March 2019 ₹
8. Equity share capital		
Equity share capital	3,00,00,000	3,00,00,000
TOTAL	**3,00,00,000**	**3,00,00,000**
Authorised Share Capital:		
300,000 (As at 31st March, 2019: 300,000) Equity Shares of ₹ 100/- each fully paid up	3,00,00,000	3,00,00,000
Issued and subscribed capital comprises:		
300,000 (As at 31st March , 2019: 300,000) Equity Shares of ₹ 100/- each fully paid up	3,00,00,000	3,00,00,000

Footnotes:

(i) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year.	Number of shares	Number of shares
Balance at 1st April , 2018	3,00,000	3,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2019	3,00,000	3,00,000
Add : Issued during the year		
Less : Bought back during the year		
Balance at 31st March, 2020	**3,00,000**	**3,00,000**

(ii) Equity Shares held by its holding company or its ultimate holding company.	As at 31st March 2020 (No.)	As at 31st March 2019 (No.)
Hubtown Limited with its benefeciary owners	300000	300000
Others	-	-
Total	**300000**	**300000**

(iii) Details of shares held by each shareholders holding more than 5% shares

	31st March, 2020		31st March, 2019	
	No of shares held	% of holding	No of shares held	% of holding
Fully paid equity shares				
Hubtown Limited with Beneficiary Owners	3,00,000	100%	3,00,000	100%
Total	**3,00,000**	**100%**	**3,00,000**	**100%**

(iv) Terms / rights attached to Equity Shares :

The company has a single class of equity shares having a face value of ₹ 100/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Vega Developers Pvt. Ltd.

VEGA DEVELOPERS PRIVATE LIMITED

NOTES TD THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

	As at 31st March 2020 ₹	As at 31st March 2019 ₹
9. Other Equity		
Retained Earnings		
Balance at the beginning of the year	(12,93,670)	(11,57,039)
Profit / (Loss) attributable to the owners of the company	(1,04,002)	(1,36,631)
Balance at the end of the year	**(13,97,672)**	**(12,93,670)**
10. Trade payables		
Trade Payables(Refer footnote)	3,03,78,386	4,63,89,976
Total	**3,03,78,386**	**4,63,89,976**

Footnote:

As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the auditors.

11. Other financial liabilities		
Current		
Advances payable in cash or in kind	-	11,00,000
Business Advances for project from related party(Refer Footnote)	7,03,89,198	10,26,29,198
Other payables	36,46,791	2,70,611
Total	**7,40,35,989**	**10,39,99,809**

Foot note :

The Company has received interest free Advances from it's Parent Company, considering the nature of business in which the Company operate, the amounts so received are considered to be repayable on call / demand as the repayment period of such amounts so received is not measureable precisely.

12. Other Liabilities		
Current		
Other payables :		
- Statutory dues	1,53,867	1,56,367
Total	**1,53,867**	**1,56,367**

Vega Developers Pvt. Ltd.

VEGA DEVELOPERS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

		Year ended 31st March 2020 ₹	Year ended 31st March 2019 ₹
13. Others Income			
Sundry Credit Balance Written Back		6,752	440
	Total	**6,752**	**440**
14. Costs Of Construction / Development			
Construction costs incurred during the year:			
Approval/Construction expenses		59,820	1,01,256
		59,820	**1,01,256**
15. Changes in Inventories of Work-in-progress			
Opening Inventory :			
Work-in-progress		13,15,68,281	13,49,67,025
		13,15,68,281	**13,49,67,025**
Add/(Less): During the year		(11,00,000)	(35,00,000)
Total		**13,04,68,281**	**13,14,67,025**
Closing Inventory :			
Work-in-progress		13,05,28,101	13,15,68,281
		13,05,28,101	13,15,68,281
	Total	**(59,820)**	**(1,01,256)**
16. Other Expenses			
Legal and professional fees		40,510	81,890
Filing Fee		8,184	17,520
Other expenses (Refer Footnote)		62,060	58,177
	Total	**1,10,754**	**1,57,587**
Footnote :			
Auditors Remuneration			
- Audit Fees		30,000	30,000
	Total	**30,000**	**30,000**

Vega Developers Pvt. Ltd.

17. EARNINGS PER SHARE (EPS)	Year Ended 31st March, 2020 ₹	Year Ended 31st March, 2019 ₹
Basic and Diluted Earning Per Share	(0.35)	(0.46)

Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:

Profit for the year attributable to the owners of the Company	(1,04,002)	(1,36,631)
Earnings used in the calculation of basic earnings per share	(1,04,002)	(1,36,631)
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	3,00,000	3,00,000

18. CONTINGENT LIABILITY

The company does not have any contingent liability as on the balance sheet date, as certified by the management and relied upon by the auditor.

19. In the opinion of the Board of Directors of the Company, all the items of current assets, current libilities & loans and advances continue to have a realisable value of at least the amount at which they are stated in the balance sheet.

20. CAPITAL MANAGEMENT

The primary objective of company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholders value. The company's board of directors reviews the capital structure on an annual basis.

The capital structure of the company consists of net debt (borrowings and offset by cash and bank balances) and total equity of the company.

Vega Developers Pvt. Ltd

21. RELATED PARTY TRANSACTIONS

A. List Of Related Parties:

i) Holding Company
Hubtown Limited

Footnote:
(i) Related party relationship are identified by the Company and relied upon by the Auditors.
(ii) Previous Year figures are given in brackets.

B. Transaction with Related Parties -

(₹)

Particulars	HOLDING COMPANY	HOLDING COMPANY
Loans and advances received /recovered:		
Hubtown Limited	-	-
	1,05,000	-
Loans and advances Paid:		
Hubtown Limited	-	-
	(3,23,45,000)	(35,10,000)

Balance outstanding receivables/ (payable) :

Nature of Transactions	Amount (₹)	
	31st March, 2020	31st March, 2019
Hubtown Limited	(7,03,89,198)	(10,26,29,198)

Vega Developers Pvt. Ltd.

VEGA DEVELOPERS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

22 : Fair Value measurement of Financial Instruments

	31st March 2020 (₹)			31st March 2019 (₹)		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Trade Receivable			-			4,62,12,720
Cash and cash equivalent	-	-	4,80,833	-	-	4,83,873
Other financial assets	-	-	11,82,636	-	-	8,608
Total of Financial Assets	-	-	**16,63,469**	-	-	**4,92,481**
Financial Liabilities						
Trade Payables	-	-	3,03,78,386	-	-	4,63,89,976
Other Financial liabilities	-	-	7,40,35,989	-	-	10,39,99,809
Total of Financial Liabilities	-	-	**10,44,14,375**	-	-	**15,03,89,785**

23. Financial Risk Management Objectives

The company is exposed to market risk, credit risk and liquidity risk. The company's management oversees the management of these risks. The company's board of directors review and agrees policies for managing each of these risks summarized below:

1) Market Risk

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to company's long term debt obligations with floating interest rates.

There is no cash outflow on account of interest on Loans and Business Advance from shareholders are to be repaid only on realisation of sale component.

2) Credit Risk

The Company is not exposed to credit risk form its operating activities. Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

3) Liquidity risk

The Company's cashflow requiremnet are met by funds received from its holding company.

As per our report of even date
FOR P. M. PANDE AND CO
FIRM REGISTRATION NO. 107289 W
CHARTERED ACCOUNTANTS

Pankaj Pande

PANKAAJ PANDE
PROPRIETOR
MEMBERSHIP NO. 40694

P. M. Pande And Co. M. NO. 40694 FRN 107289 W Chartered Accountants

Place: Mumbai
Date: 09/11/20

UDIN: 20040694AAAABB5518

For and on behalf of the Board of Directors

KETAN SHAH
DIRECTOR
DIN: 00546842

Vega Developers Pvt. Ltd. *

KHILEN SHAH
DIRECTOR
DIN: 03134932

Independent Auditor's Report
To the Members of Vishal Techno Commerce Limited
Report on the Audit of the Standalone Financial Statements

1) **Opinion:**
We have audited the accompanying standalone financial statements of **Vishal Techno Commerce Limited** ('the Company'), which comprise the balance sheet as at 31st March 2020, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statement").

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 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 31st March, 2020 and its financial performance including other comprehensive income and the statement of changes in equity for the year ended on that date.

2) **Basis of Opinion:**
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) **Other Information**
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 standalone 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.

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

4) **Responsibility of Management's for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015 as amended, and other 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 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 were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 also responsible for overseeing the company's financial reporting process.

5) **Auditor's Responsibility for the Audit of the Ind AS Financial Statements**:

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

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

- Identify and assess the risks of material misstatement of the Ind AS 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.

ANAND A. YADAV & ASSOCIATES
MUMBAI
CHARTERED ACCOUNTANTS

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

- 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

6) Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.

ANAND A. YADAV & ASSOCIATES
MUMBAI
CHARTERED ACCOUNTANTS

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 purposes 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, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
   d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
   e) on the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
   f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**; and
   g) with respect to the other matters to be included in the Auditor's 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 has no pending litigations on its financial position in its standalone financial statements.
      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, and
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Anand A Yadav & Associates
Chartered Accountants
FRN: 137527W

Anand Yadav
Proprietor
M. No.: 156864

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 20th July, 2020

UDIN: 20156864AAAADN4234

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Vishal Techno Commerce Limited of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020, we report that:

(i) The company does not have any Fixed Assets during the financial year.

(ii) The Company does not have any Inventories during the year and as at the balance sheet date.

(iii) The Company has granted unsecured loan to one company covered under the register maintained under Section 189 of the Act;

a. The terms and condition of the loan are prima facie not prejudicial to the interest of the Company, and

b. the schedule of repayment of principal on demand and the loan is interest free loan;

c. As per the terms and conditions of the arrangement, the amount of the loan is not overdue;

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Profession Tax Payable and interest on delayed payment of Tax Deducted at Source (TDS), the Company is generally regular in depositing, undisputed statutory dues, including income-tax and other material statutory dues, wherever applicable, with the appropriate authorities.

The extent of arrears of statutory dues outstanding including interest at the balance sheet date, for a period exceeding six months from the date they become payable and the details of outstanding as follows:

Sr. No.	Particulars	Amount in INR
1.	Profession Tax Payable	2,500/-
2.	Wealth Tax Liability	2,96,750/-
3.	Interest on above Statutory Liability	4,20,959/-
	Total Statutory Liability	**7,20,209/-**

b. According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Income Tax, Value Added Tax and Service Tax as at the Balance Sheet date which have not been deposited on account of a dispute are as follows:

ANAND A. YADAV & ASSOCIATES * CHARTERED ACCOUNTANTS * MUMBAI

Name of Statue	Nature of Dues	Amount not deposited on account of demand (In INR)	Financial Year	Details of Pending Proceedings
Income Tax Act, 1961	Income Tax	99,00,370/-	2010-11	The Commissioner of Income Tax (Appeals)

(viii) In our opinion and according to the information and explanations given to us, The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

For Anand A Yadav & Associates
Chartered Accountants
FRN: 137527W

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

Anand Yadav
Proprietor
M. No.: 156864

Place: Mumbai
Date: 20th July, 2020

UDIN: 20156864AAAADN4234

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Vishal Techno Commerce Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1) **Opinion:**

We have audited the internal financial controls over financial reporting of Vishal Techno Commerce Limited ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note")

2) **Management's Responsibility for Internal Financial Controls**:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

3) **Auditor's Responsibility**:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

ANAND A. YADAV & ASSOCIATES
MUMBAI
CHARTERED ACCOUNTANTS

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

4) Meaning of Internal Financial Controls over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

5) Inherent Limitations of Internal Financial Controls Over Financial Reporting:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Anand A Yadav & Associates
Chartered Accountants
FRN: 137527W

ANAND A. YADAV & ASSOCIATES
MUMBAI
CHARTERED ACCOUNTANTS

Anand Yadav
Proprietor
M. No.: 156864

Place: Mumbai
Date: 20th July, 2020

UDIN: 20156864AAAADN4234

VISHAL TECHNO COMMERCE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2020

Particulars	Note No.	As at 31st March, 2020 (₹)	As at 31st March, 2019 (₹)
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	3	-	-
(b) Investment property	4	3,170,099	3,236,465
(c) Financial assets			
(i) Investments	5	9,343	109,343
a) Other investments			
(ii) Loans	6	1,575,000,912	1,609,789,775
(d) Current tax assets	7	25,613,020	25,613,020
Total Non-Current assets		**1,603,793,374**	**1,638,748,603**
Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	8	170,709	221,917
(iii) Other financial assets	9	251,048,700	241,221,700
Total Current Assets		**251,219,409**	**241,443,617**
TOTAL ASSETS		**1,855,012,783**	**1,880,192,220**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	500,000	500,000
(b) Other equity	11	194,254,061	194,767,100
Total Equity		**194,754,061**	**195,267,100**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	1,019,720,000	1,529,580,000
Total Non-Current Liabilities		**1,019,720,000**	**1,529,580,000**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	635,745,419	150,711,510
(ii) Trade payables	13	2,638,713	2,192,171
(iii) Other financial liabilities	14	72,228.00	109,263
Other current liabilities	15	156,384.00	396,707
(b) Provisions	16	563,825.00	573,315
Current tax Liabilities	7	1,362,154.00	1,362,154
		640,538,722	**155,345,120**
Total Liabilities		**1,660,258,722**	**1,684,925,120**
TOTAL EQUITY AND LIABILITIES		**1,855,012,783**	**1,880,192,220**

As per our report of even date

FOR ANAND A YADAV & ASSOCIATES
Chartered Accountants
Firm Registration No. 137527W

ANAND YADAV
PROPRIETOR
Membership No. 156864

Mumbai
Date: 20th July 2020

For and on behalf of the Board of Directors

Shrenik Mehta
DIRECTOR
DIN: 03137231

D V Prabhu
DIRECTOR
DIN: 03142640

VISHAL TECHNO COMMERCE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Note No.	Year ended 31st March, 2020 (₹)	Year ended 31st March, 2019 (₹)
I INCOME			
Revenue from Operations	17	-	439,524
Other Income	18	-	1,650
Total Income		-	441,174
II EXPENSES			
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		-	-
Finance Costs	19	199,153	3,334,449
Depreciation Expenses	20	66,366	66,366
Other Expenses	21	247,520	434,122
Total Expenses		513,039	3,834,937
Profit before exceptional items and Tax (I - II)		**(513,039)**	**(3,393,763)**
Profit / (Loss) before Tax		**(513,039)**	**(3,393,763)**
Tax Expense			
(1) Current Tax		-	-
(2) Deferred tax (charge) / credit		-	-
(3) Excess / (Short) provision for taxation in respect of earlier years		-	(157,910)
Profit / (Loss) for the Year		**(513,039)**	**(3,235,853)**
Other Comprehensive Income		-	-
Total Comprehensive Income		**(513,039)**	**(3,235,853)**
Earning per equity share of nominal value of `10/each			
Basic and Diluted	22	(1.03)	(6.47)

As per our report of even date

FOR ANAND A YADAV & ASSOCIATES
Chartered Accountants
Firm Registration No. 137527W

ANAND YADAV
PROPRIETOR
Membership No. 156864

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

VISHAL TECHNO COMMERCE LIMITED MUMBAI

Shrenik Mehta
DIRECTOR
DIN: 03137231

D V Prabhu
DIRECTOR
DIN: 03142640

Mumbai
Date: 20th July 2020

VISHAL TECHNO COMMERCE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	As at 31st March, 2020 (₹)	As at 31st March, 2019 (₹)
I. CASH FLOWS ARISING FROM OPERATING ACTIVITIES		
Net profit / (loss) before taxation and prior period items as per Statement of Profit and Loss	(513,039)	(3,393,763)
Add / (Less)		
Finance costs	199,153	3,334,449
Depreciation and amortisation	66,366	66,366
	265,519	3,400,815
Operating profit before working capital changes	(247,520)	7,052
Add / (Less) :		
(Increase) / Decrease in trade and other receivebles	(9,827,000)	213,629
Increase / (Decrease) in trade and other payables	169,184	(10,413,666)
Increase / (Decrease) in provisions	(9,490)	246,565
Direct taxes paid	-	-
	(9,667,306)	(9,953,472)
Net cash flow from operating activities - I	(9,914,826)	(9,946,420)
II. CASH FLOWS ARISING FROM INVESTING ACTIVITIES		
Inflow / (Outflow) on account of :		
(Increase) / Decrease Loans and Advances	34,788,863	888,473,811
(Increase) / Decrease in Investments	100,000.00	-
Net cash flow from investing activities - II	34,888,863	888,473,811
III. CASH FLOWS ARISING FROM FINANCING ACTIVITIES		
Inflow / (Outflow) on account of :		
Proceeds from Long term borrowings	(24,826,091)	(881,682,772)
Finance costs paid	(199,153)	(3,334,449)
Net cash flow from financing activities - III	(25,025,244)	(885,017,221)
Net increase in cash and cash equivalents (I + II + III)	(51,208)	(6,489,830)
Add: Balance at the beginning of the year	221,917	6,711,747
	170,710	221,917
Reconciliation of cash and cash equivalents (Refer Note 8)		
Cash on hand	10,663	10,663
Bank Balances in Current Accounts	160,046	211,254
	170,709	221,917

Footnote:

The Cash Flow Statement has been prepared under indirect method as set out in Indian Accounting Standard (Ind AS- 7) statement of Cash Flows

FOR ANAND A YADAV & ASSOCIATES
Chartered Accountants
Firm Registration No. 137527W

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

ANAND YADAV
PROPRIETOR
Membership No. 156864

Mumbai
Date: 20th July 2020

For and on behalf of the Board of Directors

VISHAL TECHNO COMMERCE LIMITED MUMBAI

Shrenik Mehta
DIRECTOR
DIN: 03137231

D V Prabhu
DIRECTOR
DIN: 03142640

VISHAL TECHNO COMMERCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

1. COMPANY OVERVIEW

Vishal Techno Commerce Limited is an unlisted Public Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged into real estate business specializing in construction and development of Infotech Parks, Cyber Parks, Business Parks, SEZ, lease of commercial, industrial and residential properties, solar power energy generation and distribution and financing activities.

The financial statements are approved for issue by the Company's Board of Directors on 20th July 2020.

2 SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act , 2013 ('Act') (to the extent notified) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the IndAS standards and the adoption was carried out in accordance with IndAS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in Note 32.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

a) **Historical Cost Convention**

The financial statements have been prepared on historical cost basis, except for the following:

i. certain financial assets and liabilities that have been measured at fair value

ii. assets held for sale - measured at lower of carrying amount or fair value less cost to sell.

iii. defined benefit plans - plan assets measured at fair value.

b) **Current and Non-Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/non current classification.

An asset is classified as current when:

i. It is expected to be realised or intended to sold or consumed in normal operating cycle

ii. It is held primarily for the purpose of trading

A. Revenue from Construction Activity

i. Revenue from sale of 'finished properties/buildings/rights' is recognised on transfer of all significant risks and rewards of ownership of such properties/building/rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sales contracts/agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.

B. Interest and Dividend Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognized when the right to receive payment is established.

Others

Revenues / Income and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.

2.2 PROPERTY PLANT AND EQUIPMENT AND DEPRECIATION / AMMORTISATION

Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

B. Depreciation is provided on the straight line method on the basis of estimated useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Furniture and Fixture	10
Office equipments	5

2.3 INVESTMENTS

Investments are classified into Current and Non Current / Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.

2.4 FINANCIAL INSTRUMENTS

2.4.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss,are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

VISHAL TECHNO COMMERCE LIMITED MUMBAI

2.4.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of tbe above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

2.4.3 Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.4.4 Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case thoseare measured at lifetime ECL.The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

Property, plant and equipment

Property, plant and equipment are evaluated for recoverability wheneer events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

2.5 TAXATION

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

VISHAL TECHNO COMMERCE LIMITED MUMBAI

ii. Deferred Tax

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively

2.6 BORROWINGS AND BORROWING COSTS

Borrowings are initially recognised at the net transaction costs incurred and measured at ammortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

Interests and other borrowing costs calculated as per effective interest rate attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

2.7 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

2.8 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
  Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or
- a reliable estimate of the amount of the obligation cannot be made.

2.9 USE OF ESTIMATES

The preparation of the financial statements in conformity with IndAS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 2.10. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.10 Critical accounting judgements and estimates

a. Property, plant and equipment and depreciation

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed peiodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

b. Fair value measurements and valuation processes

Some of the company's assets are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The Company works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

MUMBAI

VISHAL TECHNO COMMERCE LIMITED MUMBAI

VISHAL TECHNO COMMERCE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020

	Notes	Amount (₹)
A. EQUITY SHARE CAPITAL		
As at 1st April, 2018	10	500,000
Changes in equity share capital		-
As at 31st March, 2019		500,000
Changes in equity share capital		-
As at 31st March, 2020		500,000

Amount in (₹)

Particulars	Equity Share Capital	Retained Earnings	Total
Balance at April 1, 2018	500,000.00	198,002,953	198,502,953
Total Comprehensive Income for the year	-	(3,235,853)	(3,235,853)
Balance as at 31st March, 2019	500,000.00	194,767,100	195,267,100
Total Comprehensive Income for the year	-	(513,039)	(513,039)
Balance as at 31st March, 2020	500,000.00	194,254,061	194,754,061

As per our report of even date

FOR ANAND A YADAV & ASSOCIATES
Chartered Accountants
Firm Registration No. 137527W

ANAND A. YADAV & ASSOCIATES * CHARTERED ACCOUNTANTS * MUMBAI

ANAND YADAV
PROPRIETOR
Membership No. 156864

Mumbai
Date: 20th July 2020

For and on behalf of the Board of Directors

VISHAL TECHNO COMMERCE LIMITED MUMBAI

Shrenik Mehta
DIRECTOR
DIN: 03137231

D V Prabhu
DIRECTOR
DIN: 03142640

VISHAL TECHNO COMMERCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

3. Property, plant and equipment

Amount in (₹)

	Furniture and Fixtures	Total
Cost or deemed cost		
Balance at 1st April, 2018	288,238	288,238
Additions	-	-
Disposals / Discardment of Assets	-	-
Balance at 31st March, 2019	**288,238**	**288,238**
Accumulated depreciation		
Balance at 1st April, 2018	286,043	286,043
Eliminated on disposal of assets	-	-
Depreciation expense	2,195	2,195
Balance at 31st March, 2019	**288,238**	**288,238**
Carrying amount as at 31st March, 2019	-	-

Amount in (₹)

	Furniture and Fixtures	Total
Cost or deemed cost		
Balance at 1st April, 2019	288,238	288,238
Additions	-	-
Disposals / Discardment of Assets	-	-
Balance at 31st March, 2020	**288,238**	**288,238**
Accumulated depreciation		
Balance at 1st April, 2019	288,238	288,238
Eliminated on disposal of assets	-	-
Depreciation expense	-	-
Balance at 31st March, 2020	**288,238**	**288,238**
Carrying amount as at 31st March, 2020	-	-

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

VISHAL TECHNO COMMERCE LIMITED MUMBAI

VISHAL TECHNO COMMERCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH, 2020

	As at 31st March, 2020 (₹)	As at 31st March, 2019 (₹)
4. Investment property		
Cost or deemed cost		
Balance at the beginning of the year	5,927,638	5,927,638
Additions	-	-
Transferred from property, plant and equipment	-	-
Balance at the end of the year	**5,927,638**	**5,927,638**
Accumulated depreciation and impairment		
Balance at the beginning of the year	2,691,173	2,624,807
Depreciation expense	66,366	66,366
Effect of Foreign currency exchange differences	-	-
Balance at the end of the year	**2,757,539**	**2,691,173**
Carrying amount	**3,170,099**	**3,236,465**
5. Investment		
Non Current Investments		
(Trade, unless otherwise specified)		
Investment in equity instruments (Unquoted)		
I) Subsidiary Company (Fully paid up equity shares) (At cost)		
a) 10,000 (As at 31st March, 2019 : 10,000) Equity shares of ` 10/- each **A B Renewable Energy Private Limited**	-	100,000
II) Others (At Fair Value)		
b) 25 (As at 31st March, 2019 :25) Equity shares of ` 29/- each Shamrao Vithal Co-operative Bank Limited (Refer Footnote)	9,343	9,343
Total	9,343	109,343

Footnote

Equity shares of Shamrao Vithal Co-operative Bank Limited are fair valued based on audited financial statement for the year ended F.Y. 2018-19

	As at 31st March, 2020 (₹)	As at 31st March, 2019 (₹)
6. Loans		
Non-current		
Loans to related parties		
- Unsecured, considered good (Refer Note No: 26)	1,575,000,912	1,609,789,775
Total	1,575,000,912	1,609,789,775

ANAND A. YADAV & ASSOCIATES ★ CHARTERED ACCOUNTANTS MUMBAI

VISHAL TECHNO COMMERCE LIMITED ★ MUMBAI

	As at 31st March, 2020 (₹)	As at 31st March, 2019 (₹)
7. Current Tax Assets / (Liabilities)		
(i) Current Tax Assets		
Advance Tax paid	25,613,020	25,613,020
Less: Provision for Tax	-	-
Current Tax Assets Total	**25,613,020**	**25,613,020**
(ii) Current Tax Liability		
Provision for Tax	1,362,154	1,362,154
Less: Advance Tax Paid	-	-
Current Tax Liability Total	**1,362,154**	**1,362,154**

Since the taxable income is negative, there is no current tax payable , reconciliation(Reconciliation of tax expense and the accounting profit multiplied by Companie's tax rate) has not been provided.

	As at 31st March, 2020 (₹)	As at 31st March, 2019 (₹)
8. Cash and Bank Balances		
Cash and cash equivalents		
Balances with banks:		
- in current accounts	160,046	211,254
Cash on hand	10,663	10,663
Total	**170,709**	**221,917**
9. Other financial assets		
Current		
Security deposits	150,000	150,000
Other receivables (Other than Trade Receivables)	250,898,700	241,071,700
Total	**251,048,700**	**241,221,700**

ANAND A. YADAV & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI

VISHAL TECHNO COMMERCE LIMITED MUMBAI

	As at 31st March, 2020 (₹)	As at 31st March, 2019 (₹)
10. Equity share capital		
Authorised Share Capital:		
1,000,000 (As at 31st March, 2019: 10,00,000) Equity Shares of ` 10/- each	10,000,000	10,000,000
Issued and subscribed capital comprises:		
50,000 (As at 31st March, 2019: 50,000) Equity Shares of ` 10/- each fully paid up	500,000	500,000
	500,000	500,000

10.1 Reconciliation of the number of Equity shares outstanding at the beginning and at the end of reporting year

	Number of shares	Number of shares
Balance at 1st April, 2018	50,000	50,000
Add: Issued during the year	-	-
Less: Bought back during the year	-	-
Balance at 31st March , 2019	50,000	50,000
Add: Issued during the year	-	-
Less: Bought back during the year	-	-
Balance at 31st March , 2020	**50,000**	**50,000**

10.2 Shares held by its holding company or its ultimate holding company, subsidiaries or associates of the holding:

	No. of Equity shares	
	As at 31st March, 2020	As at 31st March, 2019
Holding Company		
Hubtown Limited with Benificiary Owners	50,000	50,000
Total	50,000	50,000

10.3 Details of shares held by each shareholders holding more than 5% shares

	As at 31st March, 2020		As at 31st March, 2019	
	No of shares held	% holding	No of shares held	% holding
Fully paid equity shares				
Huhtown Limited with Benificiary Owners	50,000	100%	50,000	100%

10.4 Terms/Right attached to Ordinary Equity Shares

The company has a single class of equity shares having a par value of ` 10/- per share. Each holder of equity share is entitled to one vote per share . The company declares and pays dividend in indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

ANAND A. YADAV & ASSOCIATES * CHARTERED ACCOUNTANTS * MUMBAI

VISHAL TECHNO COMMERCE LIMITED * MUMBAI

	As at 31st March, 2020 (₹)	As at 31st March, 2019 (₹)
11. Other Equity		
Retained Earnings		
Balance at the beginning of the year	194,767,100	198,002,953
Profit attributable to the owners of the company	(513,039)	(3,235,853)
Balance at the end of the year	**194,254,061**	**194,767,100**
12. Borrowings		
Non-current		
Secured		
- From financial institutions (Refer Footnote)	1,019,720,000	1,529,580,000
Total	**1,019,720,000**	**1,529,580,000**

Footnote:

(i) Repayable in quarterly installment starting from 30th September 2019. Mortgage of land and structures on project located in Andheri (East), Matunga, Kelavali, Ghodivali, Raigad, Mulund, Khalapur and Majiwade; first charge by way of over the receivable and escrow account collection from above project. Irrevocable and unconditional Personal Guarantee(s) of Mr. Hemant Shah and Vyomesh Shah. Corporate guarantee of Heet Builder Private Limited and Citygold Education Research Limited Pledge of shares of Heet Builder Private Limited, Citygold Education Research Limited held by Hubtown Limited. Pledge of 70,00,000 shares of Hubtown Limited.

(ii) The Company has borrowed funds from ECL Finance Limited for the project under execution in a fellow subsidiary till (28.02.2019), Heet Builders Private Limited. All the cost of borrowings, upfront fees and interest cost are borne by Heet Builders Private Limited to the extent of loans advanced to Heet Builders Private Limited out of total amount of borrowed from ECL Finance Limited.

		As at 31st March, 2020 (₹)	As at 31st March, 2019 (₹)
	Current		
	Unsecured		
(i)	Loans repayable on demand:		
-	From Related Party (Refer Footnote)	635,745,419	150,711,510
	Total	**635,745,419**	**150,711,510**

Footnote

The Company has received interest free loan from it's Parent Company, considering the nature of business in which the Company operate, the amounts so received are considered to be repayable on call / demand as the repayment period of such amounts so received is not measureable precisely.

ANAND A. YADAV & ASSOCIATES * CHARTERED ACCOUNTANTS * MUMBAI

VISHAL TECHNO COMMERCE LIMITED * MUMBAI

VISHAL TECHNO COMMERCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

13. Trade payables

Dues to MSME (Refer Footnote)	-	-
Dues to others	2,638,713	2,192,171
Total	**2,638,713**	**2,192,171**

Footnote

As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the auditors.

14. Other financial liabilities

Current		
Other payables	72,228	109,263
Total	**72,228**	**109,263**

15. Other Current liabilities

Other payables :		
- Statutory dues	156,384	396,707
Total	**156,384**	**396,707**

16. Provisions

Current		
Provision for Rates and Taxes	563,825	573,315
Total	**563,825**	**573,315**

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

VISHAL TECHNO COMMERCE LIMITED MUMBAI

VISHAL TECHNO COMMERCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

	Year ended 31st March, 2020 (₹)	Year ended 31st March, 2019 (₹)
17. Revenue from operations		
Other operating revenue :		
Sundry Creditor Balances Written Back	-	439,524
Total	**-**	**439,524**
18. Other income		
a) Other Income		
Interest on Income tax Refund	-	1,647
Misc. Income	-	3
Total	**-**	**1,650**
19. Finance Costs		
Other interest expense	-	3,151,201
Other Interest Charges (Delayed and penal Interest)	199,153	183,248
Total	**199,153**	**3,334,449**

Footnote: Interest expense for loan taken from ECL Finance Limited is recoverable from Heet Builders Private Limited and therefore finance cost for the loan is not recognized for the year to the extent of loan advanced to Heet Builders Private Limited.

20. Depreciation and Amortisation Expenses		
Depreciation on Furniture and Fixtures	-	-
Depreciation on Buildings	66,366	66,366
Total	**66,366**	**66,366**
21. Other Expenses		
Rates and taxes	-	2,500
Repairs and society maintenance charges	229,976	212,473
Legal and professional fees	2,657	72,250
Other expenses	14,887	146,899
Total	**247,520**	**434,122**
Footnote:		
Audit Fees	10,000	20,000
	10,000	20,000

ANAND A. YADAV & ASSOCIATES
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22. Earnings Per Share (EPS)	As at 31st March, 2020 (₹)	As at 31st March, 2019 (₹)
Basic and Diluted Earning Per Share	(1.03)	(6.47)

Basic EPS

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:

	Year Ended 31st March, 2020 (₹)	Year Ended 31st March, 2019 (₹)
Profit for the year attributable to the owners of the Company	(513,039)	(3,235,853)
Earnings used in the calculation of basic and diluted earnings per share		
Weighted average number of equity shares for the purposes of basic and diluted earnings per shar	500,000	500,000

23 Related Party Disclosures (As per IND AS - 24)

A. Name of the related parties and related parties relationship

I	**Holding Company**	: Hubtown Limited
II	**Fellow Subsidiary**	: Heet Builders Private Limited (28-02-2019)
III	**Others Significant Influence**	: Citygold Management Services Private Limited

Footnote:
Related party relationship are identified by the Company and relied upon by the Auditors

B. Transaction with Related Parties -

Sr. No	Nature of Transaction	Holding Company	Fellow Subsidiary	Others Significant Influence
i	**Loans and advances received/recovered**			
	Hubtown Limited	125,000	-	-
		(140,825,000)	(-)	(-)
	Heet Builders Private Limited	-	-	-
		(-)	(142,559,794)	(-)
	Citygold Education Research Limited	-	575,121,137	-
		(-)	(-)	(-)
ii	**Loan Repaid/given/ Adjusted**			
	Hubtown Limited	90,000,000	-	-
		(3,000,000)	(-)	(-)
	Heet Builders Private Limited	-	-	-
		(-)	(1,031,033,605)	(-)
iii	**Payment made on our Behalf**			
	Citygold Management Services Pvt Limited			-
				(45,929)

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

VISHAL TECHNO COMMERCE LIMITED MUMBAI

VISHAL TECHNO COMMERCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

	Balances outstanding	As at 31st March, 2020 (₹)	As at 31st March, 2019 (₹)
i	**Balance Payables**		
	Holding Company		
	Hubtown Limited	60,624,282	150,499,282
	Other Significant Influence		
	Citygold Management Services Pvt Limited	1,247,814	1,215,951
ii	**Balance Receivables**		
	Others - Fellow Subsidiaries		
	Citygold Education Research Limited	575,121,137	-
	Heet Builders Private Limited (28-02-2019)	-	1,609,789,775
iii	**Balance of corporate gurantee for loan taken**		
	Holding Company and Fellow Subsidiary		
	Hubtown Limited, Heet Builders Private Limited (28-02-2019), Citygold Education Private Limited	1,019,720,000	1,529,580,000

Note:-
The loan of Rs. 10,197.20 lakhs taken by Vishal Techno Commerce Limited has been jointly and severally guranteed by Heet Builders Private Limited and Hubtown Limited. There is no contract determining the ratio of individual gurantees by each party, in such cases the amount shall be divided equally between each party.

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

VISHAL TECHNO COMMERCE LIMITED MUMBAI

24. Contingent Liability

	As at 31st March, 2020 (₹)	As at 31^{st} March, 2019 (₹)
A. Contingent liability with regards disputed dues with statutory authorities :		
A. Claims against company not acknowledge as debt on account of:-		
Income tax matter under appeals with the Commissioner of Income Tax (Appeal) :		
Financial year 2010-2011 Under Section 221 of Income Tax Act, 1961	9,900,370	9,900,370
Total	**9,900,370**	**9,900,370**

Further interest / penalty that may accrue on original demands are not ascertainable, at present. The Company has taken necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice, are not sustainable.

The Company does not have any contingent liability as at balance sheet date, other then stated above, as certified by management & relied upon by the auditors.

B. On account of Corporate guarantees issued by the Company to ECL Finance Limited on behalf of Heet Bulders Private Limited : Outstanding Loan amount	-	-
	-	-

25 Capital Management

The entity manages its capital to ensure that the entity will be able to continue as a going concern while maximising the return to stakeholders through optimisation of debt equity ratio.

The capital structure of the entity consists of net debt (Borrowings offset by cash and bank balances) and total equity of the company.

Gearing Ratio

The gearing ratio at the reporting period was as follows	As at 31st March, 2020 (₹)	As at 31st March, 2019 (₹)
Secured Loan	1,019,720,000	1,529,580,000
Unsecured Loan	635,745,419	150,711,510
Interest accured and due/and but not due	-	-
Total Debt	**1,655,465,419**	**1,680,291,510**
Cash and Cash Equivalents	170,709	221,917
Net Debt (A)	1,655,294,709	1,680,069,593
Equity Share Capital	500,000	500,000
Other equity	194,254,061	194,767,100
Total Equity (B)	194,754,061	195,267,100
Debt Equity Ratio A/B	8.50	8.60

ANAND A. YADAV & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ MUMBAI

VISHAL TECHNO COMMERCE LIMITED ★ MUMBAI

VISHAL TECHNO COMMERCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

26 Financial Risk Management Objectives

The company is exposed to market risk, credit risk and liquidity risk. The company's management oversees the management of these risks. The company's board of directors review and agrees policies for managing each of these risks summarized below.

i) Market Risk
Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has borrowed funds for execution of project by a fellow subsidiary Heet Builders Private Limited. Interest and other Borrowings cost are born by Heet Builders Private Limted refer **Note No. 12**

ii) Credit Risk
The company is not exposed to credit risk from its operating activities. Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

iii) Liquidity risk
The companies cashflow requirement are met by funds received from its holding company.

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In the opinion of the Board of Directors of the Company, all items of Current Assets, Non Current Assets, Non current liabilities, Current Liabilities and Loans and Advances continues to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

As per our report of even date

For and on behalf of the Board of Directors

FOR ANAND A YADAV & ASSOCIATES
Chartered Accountants
Firm Registration No. 137527W

ANAND Mumbai
PRO Date: 20th July 2020
Membership No. 156864

ANAND A. YADAV & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI

VISHAL TECHNO COMMERCE LIMITED MUMBAI

Shrenik Mehta
DIRECTOR
DIN: 03137231

D V Prabhu
DIRECTOR
DIN: 03142640

Mumbai
Date: 20th July 2020

INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF,
YANTTI BUILDCON PRIVATE LIMITED
Report on the Ind AS financial statements

We have audited the accompanying Ind AS financial statements of **YANTTI BUILDCON PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 Ind AS financial statements give the information required by 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 31st March, 2020, and its loss and its cash flows for the year end
ed on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit matters

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

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditors' report thereon.

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

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 such other information is materially inconsistent with the 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.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts)Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

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

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

M. K. GOHEL & ASSOCIATES
MKG
MUMBAI
M. No.
038823
Chartered Accountants

- Identify and assess the risks of material misstatement of the Ind AS 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.

- 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 Ind AS 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 Ind AS financial statements including the disclosures, and whether the Ind AS 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.

Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act 2013, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give in the **"Annexure A"**, a statement on the matter specified in paragraph 3 and 4 of the order to the extent applicable.

M. K. GOHEL & ASSOCIATES
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038823
Chartered Accountants

II. 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 purposes 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

(e) On the basis of the written representations received from the Directors as on 31st March, 2020 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2020 from being appointed as a Director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"** to this report

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule11 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 material pending litigations which would impact its financial position.
   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

MKGohel

MUKESH K. GOHEL
PROPRIETOR
M. No. :038823

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

Place: Mumbai
Date: 20/11/2020
UDIN: 20038823AAAAFB2210

"ANNEXURE A" TO OUR INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 OF YANTTI BUILDCON PRIVATE LIMITED

As required by the Companies (Audit Report) order, 2016 On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

1. Fixed assets:
   a. The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
   b. These fixed assets have been physically verified by the management at reasonable intervals and no Material discrepancies were noticed on such verification.
   c. Title deeds of immovable properties are held in the name of the company.

2. The Company does not hold any inventory or securities as stock in trade, hence paragraph 3(ii) of the Order are not applicable to the Company.

3. According to the information and explanation given to us, the company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the order are not applicable to the company and hence not commented upon.

4. According to the information and explanation given to us, the company has not given any loan, security or guarantee in prejudice of section 185 and 186 of the Act.

5. The Company has not accepted any deposits during the year from the public within the meaning of Section 73 to 76 of the Act and the Rules framed thereunder to the extent applicable;

6. It has been explained to us that the maintenance of cost records has not been prescribed under section 148(1) of the Act;

7. Payment of Dues:

a. According to the records of the Company, it has been generally regular in depositing undisputed statutory dues including Service Tax, Wealth Tax, Employees State Insurance, Provident fund, Cess and other statutory dues with the appropriate authorities. There has been some delay in depositing undisputed Income Tax deducted at source and profession tax. Moreover, amounts outstanding at the last day of the financial year for a period exceeding six months from the date they became payable is Rs. 0.34 Lakhs for profession tax.

M.K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

b. According to information and explanation given to us and based on the records of the company, examined by us, there are no dues outstanding of income tax, sales tax, service tax, duty of customs and value added tax on account of any dispute.

Statute and nature of dues	Financial Year	Amount	Forum where dispute is pending
Income Tax	2011-12	40,08,522	Income Tax Appellate Tribunal

8. On the basis of records examined by us and the information and explanations given to us, the company has defaulted in repayment of loans and dues to debenture holders and bank. Attention is invited to Footnote No. a to schedule 10 – "Borrowings" with regards to amount of non-payment of borrowings.

9. On the basis of records examined by us and the information and explanations given to us company has neither taken any term loan nor there any IPO or public offering during the period under report. Hence paragraph 3(ix) of the Order is not applicable to the Company.

10. According to the information and explanations given to us, and to the best of our knowledge and belief, no fraud on or by the Company, has been noticed or reported by the Company during the year.

11. According to the information and explanations given to us, no Managerial remuneration has been paid or provided. Hence paragraph 3(xi) of the Order is not applicable to the Company.

12. Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company. Hence paragraph 3(xii) of the Order is not applicable.

13. Based upon the audit procedures performed and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Ind AS financial statements etc. as required by the applicable accounting standards.

14. The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

M.K. GOHEL & ASSOCIATES
MKG
MUMBAI
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Chartered Accountants

15. The company hasn't entered into any non-cash transactions with directors or persons connected with him.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

MUKESH K. GOHEL
PROPRIETOR
M. No. :038823

Place: Mumbai
Date: 20/11/2020
UDIN: 20038823AAAAFB2210

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls over financial reporting of Yantti Buildcon Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an Audit of Internal Financial Controls, both applicable to an Audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain Reasonable Assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the Auditor's Judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting.

M.K. GOHEL & ASSOCIATES
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Meaning of Internal Financial Controls over Financial Reporting

A company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted Accounting Principles. A company's Internal Financial Control over Financial

Reporting includes those policies and procedures that;

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

MKGohel

MUKESH K. GOHEL
PROPRIETOR
M. No. :038823
Place: Mumbai

Date: 20/11/2020
UDIN: 20038823AAAAFB2210

YANTTI BUILDCON PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Note No.	As at 31 March, 2020 ₹	As at 31 March, 2019 ₹
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	4	2,92,000	2,92,000
(c) Current tax assets (Net)	5	1,10,901	1,10,901
Total Non-Current assets		4,02,901	4,02,901
Current assets			
(a) Inventories	6	57,99,80,622	57,72,86,372
(b) Financial assets			
(i) Cash and cash equivalents	7	2,46,739	2,40,211
(c) Other current assets	8	2,35,268	1,00,000
Total Current Assets		58,04,62,629	57,76,26,583
Total assets		58,08,65,530	57,80,29,484
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9	5,00,000	5,00,000
(b) Other equity	10	(32,84,057)	(70,93,162)
Total Equity		(27,84,057)	(65,93,162)
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	93,25,982	92,07,556
(ii) Trade payables	12	14,58,78,376	14,58,46,503
(iii) Other financial liabilities	13	42,61,16,736	42,35,24,236
(b) Other current liabilities	14	23,28,492	60,44,351
Total Current Liabilities		58,36,49,586	58,46,22,646
Total Liabilities		58,36,49,586	58,46,22,646
Total Equity and Liabilities		58,08,65,529	57,80,29,484

The accompanying notes are an integral part of the financial statements.

As per attached report of even date

For and on behalf of the Board of Directors

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

MKGohel

MUKESH K. GOHEL
PROPRIETOR
M.No.: 038823
UDIN: 20038823AAAAFB2210
Place: Mumbai
Date: 20th November,2020

YANTTI BUILDCON PVT. LTD.

HEMANT GULATI
DIRECTOR
DIN: 00408734

D V PRABHU
Director
DIN: 03142640

YANTTI BUILDCON PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	Note No.	Year ended 31 March, 2020 ₹	Year ended 31 March, 2019 ₹
INCOME			
Revenue from Operations	15	38,88,941	2,30,038
Share of Profit / (Loss) of Joint Ventures		-	18,946
Total Income		38,88,941	2,48,984
EXPENSES			
Changes in Inventories of Incomplete Projects	16	(26,94,250)	(34,16,145)
Finance Costs	17	53,126	1,68,080
Other Expenses	18	27,20,960	34,82,523
Total Expenses		79,836	2,34,458
Profit/(Loss) before Tax		38,09,105	14,526
Tax Expense			
(1) Current Tax		-	-
(2) Excess / (Short) provision for taxation in respect of earlier years		-	-
Total		-	-
Profit for the Year		38,09,105	14,526
Earning per equity share of nominal value of ₹ 10/- each (in Rupees)	19		
Basic and Diluted		0.29	0.29

The accompanying notes are an integral part of the financial statements.

As per attached report of even date

For and on behalf of the Board of Directors

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

MKGohel

MUKESH K. GOHEL
PROPRIETOR
M.No.: 038823
UDIN: 20038823AAAAFB2210

Place: Mumbai
Date: 20th November,2020

YANTTI BUILDCON PVT. LTD.

HEMANT GULATI
DIRECTOR
DIN: 00408734

D V PRABHU
Director
DIN: 03142640

YANTTI BUILDCON PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	2019 - 2020		2018 - 2019	
	₹		₹	
Cash Flow arising from Operating Activities:				
I Net Profit before taxes as per profit and loss account		38,09,105		14,526
Add / (Deduct) :				
Interest Expenses	53,126		1,68,080	
Depreciation	-		-	
Share of Profit	-		-	
		53,126		1,68,080
Operating Profit / (Loss) before Working Capital Changes		38,62,231		1,82,606
Add / (Deduct) :				
(Increase) / Decrease in Inventories	(26,94,250)		(34,16,145)	
(Increase) / Decrease in Loans and Advances	(1,35,268)		1,14,488	
Increase / (Decrease) in Trade Payables and other liabilities	47,01,979		85,78,456	
Income tax paid	-		-	
		18,72,461		52,76,799
Net Cash Flow in the course of operating activities		**57,34,692**		**54,59,405**
Cash Flow from Investing Activities:				
II Inflow / (Outflow) on account of:				
Share of Profit	-		-	
Proceeds from Long Term Investments	-		-	
Net Cash Flow in the course of Investing activities		-		-
Cash Flow from Financing Activities:				
III Inflow / (Outflow) on account of:				
Unsecured Loans Borrowed (net)	1,18,426		3,14,969	
Interest Paid	(58,46,592)		(57,93,466)	
Net Cash Flow in the course of Financing activities		**(57,28,166)**		**(54,78,497)**
Net Increase / (Decrease) in Cash and Cash Equivalents (I + II + III)		6,526		(19,092)
Add: Cash and Cash Equivalents at the Beginning of the Year		2,40,211		2,59,303
Cash and Cash Equivalents at the end of the Year		2,46,737		2,40,211
Reconcilition of cash and cash equilvalent (Refer note 8)				
Cash on hand	2,743		2,743	
Balances with banks				
in current account	2,43,996		2,46,739	######### #	2,40,211

The accompanying notes are an integral part of the financial statements.

As per attached report of even date

For and on behalf of the Board of Directors

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

MUKESH K. GOHEL
PROPRIETOR
M.No.: 038823
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YANTTI BUILDCON PVT. LTD

HEMANT GULATI
DIRECTOR
DIN: 00408734

D V PRABHU
Director
DIN: 03142640

Place: Mumbai
Date: 20th November,2020

YANTTI BUILDCON PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020

			(₹)
	Equity Share Capital	Reserves and Surplus	
	Equity Share Capital	Retained Earnings	Total
Balance at March 31, 2018	5,00,000	(71,07,687)	(66,07,687)
Total Comprehensive Income for the year	-	14,526	14,526
Balance at March 31, 2019	5,00,000	(70,93,162)	(65,93,162)
Total Comprehensive Income for the year	-	38,09,105	38,09,105
Balance at March 31, 2020	5,00,000	(32,84,057)	(27,84,057)

The accompanying notes are an integral part of the financial statements.

As per attached report of even date

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

MUKESH K. GOHEL
PROPRIETOR
UDIN: 20038823AAAAFB2210

Place: Mumbai
Date: 20th November,2020

For and on behalf of the Board of Directors

HEMANT GULATI
DIRECTOR
DIN: 00408734

YANTTI BUILDCON PVT. LTD.

D V PRABHU
Director
DIN: 03142640

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Note 1. Statement of Significant Accounting Policies.

1.1 **Company Overview**

Yantti Buildcon Private Limited is an Private Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged into real estate business specializing in construction and development of Infotech Parks, Cyber Parks, Business Parks, SEZ as well as sale and lease of commercial, industrial properties and other similar works.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 20th November, 2020.

Note 2. Significant Accounting Policies followed by the Company

I. Basis of preparation of financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies, if any) within the credit period normally applicable to the respective project.

II. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

Classification of property

The company determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of, the company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the company develops and intends to sell before or on completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

YANTTI BUILDCON PVT. LTD.

III. **Revenue recognition**

Revenue Recognition Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services.

A. **Revenue from Construction Activity:**

Revenue from the sale of properties / flats/ commercial premises / units in a project are recognised when the company satisfies performance obligations at a point in time i.e when control is transferred to the customer which is usually on giving soft possession for fitouts or actual possession to the customer.
Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, rebates, price concessions, returns and financing component if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Where the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately in the Statement of profit and Loss Account.
Amount received as Advance from customers on Invoicing / raising demand letters are classified as Contract Liabilities. The company's right to consideration in exchange forgoods or services that the company has transferred to the customer are classified as receivables.
The Company has adopted Ind AS 115 Revenue from contracts with customers, with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers and replaces Ind AS 18 "Revenue" and Guidance Note on "Accounting for Real Estate transactions" for entities to whom Ind AS is applicable.

B. **Interest income:**

Interest income including income arising on other instruments recognised on time proportion basis using the effective interest rate method.

C. **Others:**

Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

IV. **Property plant and equipment, investment property and depreciation / ammortisation**

A. Tangible fixed assets are stated at cost of acquisition or construction including attributable interest and finance cost, if any till the date of acquisition/installation of the assets, less accumulated depreciation/amortisation and accumulated impairment losses, if any.

B. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	**Estimated useful life (in Years)**
Computer	3

V. **Taxation**

i. **Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. **Deferred Tax**

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.
The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. **Current and deferred tax for the year**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

VI. **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

VII. **Trade receivable**

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

VIII. **Borrowings and Borrowing costs**

Borrowing are initally recognised at Net off transation cost incurred and measured at amortised cost. Any difference between the proceeds (net of transation costs) and the redemption amount is recognised in statetment of profit and loss over ther period of the borrowings using the effective interest method.

Interests and other borrowing costs included under finance costs calculated as per effective interest rate attributable to qualifying assets, which takes substantial period of time to get ready for its intended use are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

M. K. GOHEL & ASSOCIATES
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YANTTI BUILDCON PVT. LTD.

IX. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

X. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

XI. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XII. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

XIII. Recent accounting pronouncements

Ind AS 116

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition,measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of IND AS 116 is expected to be insignificant.

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YANTTI BUILDCON PVT. LTD.

YANTTI BUILDCON PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

4. Property, plant and equipment

	Freehold Land	Computers	Total
Cost or deemed cost			
Balance at March 31, 2018	2,92,000	97,882	3,89,882
Additions	-	-	-
Disposals	-	-	-
Balance at March 31, 2019	2,92,000	97,882	3,89,882
Accumulated depreciation			
Balance at March 31, 2018	-	97,882	97,882
Eliminated on disposal of assets			-
Depreciation expense	-	-	-
Balance at March 31, 2019	-	97,882	97,882
Carrying amount as at 31st March 2019	2,92,000	-	2,92,000

	Freehold Land	Computers	Total
Cost or deemed cost			
Balance at March 31, 2019	2,92,000	97,882	3,89,882
Additions	-	-	-
Disposals	-	-	-
Balance at March 31, 2020	2,92,000	97,882	3,89,882
Accumulated depreciation			
Balance at March 31, 2019	-	97,882	97,882
Eliminated on disposal of assets			-
Depreciation expense	-	-	-
Balance at March 31, 2020	-	97,882	97,882
Carrying amount as at 31st March, 2020	2,92,000	-	2,92,000

	Freehold Land	Computers	Total
Cost or deemed cost			
Balance at March 31, 2019	2,92,000	97,882	3,89,882
Additions	-	-	-
Disposals	-	-	-
Balance at March 31, 2020	2,92,000	97,882	3,89,882
Accumulated depreciation			
Balance at March 31, 2019	-	97,882	97,882
Eliminated on disposal of assets			-
Depreciation expense	-	-	-
Balance at March 31, 2020	-	97,882	97,882
Carrying amount as at 31st March, 2020	2,92,000	-	2,92,000

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

		As at 31 March, 2020 ₹	As at 31 March, 2019 ₹
5	**Current Tax Assets (Net)**		
	Advance Tax paid	1,10,901	1,10,901
	Less: Provision for Tax	-	-
	Total	1,10,901	1,10,901
6	**Inventories**		
	Inventories (lower of cost or net realisable value)		
	- Incomplete projects	57,99,80,622	57,72,86,372
	Total	57,99,80,622	57,72,86,372
7	**Cash and cash equivalents**		
	Balances with banks:		
	- in current accounts	2,43,996	2,37,468
	Cash on hand	2,743	2,743
	Total	2,46,739	2,40,211
8	**Other Current assets**		
	Current		
	Advances Recoverable	2,35,268	1,00,000
	Total	2,35,268	1,00,000

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		As at 31 March, 2020 ₹	As at 31 March, 2019 ₹
9	Equity share capital		
Authorised Share Capital:			
	50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each	5,00,000	5,00,000
Issued and subscribed capital comprises:			
	50,000 (As at March 31, 2019: 50,000) Equity Shares of ₹ 10/- each fully paid up	5,00,000	5,00,000
		5,00,000	5,00,000

9.1 Reconciliation of the number of Equity shares outstanding at the beginning and at the end of reporting year

	Balance at April 1, 2018	50,000	50,000
Add :	Issued during the year	-	-
Less :	Bought back during the year	-	-
	Balance at March 31, 2019	50,000	50,000
Add :	Issued during the year	-	-
Less :	Bought back during the year	-	-
	Balance at March 31, 2020	50,000	50,000

9.2 Details of shares held by each shareholders holding more than 5% shares

	As at 31 March, 2020		As at 31 March, 2019	
	No of shares held	% holding	No of shares held	% holding
Fully paid equity shares				
Hubtown Limited with beneficiary holders	50,000	100%	50,000	100%
Total	50,000	100%	50,000	0%

9.3 The company has a single class of equity shares having a par value of ₹10/- per share. Each holder of equity share is entitled to one vote per share . The company declares and pays dividend in indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

10	Other Equity		
	Equity Component of Financial Instruments	-	-
	Retained Earning	(32,84,057)	(70,93,162)
	Total	(32,84,057)	(70,93,162)
	Retained Earnings		
	Balance at the beginning of the year	(70,93,162)	(71,07,688)
	Profit attributable to the owners of the company	38,09,105	14,526
	Balance at the end of the year	(32,84,057)	(70,93,162)

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11	**Other financial liabilities**		
	Current		
	Interest accrued and due on borrowings	-	-
	Business advances from related party **(Refer Footnote)**	42,54,59,626	42,34,39,626
	Other payables	6,57,110	84,610
	Total	**42,61,16,736**	**42,35,24,236**

Footnote:

The Company has received interest free advances from it's Parent Company, considering the nature of business in which the Company operate, the amounts so received are considered to be repayable on call / demand as the repayment period of such amounts so received is not measureable precisely.

12	**Borrowings**		
	Current		
	Unsecured		
(i)	Loans repayable on demand:		
	- From Related Party (Refer Footnote A)	-	-
	- From Company (Refer Footnote B)	93,25,982	92,07,556
	Total	**93,25,982**	**92,07,556**

Footnote :

A) Loan from director are interest free and are repayable on demand

B) Unsecured loan from company are received at the rate of C.Y. 19.10%- (P.Y. 19.10%) and are repayable on demand.

13	**Trade payables**		
	Dues to MSME	-	-
	Dues to Others	14,58,78,376	14,58,46,503
	Total	**14,58,78,376**	**14,58,46,503**

Footnote :

As per information available with the Comapny regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Comapny are registered under MSMED Act, and the same has been relied upon by the auditors.

14	**Other Liabilities**		
	Current		
	Other payables :		
	Overdrawn bank balances as per books of accounts	-	-
	- Provision for Audit Fees	30,000	15,000
	- Statutory dues	22,98,492	60,29,351
	Total	**23,28,492**	**60,44,351**

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YANTTI BUILDCON PVT. LTD.

YANTTI BUILDCON PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

		Year ended 31 March, 2020 ₹	Year ended 31 March, 2019 ₹
15	**Revenue from operations**		
	Other operating revenue :	-	-
	- Sundry credit balances appropriated	-	2,04,616
	Excess Provision Written Back	38,88,941	25,422
	Total	**38,88,941**	**2,30,038**
16	**Changes In Inventories Of Incomplete Projects**		
	Opening Inventory :		
	Incomplete projects	57,72,86,372	57,38,70,227
		57,72,86,372	**57,38,70,227**
	Closing Inventory :		
	Incomplete projects	57,99,80,622	57,72,86,372
		57,99,80,622	57,72,86,372
	Total	(26,94,250)	(34,16,145)
17	**Finance Costs**		
	Interest on Fixed loans	-	-
	Delayed/penal interest on loans and statutory dues	53,126	1,68,080
	Total	**53,126**	**1,68,080**
18	**Other Expenses**		
	Rates and taxes	2,64,000	-
	Bank Charges	4,854	5,049
	Directors' fees and travelling expenses	-	90,505
	Legal and professional fees	21,50,250	29,49,250
	Sundry Balances Written off	-	1,18,731
	Other Expenses	3,01,856	3,18,988
	Total	**27,20,960**	**34,82,523**
	Footnote:		
	Audit Fees	15,000	15,000
	GST on above	2,700	2,700
	Total	**17,700**	**17,700**

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		Year ended 31 March, 2020 ₹	Year ended 31 March, 2019 ₹
19	Earnings per share (EPS)		
	Basic and Diluted Earnings Per Share	0.29	0.29

Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows

	Year Ended 31 March, 2020 ₹	Year Ended 31 March, 2019 ₹
Profit for the year attributable to the owners of the Company	38,09,105	14,526
Earnings used in the calculation of basic and diluted earnings per share	38,09,105	14,526

	Year Ended 31 March, 2020	Year Ended 31 March, 2019
Weighted average number of equity shares for the purposes of basic earnings per share		
Ordinary	50,000	50,000
Total	50,000	50,000

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YANTTI BUILDCON PVT. LTD.

20 Related Party Disclosures (As per IND AS - 24)

A. Name of the related parties and related parties relationship

	HOLDING COMPANY	: Hubtown Limited
I	Firm in which Company is a partner	: M/s Rising Glory Developers (upto 31st July 2018)
II	Key Managerial Personnel	: Hemant Gulati
III	Others Significant Influence	: Citygold Management Services Private Limited

Footnote:
Related party relationship are identified by the Company and relied upon by the Auditors

B. Transaction with Related Parties -

Sr. No.	Nature of Transaction	Holding Company	Others Significant Influence	Key Management Personnel of the Entity	Firm in which Company is a partner
i	Business advances taken/ recovered / adjusted				
	Hubtown Limited	43,10,000	-	-	-
		(3,43,33,405)	(-)	(-)	(-)
ii	Business Advance given/repaid/adjusted				
	Hubtown Limited	22,90,000	-	-	-
		(3,14,01,797)	(-)	(-)	(-)
iii	InterCompany payables				
	Citygold Management services Pvt Limited	-	4,052	-	-
		(-)	(2,000)	(-)	(-)
iv	On Behalf payments made (Including reimbursement of Expenses)				
	Hemant Gulati	-	-	5,07,218	-
		(-)	(-)	(2,92,024)	(-)
v	On Behalf payments received/adjusted				
	Hemant Gulati	-	-	5,23,218	-
		(-)	(-)	(2,82,430)	(-)
vi	Share of Profit/Loss from Partnerships / Joint Ventures				
	M/s Rising Glory Developers (Joint Venturer)	-	-	-	-
		(-)	(-)	(-)	(81,054)
vii	Investemnt sold from Partnerships / Joint Ventures				
	M/s Rising Glory Developers (Joint Venturer)	-	-	-	-
		(-)	(-)	(-)	(10,000)

Footnote:
Previous Year figures are given in brackets

Balance outstanding

		As at 31st March, 2020	As at 31st March, 2019
i	Balance Payables		
	Hubtown Limited (Holding Company)	42,54,59,626	42,34,39,626
	Citygold Management services Pvt Limited (Others Significant Influence)	4,052	-
	Hemant Gulati (Key Management Personnel)	42,611	26,611
	M/s Rising Glory Developers (upto 31st July 2018)	6,57,110	82,110

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YANTTI BUILDCON PVT. LTD.

21 Contingent Liability

The company does not have any contingent liability as at the balance sheet date as certified by the management and relied upon by the auditors, as otherwise mentioned below:

Statute and nature of dues	Section	Financial Year	Disputed Dues	Amount Paid	Balance disputed dues payable	Forum where dispute is pending
Income Tax	143(3)	2011-12	40,69,952	61,430	40,08,522	Income Tax Appellate Tribunal
Total			40,69,952	61,430	40,08,522	

Further interest / penalty that may accrue on original demands are not ascertainable, at present. The Company has taken necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice, are not sustainable.

22 Capital Management

The entity manages its capital to ensure that the entity will be able to continue as a going concern while maximising the return to stakeholders through optimisation of debt equity ratio.

The capital structure of the entity consists of net debt (Borrowings offset by cash and bank balances) and total equity of the company.

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YANTTI BUILDCON PVT. LTD.

YANTTI BUILDCON PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

23 Financial Risk Management Objectives

The company is exposed to market risk, credit risk and liquidity risk. The company's management oversees the management of these risks. The company's board of directors review and agrees policies for managing each of these risks summarized below:

i) Market Risk

Interest rate risk

Company has received intrest free advances and it receives interest free funds for its operating cash flow from its holding company as and when required (Refer note 10), hence the Company is not exposed to interest risk.

ii) Credit Risk

The company is not exposed to credit risk from its operating activities. Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

iii) Liquidity risk

The companies cashflow requirement are met by funds received from its holding company.

24 Trade payable & other current liability are subject to confirmation, reconciliation and adjustment if any.

25 The accumulated losses of the company have resulted in complete erosion of the net worth of the company. The Company's management is however of the view that the same erosion is temporary in nature as the company has made certain investments in certain assets / projects, the proceeds of which would, when fructified, result in recovery of the eroded worth of the company. The company to that extend does not see the stated erosion of the net worth as an impediment to its status as a going concern.

26 In the opinion of the Board of Directors of the Company, all items of Current Assets, Inventories and Loans and Advances continues to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

27 Previous year's figures have been regrouped / recast wherever necessary.

The accompanying notes are an integral part of the financial statements.

As per attached report of even date

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

MKGohel

MUKESH K. GOHEL
PROPRIETOR
M.No.: 038823
UDIN: 20038823AAAAFB2210
Place: Mumbai
Date: 20th November,2020

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

For and on behalf of the Board of Directors

YANTTI BUILDCON PVT. LTD.

HEMANT GULATI
DIRECTOR
DIN: 00408734

DV PRABHU
Director
DIN: 03142640