

## INDEPENDENT AUDITOR'S REPORT

To the Members of Veegaland Developers Private Limited,  
Kochi

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Veegaland Developers Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and Cash Flow Statement 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, of the state of affairs of the Company as at March 31, 2021, its loss, 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 Act. 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.



# *Varma & Varma*

Chartered Accountants

## Emphasis of Matter

We draw attention to Note No. 2.31 of the financial statements, which describes the impact of the COVID-19 pandemic on the operations and financial position of the company.

Our opinion is not modified in respect of this matter.

## Information Other than the Financial Statements and Auditor's Report thereon (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 of the Company for the financial year 2020-21, but does not include the financial statements and our auditor's report thereon. The reports containing the Other information as above is expected to be made available to us after the date of this Auditor's report.

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 identified above when it becomes available 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.

When we read the reports containing the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## 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 Act 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. 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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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 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 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.

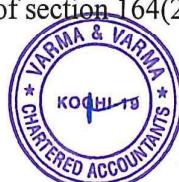
Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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**

1. 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 Act, we give in 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 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 March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act.



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- (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) The reporting requirement regarding managerial remuneration under section 197(16) of the Act is not applicable to the Company.
- (h) 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 does not have any pending litigations which would impact its financial position except as stated in Note No 2.28 of the 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.

Place: Kochi-19

Date: September 30,2021

UDIN:

For VARMA & VARMA  
(FRN:004692S)

*Radhe L Bhat* —

(RADHESH. L. BHAT)  
Partner  
CHARTERED ACCOUNTANTS  
Membership No. 214229

# *Varma & Varma*

Chartered Accountants

**'ANNEXURE A' REFERRED TO IN PARAGRAPH I UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF VEEGALAND DEVELOPERS PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2021**

1. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
b) We are informed that fixed assets of the Company have been physically verified by the management at reasonable intervals and that no material discrepancies were noticed on such verification.  
c) According to the information and explanations given to us and the records of the Company examined by us, there are no immovable properties held by the Company as fixed assets and hence the reporting requirements under clause (i)(c) of paragraph 3 of the Order is not applicable at this stage.
2. We are informed that the physical verification of inventory has been conducted by the management at reasonable intervals, having regard to the size of the company and nature of its business and that no material discrepancies were noticed on such physical verification.
3. According to the information and explanations given to us and the records of the Company examined by 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 reporting requirements under clauses (iii) (a) to (c) of the paragraph 3 of the Order are not applicable.
4. According to the information and explanations given to us and the records of the Company examined by us, the Company has not granted any loans, made any investments, or given any guarantees or security for which the provisions of sections 185 and 186 of the Act are applicable. Accordingly, the reporting requirements under clause (iv) of the paragraph 3 of the Order are not applicable.
5. The Company has not accepted any deposits from the public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable.
6. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act for the company at this stage.
7. (a) As per the information and explanations furnished to us and according to our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Goods and Services Tax, Cess and other material statutory dues, as applicable to the Company with the appropriate authorities during the year. There are no arrears of undisputed statutory dues outstanding as on the last day of the financial year for a period of more than six months from the date on which they became payable.



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Chartered Accountants

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no disputed amounts due to be deposited of Income Tax, Wealth Tax, Sales Tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax and Goods and Services Tax as at March 31, 2021.

8. According to the information and explanations given to us and the records of the Company examined by us, we are of the opinion that the company has not defaulted in repayment of loans or borrowing to financial institutions and banks. The company has not taken any loans or borrowing from Government or raised any money by way of issue of debenture.

9. According to the information and explanations given to us and the records of the Company examined by us, no moneys were raised by the company by way of initial public offer or further public offer (including debt instruments) and the term loans availed by the Company have been applied for the purposes for which those were raised.

10. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us we have neither come across any instances of material fraud by the Company or the on the company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.

11. The company is a private limited company and accordingly the reporting requirements under clause (xi) of the paragraph 3 of the Order regarding compliance of section 197 read with Schedule V to the Companies Act, 2013 are not applicable.

12. The Company is not a Nidhi Company. Accordingly, the reporting requirements under clause (xii) of paragraph 3 of the Order are not applicable.

13. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in Note 2.30 to the financial statements as required by the applicable Accounting Standard.

14. According to the information and explanation given to us and the records of the Company examined by us the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the reporting requirements under clause (xiv) of paragraph 3 of the Order are not applicable.

15. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the reporting requirement under clause (xv) of paragraph 3 of the Order is not applicable.



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16. According to the information and explanations given to us and the records of the Company examined by us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under clause (xvi) of paragraph 3 of the Order is not applicable.

Place: Kochi – 19

Date: September 30,2021

UDIN:

For VARMA & VARMA  
(FRN:004532S)

*Radhe L. Bhat*

(RADHESH. L. BHAT)  
Partner  
CHARTERED ACCOUNTANTS  
Membership No. 214229

**'ANNEXURE B' REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING  
"REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR  
INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL  
STATEMENTS OF VEEGALAND DEVELOPERS PRIVATE LIMITED FOR THE YEAR  
ENDED MARCH 31, 2021**

**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 control systems with reference to financial statements reporting of Veegaland Developers Private Limited ("the Company") as of March 31, 2021 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 controls with reference to financial statements 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 Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls systems with reference to financial statements 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 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 system with reference to financial statements 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 with reference to financial statements reporting and their operating effectiveness. Our audit of internal financial controls system with reference to financial statements reporting included obtaining an understanding of internal financial controls system with reference to financial statements 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 misstatement of the financial statements, whether due to fraud or error.



# Varma & Varma

Chartered Accountants

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 with reference to financial statements reporting.

### **Meaning of Internal Financial Controls with reference to Financial Statements reporting**

A company's internal financial controls system with reference to financial statements 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 controls system with reference to financial statements 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 with reference to Financial Statements reporting**

Because of the inherent limitations of internal financial controls system with reference to financial statements 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 system with reference to financial statements reporting to future periods are subject to the risk that the internal financial controls system with reference to financial statements 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 with reference to financial statements reporting and such internal financial controls system with reference to financial statements reporting were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements 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 ICAI.

Place: Kochi -19

Date: September 30, 2021

UDIN:

For VARMA & VARMA  
(FRN:004532S)

*Radhesh*

(RADHESH. L. BHAT)  
Partner  
CHARTERED ACCOUNTANTS  
Membership No. 214229

**VEEGALAND DEVELOPERS PRIVATE LIMITED**  
 Balance Sheet as at 31st March, 2021

(Amount in ₹)

| Particulars |   | Notes | As at<br>31st March, 2021 | As at<br>31st March, 2020 |
|-------------|---|-------|---------------------------|---------------------------|
| <b>I</b>    | <b>EQUITY AND LIABILITIES</b>   |       |                           |                           |
| 1.          | Shareholders' funds   |       |                           |                           |
| a)          | Share Capital   | 2.1   | 5,00,00,000               | 5,00,00,000               |
| b)          | Reserves and Surplus  | 2.2   | 6,15,97,258               | 8,53,87,915               |
|             |   |       | 11,15,97,258              | 13,53,87,915              |
| 2.          | Non-current liabilities   |       |                           |                           |
| a)          | Long-term Borrowings  | 2.3   | 25,64,81,711              | 23,45,74,958              |
| b)          | Other Long term liabilities   | 2.4   | 1,39,04,380               | 1,23,59,399               |
| c)          | Long-term Provisions  | 2.5   | 59,23,496                 | 72,63,904                 |
|             |   |       | 27,63,09,587              | 25,41,98,261              |
| 3.          | Current Liabilities   |       |                           |                           |
| a)          | Short-term borrowings   | 2.6   | 1,34,15,40,807            | 1,21,35,90,842            |
| b)          | Trade Payables  | 2.7   | 38,114                    | 2,478                     |
|             | (i) Total Outstanding dues of micro enterprises and small enterprises                       |       |                           |                           |
|             | (ii) Total Outstanding dues of creditors other than micro enterprises and small enterprises |       | 2,91,51,329               | 4,13,90,634               |
| c)          | Other Current Liabilities   | 2.8   | 22,82,00,676              | 8,78,67,745               |
| d)          | Short-term Provisions   | 2.9   | 45,779                    | 40,022                    |
|             |   |       | 1,59,89,76,705            | 1,34,28,91,721            |
|             | <b>TOTAL</b>  |       | <b>1,98,68,83,550</b>     | <b>1,73,24,77,897</b>     |
| <b>II</b>   | <b>ASSETS</b>   |       |                           |                           |
| 1.          | Non-current assets  |       |                           |                           |
| a)          | Property, Plant and Equipment   |       |                           |                           |
|             | i) Tangible Assets  | 2.10  | 2,10,62,124               | 2,56,06,070               |
|             | ii) Intangible Assets   |       | 12,28,063                 | 18,42,094                 |
| b)          | Deferred Tax Assets (Net)   | 2.11  | 4,40,35,748               | 3,57,59,435               |
| c)          | Long term Loans and Advances  | 2.12  | 2,04,51,930               | 2,02,97,614               |
| d)          | Other non-current assets  | 2.13  | 62,416                    | 58,918                    |
|             |   |       | 8,68,40,281               | 8,35,64,131               |
| 2.          | Current assets  |       |                           |                           |
| a)          | Inventories   | 2.14  | 1,58,93,67,680            | 1,55,39,48,816            |
| b)          | Trade Receivables   | 2.15  | 5,06,20,657               | 5,32,01,058               |
| c)          | Cash and Cash Equivalents   | 2.16  | 2,17,13,150               | 1,44,89,523               |
| d)          | Short term Loans and Advances   | 2.17  | 3,07,49,316               | 2,23,31,351               |
| e)          | Other Current Assets  | 2.18  | 20,75,92,466              | 49,43,018                 |
|             | <b>TOTAL</b>  |       | <b>1,90,00,43,269</b>     | <b>1,64,89,13,766</b>     |
|             |   |       | <b>1,98,68,83,550</b>     | <b>1,73,24,77,897</b>     |

Significant Accounting Policies and Notes to the Financial  
Statements

The accompanying notes form an integral part of the Financial Statements

For and on behalf of the Board of Directors

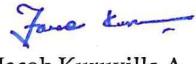
As per our separate report of even date attached

  
 Kochouseph Chittillappilly  
 Managing Director  
 DIN:00020512

  
 B. Jayaraj  
 Director  
 DIN: 00027479

For VARMA & VARMA  
 (FRN:004532S)

  
 Radhesh L. Bhat  
 (RADHESH. L. BHAT)  
 Partner  
 CHARTERED ACCOUNTANTS  
 Membership No. 214229

  
 Jacob Kuruvilla A  
 Chief Financial Officer

Place :Kochi  
 Date: 30.09.2021

Place: Kochi -19  
 Date:30.09.2021

**VEEGALAND DEVELOPERS PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2021**

*(Amount in ₹)*

| Particulars |  | Notes | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|-------------|--|-------|--|--|
| <b>I</b>    | <b>Revenue</b>   |       |  |  |
| a)          | Revenue from Operations  | 2.19  | 47,65,42,511                           | 21,84,00,490                           |
| b)          | Other income   | 2.20  | 4,71,444                               | 2,41,767                               |
|             | <b>Total Revenue</b>   |       | <b>47,70,13,955</b>                    | <b>21,86,42,257</b>                    |
| <b>II</b>   | <b>Expenses</b>  |       |  |  |
| a)          | Cost of Sales on projects  | 2.21  | 37,79,59,749                           | 16,94,15,900                           |
| b)          | Employee benefits expense  | 2.22  | 2,79,72,357                            | 3,11,28,609                            |
| c)          | Finance costs  | 2.23  | 5,73,87,399                            | 4,73,53,749                            |
| d)          | Depreciation and amortisation expense                            | 2.24  | 43,83,592                              | 28,48,147                              |
| e)          | Other Expenses   | 2.25  | 4,13,77,827                            | 4,54,28,527                            |
|             | <b>Total expenses</b>  |       | <b>50,90,80,924</b>                    | <b>29,61,74,932</b>                    |
| <b>III</b>  | <b>Profit/(Loss) before taxes</b>                                |       | <b>(3,20,66,969)</b>                   | <b>(7,75,32,675)</b>                   |
| <b>IV</b>   | <b>Tax expense</b>   |       |  |  |
| a)          | Current tax  |       | -                                      | -                                      |
| b)          | Deferred Tax   |       | (82,76,312)                            | (1,97,52,836)                          |
|             | <b>Profit/(Loss) for the year (III-IV)</b>                       |       | <b>(82,76,312)</b>                     | <b>(1,97,52,836)</b>                   |
| <b>VI</b>   | Earnings per equity share (equity share of par value Rs 10 each) | 2.26  | <b>(2,37,90,657)</b>                   | <b>(5,77,79,839)</b>                   |
| a)          | Basic and diluted  |       | (4.76)                                 | (11.56)                                |

Significant Accounting Policies and Notes to the  
 Financial Statements

1&2

The accompanying notes form an integral part of the Financial Statements

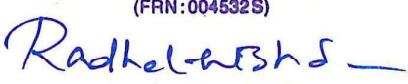
For and on behalf of the Board of Directors

As per our separate report of even date attached

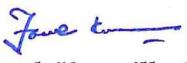
  
 Kochouseph Chittillappilly  
 Managing Director  
 DIN:00020512

  
 B. Jayaraj  
 Director  
 DIN: 00027479

For VARMA & VARMA  
 (FRN:004532S)

  
 (RADHESH. L. BHAT)  
 Partner

CHARTERED ACCOUNTANTS  
 Membership No.214229

  
 Jacob Kuruvilla A  
 Chief Financial Officer

Place :Kochi  
 Date: 30.09.2021

Place:Kochi -19  
 Date:30.09.2021

**VEEGALAND DEVELOPERS PRIVATE LIMITED**  
**Cash flow statement for the year ended 31st March 2021**

*(Amount in ₹)*

| Particulars  | For the Year ended<br>31st March, 2021 | For the Year ended<br>31st March, 2020 |
|--|--|--|
| <b>Cash flows from operating activities</b>                |  |  |
| Profit before taxes  | (3,20,66,969)                          | (7,75,32,675)                          |
| Adjustments for :  |  |  |
| Depreciation and amortisation                              | 43,83,592                              | 28,48,147                              |
| Loss on Asset Sale   | 1,19,851                               | -                                      |
| Finance Cost   | 5,73,87,399                            | 4,73,53,749                            |
| Provision for gratuity                                     | 7,95,455                               | 11,57,650                              |
| Provision for leave encashment                             | 3,82,451                               | 11,48,845                              |
| Interest income  | (1,67,448)                             | (14,608)                               |
| <b>Operating cash flows before working capital changes</b> | <b>3,08,34,331</b>                     | <b>(2,50,38,892)</b>                   |
| (Increase)/ decrease in trade receivables                  | 25,80,401                              | (2,02,28,400)                          |
| (Increase)/ decrease in inventories                        | (3,54,18,864)                          | (24,41,12,659)                         |
| (Increase)/ decrease in loans and advances                 | (91,53,554)                            | 3,19,85,778                            |
| (Increase)/ decrease in current assets                     | (20,26,49,448)                         | (27,90,726)                            |
| Increase/(decrease) in provision                           | (25,12,557)                            | (10,00,881)                            |
| Increase/(decrease) in liabilities                         | 12,62,47,949                           | 6,98,18,112                            |
| Cash generated from operating activities before taxes      | (9,00,71,742)                          | (19,13,67,668)                         |
| Direct tax (net)   | 6,52,602                               | 9,82,296                               |
| <b>Net cash provided by Operating Activities (A)</b>       | <b>(8,94,19,140)</b>                   | <b>(19,03,85,372)</b>                  |
| <b>Cash flows from investing activities</b>                |  |  |
| Purchase of Property, Plant and Equipment, including CWIP  | (3,57,391)                             | (1,69,93,625)                          |
| Proceeds from sale of Property, Plant and Equipment        | 9,40,594                               | -                                      |
| Interest received  | 1,63,950                               | 11,224                                 |
| <b>Net cash used in Investing Activities (B)</b>           | <b>7,47,153</b>                        | <b>(1,69,82,401)</b>                   |
| <b>Cash flows from financing activities</b>                |  |  |
| Increase/(Decrease) in borrowings                          | 15,31,97,041                           | 23,78,00,102                           |
| Finance Cost   | (5,73,01,427)                          | (4,73,18,049)                          |
| <b>Net cash used in Financing Activities (C)</b>           | <b>9,58,95,614</b>                     | <b>19,04,82,053</b>                    |
| <b>Net increase in cash and cash equivalents (A+B+C)</b>   | <b>72,23,627</b>                       | <b>(1,68,85,720)</b>                   |
| Cash and cash equivalents at the beginning of the year     | 1,44,89,523                            | 3,13,75,243                            |
| Cash and cash equivalents at end of the year               | 2,17,13,150                            | 1,44,89,523                            |

For and on behalf of the Board of Directors



Kochouseph Chittillappilly  
 Managing Director  
 DIN:00020512



B. Jayaraj  
 Director  
 DIN: 00027479

As per our separate report of even date attached

**For VARMA & VARMA**  
 (FRN:004532S)

*Radhe (radb)*  
 (RADHESH. L. BHAT)  
 Partner  
 CHARTERED ACCOUNTANTS  
 Membership No. 214220



Jacob Kuruvilla A  
 Chief Financial Officer

Place: Kochi  
 Date: 30.09.2021

Place:Kochi *— 19*  
 Date: 30.09.2021

## VEEGALAND DEVELOPERS PRIVATE LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021.

#### Corporate Information

Veegaland Developers Private Limited is a private company incorporated and domiciled in India with its registered office at XIII/300, E-26, 4<sup>th</sup> floor, K Chittilappilly Tower, Bharat Matha College Road, Kakkanad, Kochi, Kerala. The Company is a real estate developer engaged in the field of construction, development, sales, management and operation of housing projects.

#### 1. Significant Accounting Policies

##### A. Basis of Accounting

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles ('GAAP') under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use. The accounting policies adopted in the preparation of financial statements are consistent with those of previous years.

##### B. Use of Estimates

The preparation of the financial statements in conformity with the GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Significant estimates used by the management in the preparation of these financial statements include percentage of completion for projects in progress, project revenue and saleable area estimates, classification of assets and liabilities into current and non-current, net realizable value of inventory (including land advance/ refundable deposits). Actual results could differ from those estimates. Any revision in accounting estimates are recognized in the period in which the results are known/ materialized.

##### C. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction, less accumulated depreciation charged. Cost includes all direct expenses incurred to bring the asset to working condition for its intended use.



#### **D. Depreciation and Amortization**

##### **(i) Tangible Assets**

Depreciation on Property, Plant and Equipment is provided on Straight Line basis using the estimated lives specified in Part C, Schedule II of the Companies Act, 2013. The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed by the management at financial year end. Depreciation in respect of addition to Property, Plant and Equipment is provided on pro rata basis from the date of acquisition/ installation / started commercial production.

##### **(ii) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight-line basis over a period of 4 years, which is estimated to be the useful life of the asset. The residual values, useful lives and methods of amortization of intangible assets are reviewed at financial year end.

#### **E. Inventories**

Direct expenditure relating to construction activity is included in cost of inventory. Other expenditure (including borrowing costs) during construction period is included in cost of inventory to the extent the expenditure is directly attributable to cost of bringing the assets to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the construction and real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

Inventories are valued as under:

- (i) Land held as Inventory-Land and plots other than area transferred to construction work in progress at the commencement of construction are valued at lower of cost or net realizable value. Cost includes land acquisition cost, development charges and apportioned borrowing cost. Land inventory which is under development or held for development/ sale in near future is classified as current assets. Land which is held for undetermined use or for future development is classified as non-current asset.
- (ii) Project Work in Progress - Construction work in progress represents cost incurred in respect of the real estate development projects which includes cost of land, construction cost, allocated interest and allocated expenses or cost incurred on projects after the revenue is recognized. Real estate work-in-progress is valued at lower of cost and net realizable value.
- (iii) Finished Apartments- Valued at lower of Cost or Net realizable value



## F. Revenue Recognition

(I) Revenue from real estate projects under development is recognized based on 'Percentage of Completion Method'. The Percentage Completion Method is applied when the stage of completion of the project reaches a reasonable level of development. The threshold for 'reasonable level of development' is considered to have been met when the criteria specified in the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India are satisfied, i.e., when:

- all critical approvals necessary for the commencement of the project have been obtained;
- the expenditure incurred on construction and development costs (excluding land cost) is not less than 25% of the total estimated construction and development costs;
- at least 25% of the saleable project area is secured by contracts/ agreements with buyers; and
- at least 10% of the contracts/ agreements value are realized at the reporting date in respect of such contracts/ agreements.

When the outcome of a real estate project can be estimated reliably and the conditions above are satisfied, the project revenue (as per the terms of sale agreement with buyer) and project cost incurred shall be recognized as revenue and expense by reference to the stage of completion of the project activity as at the reporting date. The stage of completion is arrived at with reference to the entire project costs incurred including land costs, borrowing costs and construction and development costs as compared to the estimated total costs of the project. The percentage completion method is applied on a cumulative basis in each reporting period and the estimates of saleable area and costs are periodically reviewed by the management.

Determination of revenue under the percentage of completion method necessarily involves making estimates by the Company, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from project and the foreseeable losses to completion. The effect of such changes to estimates is recognized in the period such changes are determined. Any expected loss on a project is recognized in the year in which costs incurred together with the balance costs to completion are likely to be in excess of the estimated revenues from project.

Rental income is accounted for on accrual basis except in cases where ultimate collection is considered doubtful.

Interest income is accounted on an accrual basis



#### **G. Borrowing Costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs not eligible for being included in cost of inventory/ capitalisation are charged to Statement of Profit and Loss.

#### **H. Foreign Currency Translation**

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction. Monetary assets and liabilities, outstanding at the Balance Sheet date are translated at the applicable exchange rates prevailing at the said date. The exchange gain or loss arising during the year are adjusted to the Statement of Profit and Loss.

#### **I. Taxes on income**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act. Deferred Tax assets/ liabilities representing timing differences between taxable income and accounting income are accounted for to the extent considered capable of being reversed in subsequent years, using the tax rates and tax laws enacted or substantially enacted as on the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets arising due to unabsorbed depreciation and losses are recognized if there is virtual certainty that sufficient future taxable income will be available to realise the same. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India MAT Credit Entitlement is accounted in the year in which the MAT credit become eligible to be recognized as an asset by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal income tax during the specified period.



**J. Employee Benefits**

**Short Term Employee Benefits:**

All employee benefits due wholly within twelve months of rendering the service are classified as short-term employee benefits and recognized in the period in which the employee renders the related service.

**Defined Contribution Plans:**

The company has defined contribution plan for employees comprising of Provident Fund and Employees State Insurance. The contributions paid/payable to this plan during the year are charged to the Statement of Profit and Loss for the year.

**Defined Benefit Plans:**

**Gratuity**

The Company's Gratuity Scheme is administered through the Employee Group Gratuity - cum- Life Assurance Scheme of the Life Insurance Corporation of India. The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected Unit Credit Method as adjusted for unrecognized past service cost if any and as reduced by the fair value of plan assets, is recognized in the accounts. Actuarial gains/ losses are recognized in the Statement of Profit and Loss for the period in which they occur.

**Compensated Absences**

The Company has a scheme of compensated absences for employees, the liability other than for short term compensated absences is determined on the basis of an independent actuarial valuation carried out at the end of the year, using projected Unit Credit Method. Actuarial gains/ losses are recognized in full in the profit and loss account for the period in which they occur.

**K. Earnings Per Share**

Basic Earning per share is calculated by dividing the profits for the year attributable to equity shareholders of the company by weighted average number of equity shares as at the end of the year.

**L. Segment Reporting**

The company is dealing in only one segment viz. Real Estate Development. Hence it is considered that separate reporting under Segment Reporting is not required.



**M. Investments**

Short term investments are carried at cost or market value whichever is less. The aggregate amount of each mutual fund is quoted separately.

**N. Leases**

**Operating Leases:** Payments made under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

**O. Impairment of Assets**

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment, impairment loss if any is recognized in the Statement of Profit and Loss of the period in which the asset is identified as impaired. The impairment loss recognised in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**P. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates.

Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

Contingent assets are neither recognized nor disclosed in the accounts.



2. Notes to the financial statements

(Amount in ₹)

2.1 Share capital

| Particulars                                | As at 31st March, 2021 |             | As at 31st March, 2020 |             |
|--|------------------------|-------------|------------------------|-------------|
|  | Number of shares       | Amount      | Number of shares       | Amount      |
| a) Share capital                           |                        |             |                        |             |
| Authorised                                 |                        |             |                        |             |
| Equity shares of Rs. 10 each               | 50,00,000              | 5,00,00,000 | 50,00,000              | 5,00,00,000 |
| Issued, subscribed and paid-up             | 50,00,000              | 5,00,00,000 | 50,00,000              | 5,00,00,000 |
| Equity shares of Rs. 10 each fully paid-up | 50,00,000              | 5,00,00,000 | 50,00,000              | 5,00,00,000 |
| Total                                      | 50,00,000              | 5,00,00,000 | 50,00,000              | 5,00,00,000 |

2.1.1 Reconciliation of shares at the beginning and at the end of the financial year

| Particulars                               | As at 31st March, 2021 |             | As at 31st March, 2020 |             |
|---|------------------------|-------------|------------------------|-------------|
|   | Number of shares       | Amount      | Number of shares       | Amount      |
| As at the beginning of the financial year | 50,00,000              | 5,00,00,000 | 50,00,000              | 5,00,00,000 |
| Add: Issue of shares during the year      | -                      | -           | -                      | -           |
| As at the end of the financial year       | 50,00,000              | 5,00,00,000 | 50,00,000              | 5,00,00,000 |

2.1.2 Terms/rights attached to Equity Shares

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

2.1.3 Details of shareholders holding more than 5% shares of the Company

| Particulars   | As at 31st March, 2021 |                        | As at 31st March, 2020 |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | Number of shares       | % holding in the class | Number of shares       | % holding in the class |
| Equity shares of Rs. 10 each fully paid up held by:                 |                        |                        |                        |                        |
| Arun.K.Chittilappilly   | 5,00,000               | 10%                    | 5,00,000               | 10%                    |
| Mithun.K.Chittilappilly   | 5,00,000               | 10%                    | 5,00,000               | 10%                    |
| Kochouseph Chittilappilly   | 18,50,000              | 37%                    | 18,50,000              | 37%                    |
| Kochouseph Chittilappilly, Managing Trustee -K Chittilappilly Trust | 16,50,000              | 33%                    | 16,50,000              | 33%                    |
| Sheela Kochouseph   | 5,00,000               | 10%                    | 5,00,000               | 10%                    |



## 2.2 Reserves and surplus

| Particulars                                    | As at 31st March, 2021       | As at 31st March, 2020        |
|--|------------------------------|-------------------------------|
| <b>Surplus in Statement of Profit and Loss</b> |                              |                               |
| Balance at the beginning of the year           |                              |                               |
| Profit/(Loss) for the year                     | 8,53,87,915<br>(2,37,90,657) | 14,31,67,754<br>(5,77,79,839) |
| Balance at the end of the year                 | 6,15,97,258                  | 8,53,87,915                   |
|  |                              |                               |

## 2.3 Long-term borrowings

| Particulars                                     | Non-current portion    |                        | Current maturities     |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | As at 31st March, 2021 | As at 31st March, 2020 | As at 31st March, 2021 | As at 31st March, 2020 |
| <b>SECURED</b>                                  |                        |                        |                        |                        |
| <b>Term Loan from Banks</b>                     |                        |                        |                        |                        |
| A) Term Loan<br>(Refer Note 2.3.1)              | 1,04,26,000            | -                      | 34,74,000              | -                      |
| B) Term Loan-Vehicles<br>(Refer Note 2.3.2)     | 1,87,788               | 20,21,742              | 12,29,202              | 15,27,708              |
| <b>Term Loan from Financial Institution</b>     |                        |                        |                        |                        |
| A) Term Loan-Vehicles<br>(Refer Note 2.3.2)     | 97,05,336              | 1,17,11,521            | 20,06,185              | 18,41,357              |
| <b>UNSECURED</b>                                |                        |                        |                        |                        |
| <b>Term loans from Directors</b>                |                        |                        |                        |                        |
| Kochouseph Chittilappilly                       | 13,35,41,785           | 12,48,78,350           | -                      | -                      |
| Sheela Kochouseph<br>(Refer Note 2.3.3 & 2.3.4) | 10,26,20,802           | 9,59,63,345            | -                      | -                      |
|   | 23,61,62,587           | 22,08,41,695           | -                      | -                      |
| <b>Total</b>                                    | <b>25,64,81,711</b>    | <b>23,45,74,958</b>    | <b>67,09,387</b>       | <b>33,69,065</b>       |
|   |                        |                        |                        |                        |

2.3.1 The Term loan from bank is secured by extension of charges on 68.52 cents of commercial land owned by the company in Sy No. 327/11 in Block No. 8, Vazhakkala Village on a second ranking basis and personal guarantee of Mr.Kochouseph Chittilappilly (Director) and Mrs.Sheela Kochouseph (Director).  
Repayment Terms :  
 Principal is repayable in 36 monthly instalments post moratorium period of 12 months (July 2020 to June 2021) from the date of first disbursement. Term loan carries interest rate at repo rate +3.80% p.a

2.3.2 Terms of Repayment of Vehicle loans are as per the schedule of loan on an equated monthly installment at the agreed date.

2.3.3 The above unsecured loans along with interest compounded annually is repayable subsequent to closure of credit facilities from Axis Bank Ltd and HDFC Bank Ltd and is expected to be repayable only after 12 months from balance sheet date, as mutually agreed. Interest is compounded at 7.5% p.a. on monthly outstanding balance of principal.

2.3.4 Unsecured loans accepted from directors represents amounts brought in from their own sources, as per declarations received from them and hence are not deposits within the meaning of Section 73 to 76 of Companies Act, 2013.

2.3.5 Current maturities of above term loan is shown under Note 2.8, under the head Other Current Liabilities.



#### 2.4 Other Long term liabilities

| Particulars             | As at 31st March, 2021 | As at 31st March, 2020 |
|-------------------------|------------------------|------------------------|
| Retention Money Payable | 1,39,04,380            | 1,23,59,399            |
|                         | 1,39,04,380            | 1,23,59,399            |

#### 2.5 Long-term Provisions

| Particulars                     | As at 31st March, 2021 | As at 31st March, 2020 |
|---------------------------------|------------------------|------------------------|
| Provision for Employee Benefits |                        |                        |
| Gratuity                        | 16,88,330              | 28,97,866              |
| Leave encashment                | 42,35,166              | 43,66,038              |
|                                 | 59,23,496              | 72,63,904              |

#### 2.6 Short term Borrowings

| Particulars   | As at 31st March, 2021 | As at 31st March, 2020 |
|---|------------------------|------------------------|
| <b>SECURED</b>  |                        |                        |
| <b>Short term loans from banks</b>  |                        |                        |
| Bank Overdraft<br>(Refer Note 2.6.1)  | 6,45,69,262            | 7,21,66,453            |
| <b>UNSECURED</b>  |                        |                        |
| <b>Short term loans from banks</b>  |                        |                        |
| Cash Credit<br>(Secured by Mutual Fund Debt Instruments owned<br>by Director Mr. Kochouseph Chittilappilly) | 7,33,38,837            | 7,44,93,010            |
| <b>Short Term loans from Directors-Working Capital</b>  |                        |                        |
| Kochouseph Chittilappilly   | 44,82,96,003           | 36,05,96,645           |
| Sheela Kochouseph<br>(Refer Note 2.3.4)   | 2,14,89,089            | 2,00,94,999            |
| <b>Short Term loan from Directors -Projects</b>   |                        |                        |
| Kochouseph Chittilappilly   | 60,04,25,738           | 56,14,73,513           |
| Sheela Kochouseph<br>(Refer Note 2.3.4)   | 13,34,21,878           | 12,47,66,222           |
|   | 1,34,15,40,807         | 1,21,35,90,842         |

2.6.1 Secured by extension of charges on 68.52 cents of commercial land owned by the company in Sy No. 327/11 in Block No. 8, Vazhakkala Village on a second ranking basis and personal guarantee of Mr.Kochouseph Chittilappilly (Director) and Mrs.Sheela Kochouseph (Director).



## 2.7 Trade Payables

| Particulars   | As at 31st March, 2021 | As at 31st March, 2020 |
|---|------------------------|------------------------|
| (i) Total Outstanding dues of micro enterprises and small enterprises<br>(Refer Note 2.7.1) | 38,114                 | 2,478                  |
| (ii) Total Outstanding dues of creditors other than micro enterprises and small enterprises | 2,91,51,329            | 4,13,90,634            |
|   | <b>2,91,89,443</b>     | <b>4,13,93,112</b>     |

2.7.1 Dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, (MSMED), 2006 to the extent identified and information available with the Company. This has been relied upon by the auditors.

| Particulars  | As at 31st March, 2021 | As at 31st March, 2020 |
|--|------------------------|------------------------|
| (i) The principal amount remaining unpaid to any supplier as at the end of accounting year;  | 38,114                 | 2,478                  |
| (ii) Interest due thereon remaining unpaid   | -                      | -                      |
| (iii) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;  | -                      | -                      |
| (iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act ; | -                      | -                      |
| (v) The amount of interest accrued and remaining unpaid at the end of accounting year;   | -                      | -                      |

## 2.8 Other current liabilities

| Particulars  | As at 31st March, 2021 | As at 31st March, 2020 |
|--|------------------------|------------------------|
| Current maturities of long-term debt<br>(Refer Note 2.3.5)   | 67,09,387              | 33,69,065              |
| Interest accrued but not due on borrowings   | 1,50,812               | 64,840                 |
| Advance from customers for Land & Construction Cost (to the extent not recognised as revenue as per revenue recognition policy ) | 18,10,60,705           | 5,45,69,471            |
| Booking Advance Received From Customers  | 2,11,39,237            | 1,58,83,704            |
| Statutory dues payable   | 1,27,05,230            | 1,33,28,431            |
| Retention Money Payable  | 61,60,292              | 5,12,520               |
| Other payables   | 2,75,013               | 1,39,714               |
| <b>Total</b>   | <b>22,82,00,676</b>    | <b>8,78,67,745</b>     |

## 2.9 Short-term provisions

| Particulars                    | As at 31st March, 2021 | As at 31st March, 2020 |
|--------------------------------|------------------------|------------------------|
| Provision for Leave Encashment | 45,779                 | 40,022                 |
| <b>Total</b>                   | <b>45,779</b>          | <b>40,022</b>          |



2.10 Property, Plant and Equipment

a) Tangible assets

(Amount in ₹)

| Description            | Gross block                |                      |                            | Accumulated depreciation     |                          |                          | Net block       |                          |                              |
|------------------------|----------------------------|----------------------|----------------------------|------------------------------|--------------------------|--------------------------|-----------------|--------------------------|------------------------------|
|                        | As at 1st April 2020       | Additions            | Deletions                  | As at 31st March 2021        | 1st April 2020           | For the year             | Deletions       | As at 31st March 2021    | As at 31st March 2020        |
| Furniture and fixtures | 29,19,889<br>(29,19,889)   | -                    | -                          | 29,19,889<br>(29,19,889)     | 17,28,615<br>(14,69,992) | 2,57,233<br>(2,58,623)   | -               | 19,85,848<br>(17,28,615) | 9,34,041<br>(11,91,274)      |
| Vehicles               | 2,47,51,974<br>(81,40,525) | -                    | 14,73,945<br>(1,66,11,449) | 2,32,78,029<br>(2,47,51,974) | 33,92,373<br>(22,60,270) | 28,53,065<br>(11,32,103) | 4,13,500<br>-   | 58,31,938<br>(33,92,373) | 1,74,46,091<br>(2,13,59,601) |
| Electrical Fittings    | 1,81,515<br>(1,81,515)     | 2,850                | -                          | 1,84,365<br>(1,81,515)       | 88,806<br>(72,084)       | 16,951<br>(16,722)       | -               | 1,05,757<br>(88,806)     | 78,608<br>(52,709)           |
| Office equipments      | 5,33,531<br>(5,09,513)     | 91,296<br>(24,018)   | -                          | 6,24,827<br>(5,33,531)       | 2,81,389<br>(2,03,146)   | 87,560<br>(78,243)       | -               | 3,68,949<br>(2,81,389)   | 2,55,878<br>(2,52,142)       |
| Computers              | 43,23,611<br>(42,34,011)   | 1,22,331<br>(89,600) | -                          | 44,45,942<br>(43,23,611)     | 31,50,171<br>(25,27,683) | 4,19,313<br>(6,22,488)   | -               | 35,69,484<br>(31,50,171) | 8,76,458<br>(11,73,440)      |
| Plant & Machinery      | 23,22,821<br>(20,54,263)   | 69,583<br>(2,68,558) | -                          | 23,92,404<br>(23,22,821)     | 7,85,917<br>(6,59,980)   | 1,35,439<br>(1,25,937)   | -               | 9,21,356<br>(7,85,917)   | 14,71,048<br>(15,36,904)     |
| <b>Total</b>           | <b>3,50,33,341</b>         | <b>2,86,060</b>      | <b>14,73,945</b>           | <b>3,38,45,456</b>           | <b>94,27,271</b>         | <b>37,69,561</b>         | <b>4,13,500</b> | <b>1,27,83,332</b>       | <b>2,10,62,124</b>           |
| <i>Previous year</i>   | <i>(1,80,39,716)</i>       | <i>(1,69,93,625)</i> | <i>-</i>                   | <i>(3,50,33,341)</i>         | <i>(71,93,155)</i>       | <i>(22,34,116)</i>       | <i>-</i>        | <i>(94,27,271)</i>       | <i>(2,56,06,070)</i>         |
| <i>Total</i>           | <i>3,50,33,341</i>         | <i>2,86,060</i>      | <i>14,73,945</i>           | <i>3,38,45,456</i>           | <i>94,27,271</i>         | <i>37,69,561</i>         | <i>4,13,500</i> | <i>1,27,83,332</i>       | <i>2,10,62,124</i>           |
| <i>Previous year</i>   | <i>(1,80,39,716)</i>       | <i>(1,69,93,625)</i> | <i>-</i>                   | <i>(3,50,33,341)</i>         | <i>(71,93,155)</i>       | <i>(22,34,116)</i>       | <i>-</i>        | <i>(94,27,271)</i>       | <i>(2,56,06,070)</i>         |
| <i>Total</i>           | <i>3,50,33,341</i>         | <i>2,86,060</i>      | <i>14,73,945</i>           | <i>3,38,45,456</i>           | <i>94,27,271</i>         | <i>37,69,561</i>         | <i>4,13,500</i> | <i>1,27,83,332</i>       | <i>2,10,62,124</i>           |
| <i>Previous year</i>   | <i>(1,80,39,716)</i>       | <i>(1,69,93,625)</i> | <i>-</i>                   | <i>(3,50,33,341)</i>         | <i>(71,93,155)</i>       | <i>(22,34,116)</i>       | <i>-</i>        | <i>(94,27,271)</i>       | <i>(2,56,06,070)</i>         |

b) Intangible assets

| Description          | Cost                     |                    |           | Amortisation             |                          |                        | Net block |                          |                          |
|----------------------|--------------------------|--------------------|-----------|--------------------------|--------------------------|------------------------|-----------|--------------------------|--------------------------|
|                      | As at 1st April 2020     | Additions          | Deletions | As at 31st March 2021    | 1st April 2020           | For the year           | Deletions | As at 31st March 2021    | As at 31st March 2020    |
| Trade Mark           | 33,30,000<br>(33,30,000) | -                  | -         | 33,30,000<br>(33,30,000) | 33,30,000<br>(33,30,000) | -                      | -         | 33,30,000<br>(33,30,000) | -                        |
| ERP Software         | 24,56,125<br>(24,56,125) | -                  | -         | 24,56,125<br>(24,56,125) | 6,14,031<br>(6,14,031)   | 6,14,031<br>(6,14,031) | -         | 12,28,062<br>(6,14,031)  | 12,28,063<br>(18,42,094) |
| <b>Total</b>         | <b>57,86,125</b>         | <b>-</b>           | <b>-</b>  | <b>57,86,125</b>         | <b>39,44,031</b>         | <b>6,14,031</b>        | <b>-</b>  | <b>45,58,062</b>         | <b>12,28,063</b>         |
| <i>Previous year</i> | <i>(33,30,000)</i>       | <i>(24,56,125)</i> | <i>-</i>  | <i>(57,86,125)</i>       | <i>(33,30,000)</i>       | <i>(6,14,031)</i>      | <i>-</i>  | <i>(39,44,031)</i>       | <i>(18,42,094)</i>       |



2.11 Deferred tax asset

| Particulars  | As at 31st March, 2021 | As at 31st March, 2020 |
|--|------------------------|------------------------|
| <b>A. Deferred Tax Asset</b>   |                        |                        |
| Expenditure Debited to Statement of Profit & Loss allowable on payment basis             | 15,52,012              | 18,99,021              |
| Unabsorbed Business Loss   | 4,01,60,723            | 3,39,78,469            |
| Unabsorbed Depreciation  | 33,74,415              | 5,36,554               |
|  | <b>4,50,87,150</b>     | <b>3,64,14,044</b>     |
| <b>B. Deferred Tax Liability</b>   |                        |                        |
| On excess of net book value over written down value of fixed asset as per Income tax Act | 10,51,402              | 6,54,609               |
| <b>Total (A-B)</b>   | <b>4,40,35,748</b>     | <b>3,57,59,435</b>     |

2.12 Long-term loans and advances

| Particulars  | As at 31st March, 2021 | As at 31st March, 2020 |
|--|------------------------|------------------------|
| <b>Unsecured, considered good</b>                  |                        |                        |
| Telephone Deposits                                 | 14,740                 | 14,740                 |
| Electricity Deposits                               | 10,000                 | 10,000                 |
| Rent Deposit                                       | 14,000                 | 14,000                 |
| Deposit with Landowners for Joint Venture Projects | 2,00,00,000            | 2,00,00,000            |
| Capital Advance                                    | 71,331                 | -                      |
| Other Deposit                                      | 3,41,859               | 2,58,874               |
| <b>Total</b>                                       | <b>2,04,51,930</b>     | <b>2,02,97,614</b>     |

2.13 Other non-current assets

| Particulars   | As at 31st March, 2021 | As at 31st March, 2020 |
|---|------------------------|------------------------|
| Interest accrued on deposits                                | 12,416                 | 8,918                  |
| Balance with bank in Deposit Account<br>(Refer Note 2.13.1) | 50,000                 | 50,000                 |
| <b>Total</b>  | <b>62,416</b>          | <b>58,918</b>          |

2.13.1 Fixed Deposit with HDFC Bank Ltd with maturity period more than twelve months has been pledged with Commercial Tax Office as Security Deposit for KVAT registration



2.14 Inventories

| Particulars                     | As at 31st March, 2021 | As at 31st March, 2020 |
|---------------------------------|------------------------|------------------------|
| Land (for project construction) | 31,91,59,926           | 29,94,60,175           |
| Finished Apartments             | 14,15,27,825           | 16,98,33,390           |
| Project Work in Progress        | 1,12,86,79,929         | 1,08,46,55,251         |
| <b>Total</b>                    | <b>1,58,93,67,680</b>  | <b>1,55,39,48,816</b>  |

2.15 Trade Receivables

| Particulars   | As at 31st March, 2021 | As at 31st March, 2020 |
|---|------------------------|------------------------|
| Unsecured considered good;  |                        |                        |
| a) Outstanding for a period exceeding six months from the date they are due for payment |                        |                        |
| Debts due by Directors  | -                      | 55,25,627              |
| Debts due from Others   | 46,27,523              | 83,10,142              |
| b) Other Trade Receivable   | 4,59,93,134            | 3,93,65,289            |
| <b>Total</b>  | <b>5,06,20,657</b>     | <b>5,32,01,058</b>     |

2.16 Cash and Cash Equivalents

| Particulars          | As at 31st March, 2021 | As at 31st March, 2020 |
|----------------------|------------------------|------------------------|
| Balances with banks: |                        |                        |
| In current accounts  | 2,16,90,443            | 1,43,46,024            |
| Cash in Hand         | 22,707                 | 1,43,499               |
| <b>Total</b>         | <b>2,17,13,150</b>     | <b>1,44,89,523</b>     |

2.17 Short-term loans and advances

| Particulars  | As at 31st March, 2021 | As at 31st March, 2020 |
|--|------------------------|------------------------|
| Unsecured, considered good                           |                        |                        |
| Advance for supply of goods or rendering of services | 73,24,604              | 13,96,846              |
| Balance with statutory/ government authorities       | -                      | 130                    |
| Prepaid expenses                                     | 17,43,799              | 23,30,989              |
| Others :   |                        |                        |
| Staff advances                                       | 1,01,180               | 1,16,910               |
| Income tax refund                                    | 40,68,329              | 47,20,931              |
| GST Input Tax Credit                                 | 1,75,11,404            | 1,37,65,545            |
| <b>Total</b>   | <b>3,07,49,316</b>     | <b>2,23,31,351</b>     |

2.18 Other current assets

| Particulars                         | As at 31st March, 2021 | As at 31st March, 2020 |
|-------------------------------------|------------------------|------------------------|
| Unbilled Revenue                    | 20,50,79,956           | -                      |
| Interest subvention not written off | 25,12,510              | 49,43,018              |
| <b>Total</b>                        | <b>20,75,92,466</b>    | <b>49,43,018</b>       |



## 2.19 Revenue from operations

| Particulars                                | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|--|--|--|
| Revenue Recognised from Completed Projects | 3,50,00,000                            | 6,08,50,000                            |
| Revenue Recognised from Ongoing Projects   | 44,15,42,511                           | 15,75,50,490                           |
| <b>Total</b>                               | <b>47,65,42,511</b>                    | <b>21,84,00,490</b>                    |

## 2.20 Other income

| Particulars                | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|----------------------------|--|--|
| Interest income            | 1,67,448                               | 14,608                                 |
| Other non-operating income | 3,03,996                               | 2,27,159                               |
| <b>Total</b>               | <b>4,71,444</b>                        | <b>2,41,767</b>                        |

## 2.21 Cost of sales on projects

| Particulars                            | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|--|--|--|
| Opening Stock :                        |  |  |
| a) Land(for project construction)      | 29,94,60,175                           | 45,78,12,539                           |
| b) Finished Apartments                 | 16,98,33,390                           | 18,90,96,213                           |
| c) Project Work-in-progress            | 1,08,46,55,251                         | 66,29,27,405                           |
|  | 1,55,39,48,816                         | 1,30,98,36,157                         |
| Add: Expenses incurred during the year |  |  |
| a) Purchase/Development of Land        | 60,485                                 | 13,19,328                              |
| b) Construction Material & Labour      | 33,55,48,789                           | 33,36,18,958                           |
| c) Employee Benefit expense allocated  | 1,93,89,122                            | 2,05,66,721                            |
| d) Finance Cost allocated              |  |  |
| - On projects                          | 3,81,30,269                            | 3,76,60,715                            |
| - On Land                              | 1,96,39,265                            | 1,95,41,557                            |
| e) Other expense allocated             | 6,10,682                               | 8,21,280                               |
|  | 41,33,78,612                           | 41,35,28,559                           |
| Less : Closing Stock                   |  |  |
| a) Land(for project construction)      | 31,91,59,925                           | 29,94,60,175                           |
| b) Finished Apartments                 | 14,15,27,825                           | 16,98,33,390                           |
| c) Project Work-in-progress            | 1,12,86,79,929                         | 1,08,46,55,251                         |
|  | 1,58,93,67,679                         | 1,55,39,48,816                         |
| <b>Total</b>                           | <b>37,79,59,749</b>                    | <b>16,94,15,900</b>                    |

## 2.22 Employee benefits expense

| Particulars                                      | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|--|--|--|
| Salaries, wages and bonus                        | 4,37,17,471                            | 4,78,62,624                            |
| Contribution to provident and other funds        | 11,62,945                              | 11,71,734                              |
| Staff welfare expenses                           | 16,85,608                              | 15,03,322                              |
| Gratuity   | 7,95,455                               | 11,57,650                              |
|  | 4,73,61,479                            | 5,16,95,330                            |
| Less: Allocated to projects<br>(Refer note 2.21) | (1,93,89,122)                          | (2,05,66,721)                          |
| <b>Total</b>                                     | <b>2,79,72,357</b>                     | <b>3,11,28,609</b>                     |



## 2.23 Finance costs

| Particulars   | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|---|--|--|
| Interest on Bank Overdraft                            | 1,29,04,999                            | 1,40,42,734                            |
| Interest on Unsecured Loans from Directors            | 10,00,51,731                           | 9,00,01,722                            |
| Interest on Vehicle Loan                              | 13,20,482                              | 5,11,565                               |
| Interest on Term Loan from Banks                      | 8,79,721                               | -                                      |
|   | 11,51,56,933                           | 10,45,56,021                           |
| Less: Allocated to projects/land<br>(Refer Note 2.21) | (5,77,69,534)                          | (5,72,02,272)                          |
| <b>Total</b>  | <b>5,73,87,399</b>                     | <b>4,73,53,749</b>                     |

## 2.24 Depreciation and amortisation expense

| Particulars                       | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|-----------------------------------|--|--|
| Depreciation on tangible assets   | 37,69,561                              | 22,34,116                              |
| Amortisation on intangible assets | 6,14,031                               | 6,14,031                               |
| <b>Total</b>                      | <b>43,83,592</b>                       | <b>28,48,147</b>                       |

## 2.25 Other Expenses

| Particulars   | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|---|--|--|
| Discount Allowed  | 33,52,642                              | 36,26,320                              |
| Project Maintenance Expenses  | 32,54,727                              | 47,19,116                              |
| Rent  | 44,40,273                              | 56,39,016                              |
| Repairs Maintenance   | 11,29,573                              | 8,95,049                               |
| Insurance   | 2,09,329                               | 2,20,259                               |
| Rates and taxes   | 64,209                                 | 1,33,983                               |
| Travelling and conveyance expenses                                    | 14,91,952                              | 19,89,267                              |
| Advertisement Expenses  | 2,30,39,551                            | 1,93,93,530                            |
| Legal and professional fees   | 4,23,594                               | 3,87,714                               |
| Payment to auditors<br>(Refer Note 2.25.2)                            | 3,00,000                               | 3,00,000                               |
| Printing and stationery   | 1,51,163                               | 2,44,630                               |
| Consultancy Charges   | 98,000                                 | 35,000                                 |
| Office Expenses   | 33,66,791                              | 63,32,612                              |
| Bank Charges  | 1,51,953                               | 2,60,743                               |
| Expenditure on Corporate Social responsibility<br>(Refer Note 2.25.1) | -                                      | 13,60,230                              |
| Miscellaneous Expense   | 3,94,901                               | 7,12,338                               |
| Loss on Sale of Asset   | 1,19,851                               | -                                      |
|   | 4,19,88,509                            | 4,62,49,807                            |
| Less: Allocated to Projects<br>(Refer Note 2.21)                      | (6,10,682)                             | (8,21,280)                             |
| <b>Total</b>  | <b>4,13,77,827</b>                     | <b>4,54,28,527</b>                     |

## 2.25.1 Expenditure on Corporate Social Responsibility

| Particulars   | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|---|--|--|
| Gross amount required to be spent during the year (Including unspent of earlier year, if any) | -                                      | 13,52,533                              |
| Amount spent during the year:   | -                                      | 13,60,230                              |
| Amount unspent during the year  | -                                      | -                                      |



## 2.25.2 Payment to Auditors:

| Particulars                             | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|---|--|--|
| a. As auditor                           | 2,50,000                               | 3,00,000                               |
| b. Taxation Matter(including tax audit) | 50,000                                 | -                                      |
| <b>Total</b>                            | <b>3,00,000</b>                        | <b>3,00,000</b>                        |

## 2.26 Basic/Diluted Earnings Per Shares

| Particulars                                   | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|---|--|--|
| Profit/(Loss) for the year                    | (2,37,90,657)                          | (5,77,79,839)                          |
| Weighted Average Number of Equity Shares      | 50,00,000                              | 50,00,000                              |
| <b>Earnings Per Share (Basic and Diluted)</b> | <b>(4.76)</b>                          | <b>(11.56)</b>                         |

## 2.27 Leases

Operating Lease: Company as Lessee

The company has acquired assets under the operating lease agreements that are renewable on a periodic basis at the option of both the lessor and lessee. Rental expenses are the expenses under those leases and the amount debited to Statement of Profit and Loss was ₹ 44,40,273/- (Previous year ₹ 56,39,016/-)

The company has only entered into cancellable lease arrangements.

## 2.28 Contingent Liabilities and Commitments

## (i) Contingent liabilities

| Particulars  | As at 31st March, 2021 | As at 31st March 2020 |
|--|------------------------|-----------------------|
| Claims against the company not acknowledged as debt: |                        |                       |
| a) Provident Fund                                    | 26,09,098              | 26,09,098             |

## (ii) Commitments

Estimated amount of contract remaining to be executed on capital account and not provided for-NIL

## 2.29 Disclosures required under Accounting Standard 15 - "Employee Benefits"

## Defined Contribution Plan

During the year the following amounts have been recognized in the Statement of Profit and Loss on account of defined contribution plans :-

| Particulars   | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|---|--|--|
| Employers contribution to Provident Fund            | 11,33,270                              | 11,35,485                              |
| Employers contribution to Employees State Insurance | 17,335                                 | 24,189                                 |
| <b>Total</b>  | <b>11,50,605</b>                       | <b>11,59,674</b>                       |

## Defined Benefit Plan

## A) Gratuity Plan (Funded)

The gratuity plan of the company is a defined benefit scheme for its employees which is payable on exit of the employee after completion at least 5 years of service.

The gratuity liability is funded through Life insurance corporation of India.

The following tables summarise the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

## Net liability/(assets) recognised in the Balance Sheet

| Particulars                               | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Present value of funded obligations       | 73,51,168            | 67,01,996            |
| Fair value of plan assets                 | 56,62,838            | 38,04,130            |
| <b>Defined Benefit obligation/(asset)</b> | <b>16,88,330</b>     | <b>28,97,866</b>     |



**Net benefit expense recognised in Statement of Profit and Loss**

| Particulars                                  | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|--|--|--|
| Current service cost                         | 6,27,743                               | 6,23,362                               |
| Interest Cost                                | 5,26,190                               | 4,42,425                               |
| Expected return on plan asset                | (2,85,309)                             | (2,44,130)                             |
| Actuarial (gain)/loss recognized in the year | (73,169)                               | 3,35,993                               |
| <b>Net benefit expense</b>                   | <b>7,95,455</b>                        | <b>11,57,650</b>                       |

**Details of changes in present value of defined benefit obligations as follows:**

| Particulars   | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Present value of defined benefit obligation at the beginning of the year  | 67,01,996            | 55,87,323            |
| Current service cost  | 6,27,743             | 6,23,362             |
| Interest cost on benefit obligations                                      | 5,26,190             | 4,42,425             |
| Actuarial (gain)/loss recognized in the year                              | (47,824)             | 3,44,614             |
| Benefits paid   | (4,56,937)           | (2,95,728)           |
| <b>Present value of defined benefit obligation at the end of the year</b> | <b>73,51,168</b>     | <b>67,01,996</b>     |

**Details of changes in fair value of plan assets are as follows: -**

| Particulars  | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| Fair value of plan assets at the beginning of the year     | 38,04,130            | 32,55,076            |
| Expected return on plan assets                             | 2,85,309             | 2,44,130             |
| Employer contributions                                     | 20,04,991            | 5,92,031             |
| Benefits paid  | (4,56,937)           | (2,95,728)           |
| Actuarial gain/(loss) recognized in the year               | 25,345               | 8,621                |
| <b>Fair value of plan assets as at the end of the year</b> | <b>56,62,838</b>     | <b>38,04,130</b>     |

| Particulars                                   | As at March 31, 2021                                | As at March 31, 2020                                |
|---|---|---|
| <b>Actuarial Assumptions</b>                  |   |   |
| Discount Rate (p.a.)                          | 7.50%   | 7.50%   |
| Expected Rate of Return on Assets (p.a.)      | 7.50%   | 7.50%   |
| Rate of increase in compensation level (p.a.) | 7.00%   | 7.00%   |
| Mortality                                     | Indian Assured Lives Mortality[1994-96]<br>Ultimate | Indian Assured Lives Mortality[1994-96]<br>Ultimate |

The above disclosures are based on the information certified by the independent actuary and relied upon by the auditors

**B) Compensated Absences (Unfunded)**

The principal assumptions used in determining leave encashment obligations for the Company's plans are shown below:

Projected Unit Credit actuarial method was applied to assess the Plan Liabilities owing to all forms of admissible exit and accumulation of the benefits. The plan is defined benefit scheme and is operated in terms of the plan rules of the company. The plan is operated as a non -funded scheme by the Company and the liability is kept within the Company's accounts.

| Particulars                                   | As at March 31, 2021                                | As at March 31, 2020                                |
|---|---|---|
| <b>Actuarial Assumptions</b>                  |   |   |
| Discount Rate (p.a.)                          | 7.50%   | 7.50%   |
| Rate of increase in compensation level (p.a.) | 7.00%   | 7.00%   |
| Mortality                                     | Indian Assured Lives Mortality[1994-96]<br>Ultimate | Indian Assured Lives Mortality[1994-96]<br>Ultimate |

The above disclosures are based on the information certified by the independent actuary and relied upon by the auditors



2.30 Related Party Disclosure

2.30.1 Related parties and nature of relationship

a. Key Management Personnel (KMP)

|                           |  |
|---------------------------|--|
| Kochouseph Chittilappilly | Managing Director (with effect from 1st May 2020)          |
| K Vijayan                 | Joint Managing Director                                    |
| B Jayaraj                 | Whole Time Director  |
| Sheela Kochouseph         | Director   |
| Jacob Kuruvilla A         | Chief Financial Officer (with effect from 9th August 2019) |

b. Members with Substantial Interest

K Chittilappilly Trust

c. Relative of Key Management Personnel

Arun.K.Chittilappilly  
Mithun.K.Chittilappilly

d. Enterprise in which Key Management Personnel has significant influence

Wonderla Holidays Limited  
K Chittilappilly Foundation  
V - Star Creations Private Limited  
V - Guard Industries Limited  
Pearlspot Resort Limited  
K Chittilappilly Capital Private Limited  
Arav Chittilapilly Trust

2.30.2 Details of the transactions with above parties during the year

| Name of Related Party  | Nature of Transaction   | Transaction For the year ended 31.03.2021 (₹) | Transaction For the year ended 31.03.2020 (₹) |
|--|---|---|---|
| <b>a. Key Managerial Personnel</b>   |   |   |   |
| (i) Kochouseph Chittilappilly  | Loan Accepted<br>Loan Repaid<br>Remuneration<br>Interest Expense  | 6,50,00,000<br>-<br>38,50,000<br>8,19,89,888  | 14,05,00,000<br>-<br>-<br>7,08,32,600         |
| (ii) K Vijayan   | Remuneration  | 22,59,600                                     | 31,68,000                                     |
| (iii) Sheela Kochouseph  | Loan Accepted<br>Loan Repaid<br>Interest Expense  | -<br>-<br>1,80,61,843                         | 7,75,00,000<br>5,00,00,000<br>1,91,69,122     |
| (iv) B Jayaraj   | Remuneration  | 22,91,600                                     | 24,64,000                                     |
| (v) Jacob Kuruvilla A  | Remuneration<br>Sale of Apartment   | 19,03,500<br>-                                | 20,90,323<br>69,64,288                        |
| <b>b. Relative of Key Managerial Personnel</b>                                   |   |   |   |
| Arun K.Chittilappilly  | Remuneration  | -   | 15,00,000                                     |
| <b>c. Enterprise in which Key Management Personnel has significant influence</b> |   |   |   |
| (i) V - Star Creations Private Limited   | Sale of Vehicle (excluding taxes)   | 9,40,594                                      | -   |
| (ii) K Chittilappilly Foundation   | Rent (excluding taxes)<br>Reimbursement of Common Area Expenses (excluding taxes)<br>Expenditure on Corporate Social Responsibility | 38,04,500<br>8,95,489<br>-                    | 48,77,734<br>16,33,716<br>10,50,000           |



2.30.3 Outstanding balance carried in the Balance Sheet

| Name of Related Party     | Nature of Transaction         | Balance as at March 31,2021 | Balance as at March 31,2020 |
|---------------------------|-------------------------------|-----------------------------|-----------------------------|
| Kochouseph Chittilappilly | Loans and Interest payable    | 1,18,22,63,526              | 1,04,69,48,508              |
|                           | Trade Receivable              | -                           | 55,25,627                   |
| Sheela Kochouseph         | Loans and Interest payable    | 25,75,31,769                | 24,08,24,566                |
| B Jayaraj                 | Director remuneration Payable | 83,597                      | -                           |
| Jacob Kuruvilla           | Remuneration Payable          | 56,000                      | -                           |

2.31 The COVID - 19 pandemic, including the more recent 'second wave', has continued to affect the global and Indian economies and consequently, the operations of the company have also been impacted. However, the management expects the position to steadily improve in the future as steps continue to be taken at multiple levels to address the situation. The management has taken into account the possible effect of all known events arising from the pandemic at this stage in the preparation of the financial statements, including the impact on recoverability of assets, on revenue and expenses and other key aspects. Having regard to the assumptions and management estimates, no further adjustments are considered necessary in the accounts at this stage. Nevertheless, given the uncertainties associated with the pandemic, the company will continue to monitor all significant changes closely in the future as well.

2.32 Disclosure in respect of projects which is covered under the Revised Guidance Note issued by the Institute of Chartered Accountants of India on "Accounting for Real Estate Transactions (Revised 2012)"

| Particulars   | 2020-2021      | 2019-2020      |
|---|----------------|----------------|
| a) The amount of project revenue recognised as revenue in the reporting period  | 47,65,42,511   | 21,84,00,490   |
| b) The aggregate amount of costs incurred and profits recognised (less recognised losses) to date for projects in progress at the end of the reporting period | 1,72,33,28,114 | 1,23,77,60,925 |
| c) The amount of advances received for projects in progress at the end of the reporting period  | 2,11,39,237    | 1,58,83,704    |
| d) Excess of revenue recognised over actual bills raised (unbilled revenue) for projects in progress at the end of the reporting period                       | 20,50,79,956   | -              |



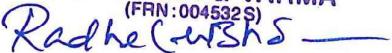
2.33 Figures have been rounded off to the nearest rupee. Previous year figures unless otherwise stated are given within brackets and have been regrouped and recast wherever necessary. The accounts for the previous financial year ended 31st March 2020 were audited by another firm of auditors and the management has made certain regroupings in those figures to conform to current years classification.

For and on behalf of the Board of Directors

As per our separate report of even date attached

  
Kochouseph Chittillappilly  
Managing Director  
DIN:00020512

  
B. Jayaraj  
Director  
DIN: 00027479

For VARMA & VARMA  
(FRN:004532S)  
  
(RADHESH. L. BHAT)  
Partner  
CHARTERED ACCOUNTANTS  
Membership No. 214229

Place :Kochi  
Date: 30.09.2021

  
Jacob Kuruvilla A  
Chief Financial Officer

Place :Kochi - 19  
Date: 30.09.2021